July 5, 1975, was heralded by a group of my constituents in the 33d District of California, the board of directors of the Whittier Area Chamber of Commerce, with a declaration of principle which I believe it appropriate to bring to the attention of my colleagues as we begin today a recess in anticipation of celebrating the 200th anniversary of our national Declaration of Independence. The text of the declaration of the Whittier Area Chamber is included at this point in the RECORD together with the list of those who signed it.

DECLARATION

On this 4th day of July in the year 1975, the beginning of the 200th year of the United States of America, the Whittier-Area Chamber of Commerce of Whittier, California, United States of America, does hereby make the following Declaration:

Whereas, it is almost universally acknowledged that inflation constitutes a continuing threat to the economic system designed by our forefathers, and

Whereas, it is widely accepted that the primary cause of inflation is the continual budget deficits of our federal government which are compounded by the growth and interest charges on those deficits, and

Whereas, borrowing by the federal government competes with the monetary needs of the private sector of our economy, causing money shortages and driving up interest rates; in fact, denying many the opportunity to borrow at acceptable rates, and

Whereas, the members of the Whittier-Area Chamber of Commerce are business people and consumers who understand our economic system, who recognize the necessity for fiscal responsibility and who realize that the unchecked cancerous growth of our federal deficits will result in the inevitable breakdown of our system at some presently undetermined but finite time, and

Whereas, the majority of our elected officials in both the Executive and Legislative branches of our federal government have paid lip service to fiscal responsibility, but in fact have failed in any positive way to provide controls to reverse the dangerous direction in which we are headed, and

Whereas, it becomes incumbent upon the business people of this great country to create an awareness of the need for statutory control over all branches of government at all levels, and to urge that these controls be made as an amendment to our great Constitution to further define the original intent of that magnificent document.

Now therefore, the Whittier-Area Chamber of Commerce, by order of its Board of Directors hereby declares its intent to work unceasingly to bring about the vitally needed controls peacefully and lawfully in all ways available to it within the limits of its resources, both financial and through the volunteer support of its members. This declaration to be presented to the President of the United States of America and to each of the legislators presently elected to the Senate and the House of Representatives of the United States, with the presentations to be made by the Honorable Del Clawson, Member of Congress, the 33rd District of the State of California.

And further, that the Chamber of Commerce of the United States and the California Chamber of Commerce be notified of this declaration.

And further, that by means of the news media and other practicable methods this declaration be broadcast across the land to gather support for the necessary action.

This declaration is made by action of the Board of Directors of the Whittier-Area Chamber of Commerce on this the 4th day of July, 1975, and is attested by their signatures affixed hereon.

K. E. Higbee, H. A. Beisswenger, Jack M. Loggins, Sherrill O. Neece, Howard J. Dauer, R. D. Misamore, Gerald J. Conlin, Don B. Vaupel, Melville C. Rich, Louise Martin, M. G. Garman, Gerald W. Hathaway, William B. Murray, Derk Van Oort, Donald G. Ehr, W. A. Ellis.

EX-IM DECISION COMMENDED

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 2, 1976

Mr. BONKER. Mr. Speaker, it is refreshing to note that the Export-Import Bank on June 17 decided against approving a $450 million guarantee of financing for a strategic coal gasification plant in South Africa. This follows its disapproval earlier in the year of an application for the same project in the way of $225 million in guarantee and $225 million in direct loan, as well as its change of heart in just the last month on a preliminary commitment for a $250 million guarantee of financing for two nuclear reactors and fuel contracted by the South African Electricity Supply Commission. The Washington Office on Africa estimates that, as of March 31, Ex-Im's exposure in South Africa, at $265 million, was already 12 times as great as the level of financing only 6 years ago. Yet this would have more than tripled by going ahead with financing of the reactors and the latest proposal for the coal gasification plant.

Now that Secretary Kissinger has at last turned some of his energies to negotiating the Rhodesian problem—and, at least as indicated at Lusaka, in general to putting American policy in Africa on a more positive footing—it would seem a bit defeating to plunge into such a greater quasi-official economic involvement in South Africa. It would also seem somewhat revolting after recent events in Soweto. The Export-Import Bank is to be commended for showing restraint, and many of my fellow Congressmen for encouraging it.

HOUSE OF REPRESENTATIVES—*Monday, July 19, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Behold, God is my salvation; I will trust and not be afraid; for the Lord God is my strength and my song.—Isaiah 12: 2.

Eternal God, our Father, who hast taught us that in returning and rest we shall be saved; in quietness and in confidence shall be our strength; by the might of Thy spirit lift us into Thy presence where we may be still and know that Thou art God.

Grant us Thy blessing as we mourn the passing of Lewis Deschler who served this House of Representatives with honor and distinction as Parliamentarian for 46 years. We thank Thee for him, for his devotion to this House, and for his loyalty to our country.

Comfort his family, we pray Thee, with Thy sustaining strength and give them faith and hope and love as they live through these days.

"He cannot be where God is not,
On any sea or shore;
What'er betides, Thy love abides,
Our God, forevermore."

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

The Clerk called the bill (H.R. 11149) to amend section 2 of the act entitled "An act to incorporate the National Society of the Daughters of the American Revolution."

There being no objection, the Clerk read the bill as follows:

H.R. 11149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to incorporate the National Society of the Daughters of the American Revolution" approved February 20, 1896, as amended, is amended to read as follows:

"SEC. 2. The society is authorized to acquire by purchase, gift, devise, or bequest and to hold, convey, or otherwise dispose of such property, real or personal, as may be convenient or necessary for its lawful purposes, and may adopt a constitution and make bylaws not inconsistent with law, and may adopt a seal. Said society shall have its headquarters or principal office at Washington, in the District of Columbia.".

SEC. 2. Add a new section to said Act to be numbered section 4 and to read as follows:

"SEC. 4. The society and its subordinate divisions shall have the sole and exclusive right to use the name 'National Society of the Daughters of the American Revolution'. The society shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as have heretofore been adopted or used by the National Society of the Daughters of the American Revolution.".

Mr. DANIELSON. Mr. Speaker, the bill amends the second section of the charter of the Daughters of the American Revolution to remove a $10,000,000 limit on real and personal property it owns.

The bill adds a new section 4 to its

charter granting it exclusive use of the name of the society and of its emblems.

The limit fixed in the charter in 1951 on the value of DAR property does not reflect current land values. The value of historical documents, artifacts, and other personal property has increased. The provisions in the bill provide for a practical solution to this situation. I would also note that the Congress made the same sort of amendment last year in the National Federation of Women's Clubs Charter.

Section 2 adds language found in a number of charters in title 36, United States Code, giving the organization the exclusive right to the use of its name and emblems. Previously, the DAR held a design patent on its emblems and the design patent had been periodically renewed by Congress. This was last done in 1960. In 1975 the Department of Commerce suggested in a report to the Committee on the Judiciary that the law be amended to provide for exclusive right to use the organization's emblems and is provided in this bill rather than by a legislative extension of the design patent.

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

CITY WITHHOLDING TAXES IN THE CASE OF CERTAIN FEDERAL EMPLOYEES

The Clerk called the bill (H.R. 13297) to amend title 5, United States Code, to provide for the application of city withholding taxes to Federal employees who are residents of such city.

Mr. SCHULZE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

The SPEAKER. This concludes the call of the eligible bills on the Consent Calendar.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
July 2, 1976.

Hon. CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on July 1, 1976, the Clerk has received this date the following messages from the Secretary of the Senate:

That the Senate passed the bill H.R. 10930, An Act to repeal section 610 of the Agricultural Act of 1970 pertaining to the use of Commodity Credit Corporation funds for research and promotion and to amend section 7(e) of the Cotton Research and Promotion Act to provide for an additional assessment and for reimbursement of certain expenses incurred by the Secretary of Agriculture;

That the Senate receded from its amendments to the bill H.R. 14484, An Act to make permanent the existing temporary authority for reimbursement of States for interim assistance payments under title XVI of the Social Security Act, and for other purposes;

That the Senate agreed to the Report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H.R. 14235, An Act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1977, and for other purposes.

With kind regards, I am,
Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, July 1, 1976, he did on Tuesday, July 6, 1976, sign the following enrolled bills:

H.R. 1404. An act to authorize the Secretary of the Interior to convey certain lands in Madera County, Calif., to Mrs. Lucille Jones, and for other purposes;

H.R. 4829. An act for the relief of Leah Maureen Anderson;

H.R. 5666. An act for the relief of Won, Hyo-Yun.

H.R. 10572. An act to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments.

H.R. 10930. An act to repeal section 610 of the Agricultural Act of 1970 pertaining to the use of Commodity Credit Corporation funds for research and promotion and to amend section 7(e) of the Cotton Research and Promotion Act to provide for an additional assessment and for reimbursement of certain expenses incurred by the Secretary of Agriculture.

H.R. 13069. An act to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands.

H.R. 13501. An act to extend or remove certain time limitations and make other administrative improvements in the medicare program under title XVIII of the Social Security Act.

H.R. 14235. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1977, and for other purposes.

H.R. 14484. An act to make permanent the existing temporary authority for reimbursement of States for interim assistance payments under title XVI of the Social Security Act, to extend for 1 year the eligibility of supplemental security income recipients for food stamps, and to extend for 1 year the period during which payments may be made to States for child support collection services under part D of title IV of such act; and

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to authorize appropriations, to require the establishment of a special motor vehicle diagnostic inspection demonstration project, to provide additional authority for enforcing prohibitions against motor vehicle odometer tampering, and for other purposes.

TRIBUTE TO THE LATE LEWIS DESCHLER, FORMER PARLIAMENTARIAN

(Mr. ALBERT asked and was given permission to address the House for 1 minute.)

Mr. ALBERT. Mr. Speaker, I am sure that all Members are grateful to our Chaplain for the kind words he said about our former and late Parliamentarian Lewis Deschler. I do not believe that anybody has worked closer with Lewis Deschler, since John McCormack retired, than I have.

I have worked closely with him ever since I became the Democratic whip of the House in 1955. Never in my lifetime have I ever known a man who had greater judgment. He knew his parliamentary law well. He knew his procedures. He knew this House; but above everything else, he had an instinct for how a legislative body should operate such as I believe nobody who has ever served in the House of Representatives has possessed.

He was a big man in every respect. He was a great man. He was a gentle, kind man, unassuming, always objecting to anyone saying anything complimentary about him. His modesty was merely one of the signs of his greatness.

He had just published a new book of Rules of Procedure which will probably be the greatest book in this field ever written. It will probably take the place of the long-used texts in this field in time, because it is a masterpiece. If some Members have not read it, I suggest they do so.

I counted Lew Deschler as friend. I have great affection and respect for our present Parliamentarian, but in my own mind, Lew Deschler is the greatest nonmember official that the House of Representatives has had in many, many decades, if not ever before.

Mr. Speaker, I yield to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I thank the distinguished Speaker and I join with him in expressing my sympathy to Mrs. Deschler and my sorrow at the passing of Lew Deschler.

Lew was a great friend. He was not only a skilled parliamentarian, but also he was a man who could be trusted and was trusted by both sides of the aisle. He understood the House of Representatives as well as any man could and he knew that this great body stayed together mainly because of mutual trust.

He also knew that, of course, the rules of the House were promulgated and existed so that the majority might finally exercise its will, but that the minority could also be heard. He dedicated his life to that proposition.

The advice he gave not only to the Speaker, but to the minority from time to time as to how we could best put forth whatever points we had to make were invaluable and were part of the reason that we not only trusted him, but had great respect and admiration for him.

The work which the Speaker has mentioned, I think, will undoubtedly become one of the masterpieces, one of the milestones of parliamentary procedure throughout the world. It is timely.

Mr. Speaker, it seems that maybe the Almighty was planning Lew's career, his life, if you will, so that He might have his services available wherever He wanted them in this great cosmos, but only after Lew had finished his work that he needed to have done on this Earth.

We will miss him. All of us will miss him; but I think that all of us, too, can be grateful for the opportunity we have

had to know him, because he was in every way a great and good man.

Mr. ALBERT. Mr. Speaker, I thank the distinguished minority leader.

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

Mr. ALBERT. I yield to the distinguished majority whip.

Mr. McFALL. Mr. Speaker, I join in expressing my profound sorrow at the passing of our friend, Lou Deschler. He was a great parliamentarian, but he was not only a great parliamentarian but a friend of all of us personally and a friend of the House of Representatives because he believed in the House, I suppose, more than any man I have ever met here.

He believed in the greatness of the House of Representatives. Every ruling, every action that he took in his many years in this House was toward that end, toward the development of the greatness of the House of Representatives to make it a more representative, a more functional, a fairer, a more honest forum for the development of the law of the United States.

With that in mind, his every action was to promote that purpose. I know that we will miss him, but he has left a legacy to all the parliamentarians that we have, to the laws that we have, to the books that we have, that will have a profound effect upon everything we do for many, many years to come.

Mr. Speaker, I express my sympathy to his family, and my sorrow and shock at our loss of his friendship and service in this last week when all of us were gone and were not here to express our sorrow.

Mr. ALBERT. I thank the gentleman.

Mr. Speaker, in closing may I say that I attended the memorial service for Lew last Friday afternoon. I met his son for the first time, but I have known Lew, his wife Virginia, his daughter Joan for about 25 years. We have visited one another in our homes. We were not only business and working associates; we were friends, and close friends.

I extend to his beloved wife, his wonderful children, and his two grandchildren—who are outstanding students—the deepest sympathy of myself and of my wife Mary.

Mr. NATCHER. Mr. Speaker, I was sorry to hear of the death of our friend, Lewis Deschler, who to me was the greatest parliamentarian in the world.

It has been my pleasure and honor to preside over the Committee of the Whole during general debate on a number of bills since I have been a Member of Congress. In a great many instances a number of these bills were quite controversial and I always felt much better during technical points of order and difficult rulings when my friend, Lew Deschler, was standing there just to my right ready to assist in every instance when called upon by the Chairman of the Committee of the Whole. As you know, Mr. Speaker, Lew Deschler was the confidant and adviser of nine Speakers of the House and at all times fairly and impartially carried out his duties as Parliamentarian. The record that he established as Parliamentarian of the House of Representatives was known throughout this country and abroad and it was generally conceded that he was the greatest Parliamentarian ever to serve in the House of Representatives.

I never presided over the Committee of the Whole when I did not have the full cooperation and assistance of the Parliamentarian. He was a dedicated man and he loved the House of Representatives. By virtue of my association with Lew Deschler, I learned how to preside over the House of Representatives and especially, Mr. Speaker, I learned the importance of knowing the rules of the House and a great many precedents which are used from time to time in presiding over the Committee of the Whole. Lew Deschler always stressed the importance of knowing the rules of the House and he believed in abiding by the procedures that had been established down through the years. "Deschler's Procedure," which as you know Mr. Speaker, is a summary of the modern precedents and practices of the U.S. House of Representatives beginning with the 86th Congress and extending through the 93d Congress. Public Law 510, 91st Congress, provided for a periodic preparation by the House Parliamentarian of condensed and simplified versions of House precedents and as our friend, Lew Deschler stated in the preface of "Deschler's Procedure" the theory that a government of laws is preferable to a government of men made it necessary that the House of Representatives recognize the importance of following its precedents.

Further, you will remember, Mr. Speaker, Mr. Deschler pointed out that as early as 1942 recognition was given in the House to the value of precedents by Chairman George W. Hopkins, of Virginia, in the course of a ruling made in the Committee of the Whole. Mr. Deschler pointed out that Mr. Hopkins had said that he felt constrained to follow precedents until they were reversed, especially when settled by a solemn decision of the House. Precedents, as pointed out by Lewis Deschler, might be viewed as the common law so to speak of the House with much the same force and binding effect. "Deschler's Procedure" is an excellent compilation of the procedures of the House and stands out as a distinct milestone in the career and life of Lewis Deschler.

Parliamentarians throughout this country and abroad recognize Lewis Deschler as one of the great parliamentarians of all time. I always found him to be instinctively warmhearted, generous, understanding, sympathetic, and considerate. He was well-fitted for the position that he held for many years and he had the moral and intellectual qualities necessary for such a position. At all times the new Members of the House upon advising with the Parliamentarian always found him to be understanding and helpful.

Lewis Deschler was endowed with an excellent mind, a sympathetic heart of rugged integrity, deep humility, and personal modesty. You did not know him very long until you learned that he possessed strength of character that marked him as an outstanding American and one who could become very impatient with pretense and sham. Mr. Speaker, he was a fine gentleman in every sense of the word and a man who had the respect of every Member of Congress along with all of the officials and employees of the House. Our country is stronger today because of his immense contributions and he will be missed not only by the members of his family, but by every Member of the House of Representatives who had the pleasure and honor of working with him and knowing him while he served as Parliamentarian of the greatest legislative body in the world.

Mr. Speaker, we will all miss him and we salute his memory. The United States will be forever blessed by his legacy. May he rest in peace and may the good Lord comfort his loved ones.

Mr. ZABLOCKI. Mr. Speaker, it was with deep sadness that I learned of the recent illness and death of Mr. Lewis Deschler, former Parliamentarian of the House of Representatives.

As Parliamentarian of the House for 46 years, Mr. Deschler's invaluable service has aided the legislative process in countless ways. A knowledge of parliamentary rules and a unique comprehension of traditions and precedents enabled Lewis Deschler to authoritatively rule on points of order and enhance the progress of legislatiton.

Lewis Deschler offered continuity to our system. As I am sure my colleagues will agree, without Lewis Deschler's parliamentary expertise, his familiarity with informational resources and his responsible disposition, the House of Representatives could not have funtioned as smoothly as it has over the last four decades.

Lewis Deschler was most certainly a self-made man. He began working as a timekeeper in the House in 1925. At the time of his retirement he was the country's leading expert in parliamentary procedure. Lewis Deschler was not satisfied with just doing a good job. He strove to do the best job possible, and in my opinion, he succeeded. His career stands as evidence of that fact.

Mr. Speaker, Lewis Deschler's accomplishments are well known: He expedited the inclusion of Hawaii and Alaska in the Union; he expedited FDR's "New Deal" legislation to the floor of the House; and he was involved in setting the date for the repeal of prohibition. There are countless other occasions when Lewis' talents and abilities were relied on to insure the orderly and efficient operation of the House of Representatives.

Lewis Deschler worked with and was respected not only by the nine Speakers of the House, but by the rank and file Members irregardless of political affiliation. His determinations were generally unanimously accepted.

Mr. Speaker, since I came to the House in 1949, Mr. Deschler gave me advice and counsel which has been invaluable over the years. We all look forward to the final version of his book which compiles the House precedents and will certainly be a living mememto to Mr. Lewis Deschler.

Mr. Speaker, Lewis Deschler was an

outstanding leader, an expert in his field and a great man. He will long be remembered.

My wife joins me in extending our deepest sympathies to Lewis' wife, Virginia, the children, and his many friends.

Mr. FORSYTHE. Mr. Speaker, on Monday, July 12, the House of Representatives lost a most respected servant, Mr. Lewis Deschler, the former House Parliamentarian.

For 46 years Mr. Deschler served competently and, most importantly, fairly as the House Parliamentarian. He gave advice freely and without prejudice to all who approached him, regardless of their party labels. I remember that as a freshman Member in the minority party here in the House of Representatives, Mr. Deschler was very helpful to me.

Mr. Deschler, in his 46 years as House Parliamentarian, came to symbolize the traditions and customs of the House of Representatives. His ability to master parliamentary procedures was an important part in maintaining the continuity and stability necessary in the House of Representatives.

His loss will be felt by all who knew him and worked with him in the House Chambers. I know that my colleagues will join with me in expressing our sympathies to the Deschler family.

Mr. RANGEL. Mr. Speaker, it was with heartfelt grief that I read last week of the passing away of a man who devoted his life to this Chamber, Mr. Lewis Deschler. Mr. Deschler served admirably in the post of House Parliamentarian for 46 years, maintaining a low profile while in fact assembling a degree of influence unprecedented in the history of this House. The man whom the famous Speaker, Mr. Rayburn called the greatest Parliamentarian the House ever had, is with us no longer; but the memory of him will live long in the minds of those who were privileged to know of his concern for this body and the grace and skill which he brought to his position. We will all miss him.

GENERAL LEAVE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Honorable Lew Deschler.

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

There was no objection.

SELECT COMMITTEE PROPOSED TO PROMOTE TRUE SPIRIT OF THE OLYMPIC GAMES

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

Mr. O'HARA. Mr. Speaker, the original concept of the Olympic games was that of athletes getting together and competing in a friendly manner to determine individual excellence in chosen fields of athletic endeavor. It has saddened me to see the way in which nationalistic feelings and national rivalries have interfered with that original concept of the Olympic games. I think it is urgently necessary to get the Olympics back to the original concept.

Mr. Speaker, I am today introducing a resolution calling for the creation of a select committee which will study and recommend ways in which the United States can promote a return to the true spirit of the Olympic games.

AMENDMENT TO THE ANTIHIJACKING ACT OF 1974

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

Mr. PEYSER. Mr. Speaker, this past week in California we had a new and terrible situation develop with the hijacking of a bus and the kidnaping of 26 children which, fortunately, ended with the children and the busdriver involved all being safely returned to their homes.

However, I think it could very well trigger a kind of response around this country from extremist groups who would look with approval on this kind of action. For that reason, I am offering an amendment to the Antihijacking Act of 1974 that would extend the same protection that we have offered to aircraft and passengers traveling on aircraft to use the authority of the U.S. Government in these situations in other words to cover common carriers, such as schoolbuses, camp buses and other buses of this nature.

I think that we must take this action to afford this protection to our young children and to let other people know that if they move in this way they will face the full strength and power of the U.S. Government.

MR. ED RAY COMMENDED FOR RARE ACT OF COURAGE AND RESOURCEFULNESS

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

Mr. KETCHUM. Mr. Speaker, I wish to take a few moments today to commend a rare act of courage and resourcefulness that may well have averted a tragic fate for 26 young Californians. I refer, of course, to Mr. Ed Ray, the busdriver from Chowchilla who engineered the escape of his young passengers from a makeshift tomb where they had been imprisoned by unknown kidnapers.

Mr. Ray certainly does not bill himself as a hero, but believes he simply did what he had to do. This modest claim does not do justice to his brave efforts. First, Mr. Ray managed to keep 26 children, ranging in age from 14 to 5, calm and orderly under circumstances which must have been terrifying to them. This alone is no small achievement. Then he kept his own head to devise an escape from a buried van, clawing his way to freedom with a broken piece of board, and bringing all the children out with him.

While we do not know what would have happened if Ed Ray had been less courageous, I think it safe to assume all 26 children would not be safe in their homes today. Mr. Ray exemplifies those traits of grace under pressure that ordinary Americans have shown so often in times of crisis. In his concern for others, in his clear thinking, he typifies the best of the American people. I know my colleagues join me in commending Ed Ray and in adding our thanks for a job superlatively done.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker, I would like to add my voice in commenting upon the courageous action of this good man from California. He has shown how citizens can respond in moments of great pressure, and we can all be very proud of him.

Mr. KETCHUM. Mr. Speaker, I thank the gentlewoman for her remarks.

PERMISSION FOR SUBCOMMITTEE ON WATER AND POWER RESOURCES OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT TODAY DURING GENERAL DEBATE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Subcommittee on Water and Power Resources of the Committee on Interior and Insular Affairs be permitted to sit during general debate this afternoon in order to conduct a hearing.

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

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
July 2, 1976.

Hon. CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 4:50 p.m. on Friday, July 2, 1976, and said to contain H.R. 12384, "An Act to authorize certain construction at military installations and for other purposes," and a veto message by the President thereon.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

MILITARY CONSTRUCTION AUTHORIZATION ACT, 1977—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-546)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 12384, a bill "To authorize

certain construction at military installations and for other purposes."

I regret that I must take this action because the bill is generally acceptable, providing a comprehensive construction program for fiscal year 1977 keyed to recognized military requirements. One provision, however, is highly objectionable, thus precluding my approval of the measure.

Section 612 of the bill would prohibit certain base closures or the reduction of civilian personnel at certain military installations unless the proposed action is reported to Congress and a period of nine months elapses during which time the military department concerned would be required to identify the full range of environmental impacts of the proposed action, as required by the National Environmental Policy Act (NEPA). Subsequently, the final decision to close or significantly reduce an installation covered under the bill would have to be reported to the Armed Services Committees of the Congress together with a detailed justification for such decision. No action could be taken to implement the decision until the expiration of at least ninety days following submission of the detailed justification to the appropriate committees. The bill provides a limited Presidential waiver of the requirements of section 612 for reasons of military emergency or national security.

This provision is also unacceptable from the standpoint of sound Government policy. It would substitute an arbitary time limit and set of requirements for the current procedures whereby base closures and reductions are effected, procedures which include compliance with NEPA and adequately take into account all other relevant considerations, and afford extensive opportunity for public and congressional involvement. By imposing unnecessary delays in base closures and reductions, the bill's requirements would generate a budgetary drain on the defense dollar which should be used to strengthen our military capabilities.

Moreover, section 612 raises serious questions by its attempt to limit my powers over military bases. The President must be able, if the need arises, to change or reduce the mission at any military installation if and when that becomes necessary.

The Department of Defense has undertaken over 2,700 actions to reduce, realign, and close military installations and activities since 1969. These actions have enabled us to sustain the combat capability of our armed forces while reducing annual Defense costs by more than $4 billion. For realignment proposals already announced for study, section 612 could increase fiscal year 1978 budgetary requirements for defense by $150 million and require retention, at least through fiscal year 1977, of approximately 11,300 military and civilian personnel positions not needed for essential base activities.

The nation's taxpayers rightly expect the most defense possible for their tax dollars. I am certain Congress does not intend unnecessary or arbitrary increases in the tax burden of the American people. Numerous congressional reports on national defense demonstrate the desire by the Congress to trim unnecessary defense spending and personnel. I cannot approve legislation that would result in waste and inefficiency at the expense of meeting our essential military requirements.

GERALD R. FORD.

THE WHITE HOUSE, *July 2, 1976.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. ICHORD. Mr. Speaker, in connection with the veto message on the military construction bill just read, I ask unanimous consent that further consideration of the veto message on the bill H.R. 12384 be postponed until Thursday, July 22, 1976.

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

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
July 7, 1976.

Hon. CARL ALBERT,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 4:00 p.m. on Wednesday, July 7, 1976, and said to contain H.R. 12567, "An Act to authorize appropriations for the Federal Fire Prevention and Control Act of 1974 and the Act of March 3, 1901, for fiscal years 1977 and 1978, and for other purposes," and a veto message by the President thereon.

With kind regards. I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

FEDERAL FIRE PREVENTION AND CONTROL ACT OF 1974 APPROPRIATIONS AUTHORIZATION—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-547)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning, without my approval, H.R. 12567, a bill "to authorize appropriations for the Federal Fire Prevention and Control Act of 1974 and the Act of March 3, 1901, for fiscal years 1977 and 1978, and for other purposes."

I am disapproving H.R. 12567 because it contains a provision that would seriously obstruct the exercise of the President's constitutional responsibilities over Executive branch operations. Section 2 of the enrolled bill provides that Congress may, by concurrent resolution, "veto" a plan to commit funds for construction of the National Academy for Fire Prevention and Control. This provision extends to the Congress the power to prohibit specific transactions authorized by law, without changing the law and without following the constitutional process such a change would require. Moreover, it involves the Congress directly in the performance of Executive functions in disregard of the fundamental principle of separation of powers.

Provisions of this type have been appearing in an increasing number of bills which this Congress has passed or is considering. Most are intended to enhance the power of the Congress over the detailed execution of the laws at the expense of the President's authority. I have consistently opposed legislation containing these provisions, and will continue to oppose actions that constitute a legislative encroachment on the Executive branch.

I urge the Congress to reconsider H.R. 12567 and to pass a bill I can accept so that it will be possible for the National Fire Prevention and Control Administration to proceed with its important work.

GERALD R. FORD.

THE WHITE HOUSE, *July 7, 1976.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that the bill H.R. 12567 and the President's veto message thereon be referred to the Committee on Science and Technology.

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

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C.,
July 6, 1976.

Hon. CARL ALBERT,
The Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:38 A.M. on Tuesday, July 6, 1976, and said to contain the Seventeenth message from the President under the Impoundment Control Act of 1974.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

TWO NEW DEFERRALS AND 27 SUPPLEMENTARY DEFERRALS UNDER IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-548)

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

To the Congress of the United States:

In accordance with the Impoundment

Control Act of 1974, I herewith report two new deferrals totaling $4.6 million in budget authority. In addition, I am transmitting 27 supplementary deferrals that have a net effect of decreasing the total amount of deferred funds previously transmitted by $1,462.5 million.

The two new deferrals are routine actions and involve $135,938 for the Special foreign currency program of the Department of Labor and $4.4 million for the National Commission for the Observance of International Women's Year. Eighteen of the supplementary reports extend deferrals into the transition quarter while the remaining nine reflect increases to the amounts originally reported.

The details of the revised and new deferrals are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *July 6, 1976.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

WASHINGTON, D.C., *July 2, 1976.*

Hon. CARL ALBERT,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:05 a.m. on Friday, July 2, 1976, and said to contain a message from the President wherein he transmits the 8th annual report on the administration of the Natural Gas Pipeline Safety Act of 1968.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

EIGHTH ANNUAL REPORT ON ADMINISTRATION OF NATURAL GAS PIPELINE SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

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

To the Congress of the United States:

I herewith transmit the Eighth Annual Report on the administration of the Natural Gas Pipeline Safety Act of 1968. This report has been prepared in accordance with section 14 of the Act, and covers the period January 1, 1975 through December 31, 1975.

GERALD R. FORD.

THE WHITE HOUSE, *July 2, 1976.*

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 5546. An act to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes;

H.R. 11504. An act to amend section 502(a) of the Merchant Marine Act of 1936; and

H.R. 12033. An act to continue until the close of June 30, 1979, the existing suspension of duties on manganese ore (including ferruginous ore) and related products.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14232) entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending September 30, 1977, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. STENNIS, Mr. ROBERT C. BYRD, Mr. PROXMIRE, Mr. MONTOYA, Mr. HOLLINGS, Mr. EAGLETON, Mr. BAYH, Mr. CHILES, Mr. MCCLELLAN, Mr. BROOKE, Mr. CASE, Mr. FONG, Mr. STEVENS, Mr. SCHWEIKER, and Mr. YOUNG to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 800. An act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes;

S. 2125. An act to provide for the issuance and administration of permits for commercial outdoor recreation facilities and services on public domain national forest lands, and for other purposes;

S. 2228. An act to amend the Public Works and Economic Development Act of 1965, as amended, to extend the authorizations for a 3-year period;

S. 2661. An act to amend the Independent Safety Board Act of 1974 to authorize additional appropriations, and for other purposes;

S. 3521. An act to expedite a decision on the delivery of Alaska natural gas to U.S. markets, and for other purposes; and

S. 3656. An act to authorize the State of California to elect not to implement the food stamp program for beneficiaries of supplemental security income but to provide instead for a higher level of State supplementary benefits.

APPOINTMENT OF CONFEREES ON H.R. 14234, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION ACT, 1977

Mr. MCFALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14234) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1977, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. MCFALL, YATES, STEED, KOCH, ALEXANDER, DUNCAN of Oregon, MAHON, CONTE, EDWARDS of Alabama, and CEDERBERG.

APPOINTMENT OF CONFEREES ON H.R. 11009, PROVIDING FOR INDEPENDENT AUDIT OF FINANCIAL CONDITION OF DISTRICT OF COLUMBIA

Mr. DIGGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11009) to provide for an independent audit of the financial condition of the government of the District of Columbia, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? The Chair hears none, and appoints the following conferees: Messrs. DIGGS, FAUNTROY, REES, MAZZOLI, MANN, HARRIS, DAN DANIEL, GUDE, WHALEN, and MCKINNEY.

CALL OF THE HOUSE

Mr. YATES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 507]

Abzug	Green	Myers, Ind.
Anderson, Ill.	Harkin	Nowak
Andrews, N.C.	Harrington	O'Hara
Badillo	Harsha	O'Neill
Bedell	Hébert	Ottinger
Bell	Heinz	Pepper
Bergland	Helstoski	Pressler
Boland	Hinshaw	Randall
Bolling	Howe	Rangel
Burton, John	Hubbard	Riegle
Butler	Jarman	Rosenthal
Chisholm	Johnson, Colo.	Ruppe
Collins, Ill.	Jones, Okla.	Scheuer
Conlan	Jones, Tenn.	Schneebeli
Conyers	Kastenmeier	Shipley
Cornell	Koch	Shuster
Cotter	Landrum	Solarz
Dellums	Leggett	Stanton, James V.
Derwinski	Litton	Steelman
du Pont	Lott	Steiger, Ariz.
Edwards, Calif.	Lujan	Symington
Esch	McDonald	Thornton
Eshleman	Martin	Tsongas
Evans, Ind.	Metcalfe	Udall
Findley	Mikva	Vander Jagt
Ford, Mich.	Mills	Wolff
Fountain	Mink	Young, Alaska
Gonzalez	Moorhead, Calif.	Young, Ga.
Goodling		

The SPEAKER. On this rollcall 347 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO SIT DURING 5-MINUTE RULE TODAY AND FOR THE BALANCE OF THE WEEK

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct be permitted to sit during proceedings under the 5-minute rule today and for the balance of the week.

The SPEAKER. Is there objection to

the request of the gentleman from Georgia?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

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

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

AMENDING CERTAIN LAWS AFFECTING COAST GUARD PERSONNEL

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12939) to amend certain laws affecting personnel of the Coast Guard, and for other purposes.

The Clerk read as follows:

H.R. 12939

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) In section 1 by striking in the second sentence the words "Treasury Department" and inserting in lieu thereof the words "Department of Transportation".

(2) In section 3 by striking in the first sentence—

(a) the word "executive" and inserting in lieu thereof the words "Executive"; and

(b) the words "Treasury Department" and inserting in lieu thereof the words "Department of Transportation".

(3) In section 81 by striking in clause (3)(c) the words "Agency" and inserting in lieu thereof the word "Administration".

(4) In section 82 by striking in the first sentence the word "Agency" in both places where it appears and inserting in lieu thereof the word "Administration".

(5) In item (section) 82 in the analysis of chapter 5 and in the catchline of the section by striking the word "Agency" and inserting in lieu thereof the word "Administration".

(6) Section 87 is repealed.

(7) Item (section) 87 in the analysis of chapter 5 and the catchline of the section are repealed.

(8) In section 90 by striking in subsection (b) the word "Agency" wherever it appears and inserting in lieu thereof the word "Administration".

(9) In section 93 by striking in subsection (n) the words "covered into" and inserting in lieu thereof the words "deposited in".

(10) In section 144—

(a) by striking in subsection (a) the words "of the Treasury"; and

(b) by striking in subsection (c) the words "Chief of Ordnance" and inserting in lieu thereof the words "Secretary of the Army".

(11) In section 145—

(a) by striking in subsection (a) the words "of the Treasury"; and

(b) by striking in subsection (c)—

(i) in the first sentence the words "Treasury Department" and inserting in lieu thereof the words "Department of Transportation"; and

"(ii) in the second sentence the words "the Treasury" and inserting in lieu thereof the word "Transportation".

(12) In item (section) 146 in the analysis of chapter 7 and in the catchline of the section by striking the words "Post Office Department" and inserting in lieu thereof the words "United States Postal Service".

(13) In section 147—

(a) by striking the words "Weather Bureau" between the words "the" and "of" and inserting in lieu thereof the words "National Oceanic and Atmospheric Administration"; and

(b) by striking the words "Chief of the Weather Bureau" wherever they appear and inserting in lieu thereof the words "Administrator, National Oceanic and Atmospheric Administration".

(14) In section 186 by striking in subsection (a) the third sentence in its entirety and inserting in lieu thereof the following "Leaves of absence and hours of work for civilian faculty members shall be governed by regulations promulgated by the Secretary, without regard to the provisions of title 5.".

(15) In section 188 by striking in the last sentence the word "rank" between the words "the" and "in" and inserting in lieu thereof the word "grade".

(16) In section 193—

(a) by striking in the fourth sentence the word "Chairman" and inserting in lieu thereof the word "chairman"; and

(b) by striking the last sentence in its entirety and inserting in lieu thereof the following "Each member of the Committee shall be reimbursed from Coast Guard appropriations in conformity with the provisions of chapter 57 of title 5.".

(17) By adding after section 256 the following new catchline and section:

"§ 256a. Promotion year; defined

"For the purposes of this chapter, 'promotion year' means the period which commences on July 1 of each year and ends on June 30 of the following year.".

(18) By inserting in the analysis of chapter 11 following item (section) 256, the following new item (section):

"256a. Promotion year; defined.".

(19) In section 257—

(a) by striking in subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion"; and

(b) in subsection (d)—

(i) by inserting the word "and" following the semicolon in clause (1);

(ii) by striking the word "; and" at the end of clause (2) and inserting in lieu thereof a period; and

(iii) by striking clause (3).

(20) In section 273 by striking in subsection (b) the figures "16" and inserting in lieu thereof the figures "3331".

(21) In section 282 by striking in clause (1) the word "fiscal" and inserting in lieu thereof the word "promotion".

(22) In section 283 by striking in clause (1) of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion".

(23) In section 284 by striking in clause (1) of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion".

(24) In section 285 by striking in clause (1) the word "fiscal" and inserting in lieu thereof the word "promotion".

(25) In section 288 by striking in the first sentence of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion".

(26) In section 289—

(a) by striking in subsection (a) the word "fiscal" wherever it appears and inserting in lieu thereof the word "promotion"; and

(b) by striking in subsection (g) the word "fiscal" and inserting in lieu thereof the word "promotion".

(27) In section 290—

(a) by striking in the last sentence of subsection (a) the word "fiscal" and inserting in lieu thereof the word "promotion";

(b) by striking in subsection (c) the word "fiscal" and inserting in lieu thereof the word "promotion";

(c) by striking in subsection (f) the word "fiscal" and inserting in lieu thereof the word "promotion"; and

(d) by striking in subsection (g) the word "fiscal" wherever it appears and inserting in lieu thereof the word "promotion".

(28) In section 373 by striking in subsection (a) the figures "6023(b)" and inserting in lieu thereof the figures "2003".

(29) In section 461 by striking the words "of the Treasury".

(30) In section 475—

(a) by striking in subsection (a) the phrase "of the Department in which the Coast Guard is operating" wherever it appears; and

(b) by striking in subsection (f) the phrase "of the Department in which the Coast Guard is operating", and the phrase "commencing April 1, 1973,".

(31) In section 500 by striking in subsection (a) the words "of the Treasury".

(32) In section 511 by striking the phrase "head of the department in which the Coast Guard is operating" and inserting in lieu thereof the word "Secretary".

(33) In section 631—

(a) by striking the words "of the Treasury" wherever they appear; and

(b) by striking the phrase "of the Coast Guard" between the words "Commandant" and "any".

(34) In section 647—

(a) by striking preceding the first sentence the subsection designation "(a)";

(b) by striking the words "of the Treasury" wherever they appear;

(c) by striking in the third sentence the words "covered into" and inserting in lieu thereof the words "deposited in"; and

(d) by striking in the last sentence the word "title" and inserting in lieu thereof the word "section".

(35) In section 650 by striking in subsection (b) the words "Bureau of the Budget" and inserting in lieu thereof the words "Office of Management and Budget".

(36) In section 651 by striking the word "January" and inserting in lieu thereof the word "April".

(37) In section 655 by striking the words "United States".

(38) In section 829 by striking the word "Title" and inserting in lieu thereof the word "title".

The SPEAKER. Is a second demanded?

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

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

There was no objection.

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

Mr. Speaker, I rise in support of the passage of H.R. 12939, a noncontroversial, routine change in title 14, to enable the Coast Guard to continue in its officer personnel management procedures, and to reflect other changes made necessary by changes in other laws.

The report filed by the committee explains the need for the changes which are completely noncontroversial and which were supported unanimously by the committee.

Mr. Speaker, I yield such time as he may consume to the gentleman from New

York (Mr. BIAGGI), the chairman of the Subcommittee on Coast Guard and Navigation.

Mr. BIAGGI. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I rise to recommend the passage by the House of the bill, H.R. 12939.

Its basic purpose is simple. Under existing law, Coast Guard officer personnel actions involving promotions, retirements, and annual changes of assignment, function on an annual basis running from July 1 to June 30. It is at this time each year that the newly commissioned ensigns, having graduated from the Coast Guard Academy, are ready for beginning their new careers. At the same time that they report aboard their various units, other officers are being reassigned to fill vacancies which are created through annual retirements of officers completing their Coast Guard careers. It is at this time that officers generally begin a new year of service. It is at this time that reassignments are most convenient for the families of the individuals involved because of necessary travel, the moving into new homes, and the changes of schools for dependents, can best be effected. In other words, it is the most convenient and feasible time for personnel changes.

The system as presently operated has proved completely workable and satisfactory. However, the recent change which will shift the budget year from July 1 to October 1, has introduced a complication. Even though these personnel management procedures have no direct dependence upon the change of the fiscal year, because up until now they happened to coincide with fiscal year dates, the present provisions of title 14 repeatedly refer to "fiscal year" in establishing dates of eligibility for promotion, actions of promotion boards, and retirements. Unless the language of title 14 is changed the present workable system will become relatively unworkable, and promotion actions will necessarily be compressed into a 3-month period, a result which will be administratively impossible to handle without hardship to the Coast Guard and to the officers concerned.

The solution is simple. This bill merely divorces the fiscal year change from the present efficient personnel procedures. It deletes reference to the fiscal year and creates a new "promotion year" which will begin on July 1, and continue to June 30. This change will enable the present officer personnel management procedures to continue. Such a change is entirely justified, and the bill should be enacted.

There are two other substantive changes in the bill, neither of which is controversial. The first would delete a statutory constraint which specifically designates the exact colors and numbering of aids to navigation. Because of advances in technology, it is entirely possible that in future years, it may prove desirable to go to other colors in the buoyage system which could promote safety in marine operations. Any such changes would, of course, occur only after careful consideration of all factors and without, in any way, damaging the necessary uniformity in the system.

The second change involves an elimination of a bar to promotion for certain officers. Under present promotion procedures, all officers are selected by promotion boards, in competition with other officers of the same relative years of service, as the best qualified in a particular promotion group and designated eligible to fill expected vacancies in the next grade. If 100 officers are considered and only 70 vacancies will be available, the 70 best qualified officers are selected for promotion and the remaining 30 remain in grade for consideration by the next annual promotion board.

It should be noted that these 30, while not "the best qualified" still may be entirely qualified for promotion in an objective sense. Should one of those officers also fail of selection under the same procedure the following year, he is forced to retire, if eligible, or to be discharged from the service with separation pay, in order that the promotion flow may continue in an orderly fashion. In this situation, one protective feature is included for those officers not yet eligible for retirement after having completed 20 years of service. For those who have completed 18 years of service, they are permitted to remain on active service until completion of the required 20 years, but present laws bar their further consideration for promotion during that period.

H.R. 12939 would remove that bar and would enable them again to be considered for promotion. This change, it is believed, is not only equitable for the officers concerned, but would also serve as an incentive to them to maintain or improve their performance with a possibility of promotion resulting from their demonstrated improved capabilities.

All other changes in the bill are of a technical nature to amend title 14, to reflect changes in law relating to such things as changes of names in other agencies and personnel referred to in the title.

I recommend the enactment of the bill.

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

Mr. Speaker, I rise in support of a motion to suspend the rules on H.R. 12939, a bill which makes a number of technical changes in laws that relate to Coast Guard personnel. This is a noncontroversial measure that was reported out of both subcommittee and full committee unanimously. It is a technical bill designed to avoid unintended disruptions in the Coast Guard officer personnel management system which would have, without this bill, resulted from a shift in the fiscal year brought about by the enactment of the Congressional Budget Act of 1974.

Under the existing officer promotion and retirement system most changes are keyed to the date of June 30 which was also the termination of the old fiscal year. As it turns out June 30 is a convenient date for promotions and retirements since it is an advantageous time to move families while their children are out of school. In addition, the June 30 date relates to the influx of new ensigns coming from the Coast Guard Academy. Causing personnel shifts to occur in October, the end of the new fiscal year, might cause a delay in the commissioning of these officers. This bill would allow the Coast Guard to maintain their present personnel cycle, which has been found to be workable, by the creation of a promotion year which would run from July 1 to June 30.

The bill also contains two other noncontroversial amendments one of which would remove an unnecessary constraint on promotion opportunities for certain commanders. The other noncontroversial amendment would be the repeal of statutory requirements on the coloring of aids to navigation. Existing law limits the coloration of aids to navigation to black and red and black and white. The repeal of this statute enacted in 1850 would allow the Coast Guard to use new technology and new colors that are more visable. There are numerous other editorial changes in the title to reflect recent enactments which indirectly impact the language of title 14.

The administration requested enactment of this bill and no controversial issues were raised during the hearings. It is a housekeeping bill which will assist the Coast Guard's administrative activities and I urge my colleagues to vote to suspend the rules.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 12939. This bill would make a number of technical changes in the laws affecting personnel of the Coast Guard. The most important changes are caused by that provision of the Congressional Budget Act of 1974 which redefined the fiscal year. The new definition, effective October 1, 1976, provides that the fiscal year begins on October 1 extends to September 30 of the following year.

Numerous provisions of the Coast Guard personnel laws are affected by the new definition of the fiscal year because these laws use the term "fiscal year" in prescribing when certain personnel actions occur. For example, "June 30 of the fiscal year" has long been the established date for discharges and retirements of commissioned officers. The Coast Guard testified that it has found that the June 30 date functions well for both the agency and the individual. The agency has indicated that this date should be retained as the day for retirements and discharges. The new definition of fiscal year, however, would have the effect of changing the retirement or discharge date in many instances.

To avoid this result, H.R. 12939 substitutes the term "promotion year" for the term "fiscal year" now contained in the laws affecting Coast Guard personnel. The new term is defined identically to the present fiscal year's definition. Thus, the amendment will enable the agency to continue its present personnel policies.

H.R. 12939 would make two additional noncontroversial amendments to existing law. First, the provision that officers twice passed over for selection to the next higher grade are no longer eligible

for consideration for promotion would be eliminated. This provision primarily affects lieutenant commanders. Second, the provision that prescribes the colors for buoys would be eliminated. This change just reflects technological advances in optics.

Accordingly, I urge my colleagues to support enactment of H.R. 12939.

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

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill (H.R. 12939).

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 12939.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

EXEMPTING STEAMBOAT "DELTA QUEEN" FROM CERTAIN VESSEL LAWS

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13326) to extend until November 1, 1983, the existing exemption of the steamboat *Delta Queen* from certain vessel laws.

The Clerk read as follows:

H.R. 13326

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the primary purpose of the amendment made by section 2 of this Act is to assure the continuity of operation of the overnight riverboat, the steamboat Delta Queen, by extending her existing exemption from the safety at sea laws. In order to assure the preservation of this historic and traditional piece of American folklore and life, such amendment will provide for the continued operation of the present steamboat Delta Queen.

SEC. 2. The penultimate sentence of section 5(b) of the Act of May 27, 1936 (49 Stat. 1384, 46 U.S.C. 469(b)), as amended, is amended by striking out "November 1, 1978," and inserting in lieu thereof "November 1, 1983,".

The SPEAKER. Is a second demanded?

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

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

There was no objection.

The SPEAKER. The gentlewoman from Missouri (Mrs. SULLIVAN) will be recognized for 20 minutes.

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

Mr. Speaker, I rise to urge my colleagues to support H.R. 13326. This bill would extend until November 1, 1983, the existing exemption of the steamboat *Delta Queen* from certain vessel laws. It is certainly no secret that I have long championed the continued operation of this grand old lady of the inland river system which makes port calls in some 17 States so that many thousands of Americans every year may enjoy the beauty of our Nation's waterways and spend their vacations on this fabulous replica of the storied past.

As we all know, the *Delta Queen* is a paddlewheel riverboat and at the present time the only overnight passenger vessel left on our river system.

I ask the Members of this distinguished body, not to obliterate our history but to preserve it. It would not behoove us to eliminate this last vestige of the overnight riverboat, a reminder of a perhaps more placid and serene chapter in our past. Let us participate in and ratify this Bicentennial celebration of our Nation's 200th anniversary by preserving our heritage and continuing the *Delta Queen* in operation. After all, isn't this perfectly consistent with the gathering of the wonderful "tall ships" from all over the world in the major ports of the U.S. east coast in honor of our Bicentennial?

It is utterly unthinkable that the existence of the "tall ships" should be terminated, or that they should not sail. During all the acclaim and adulation for the "tall ships" over the past several months, I have not heard any complaint that they are also constructed of wood and do not meet the safety of life at sea requirements. Obviously, the arguments for the preservation of the *Delta Queen* are exactly the same as the reasons for the preservation of the marvelous "tall ships."

Under legislation enacted in the 89th Congress—Public Law 89–777—certain standards relating to the safe operation of deep-draft cruise vessels were enacted into law. The Delta Queen Steamboat Co., the owners and operators of the *Delta Queen*, decided to attempt to construct a new vessel which would meet the requirements of Public Law 89–777, and thus continue its operations. An extension of time was enacted by the Congress in 1968—Public Law 90–435—allowing the *Delta Queen* to continue operating until November 1970. Additional time extensions were granted by the Congress in 1970 and 1973, while the company overcame insurmountable obstacles in constructing a new vessel, the *Mississippi Queen*, and modernize the old *Delta Queen*. The *Mississippi Queen* is scheduled to commence operations sometime this summer.

H.R. 13326 would grant the *Delta Queen* 5-year reprieve from the shipbreakers so that the American people will continue to have an opportunity to know and cherish this historic riverboat.

As I mentioned before, and I think it is well known, I have long been a proponent of exempting the *Delta Queen* from safety at sea laws and continuing her in operation. The *Delta Queen* should have the 5-year exemption mandated by H.R. 13326 for the following reasons which I believe to be reasonable and logical.

First, she should be allowed to continue to ply the inland rivers of the United States because of her great historic and cultural value. The *Delta Queen* has been designated an historic monument by the National Register of Historic Sites. At a time when change is the rule and not the exception, there should be kept intact marks of the old America which are a part of our history, tradition, and culture.

Another reason for preserving this romantic link with our past, and perhaps the really basic reason, is the undeniable fact that the people of the Nation want it. Few other subjects in the past years have brought forth a stream of letters and the outpouring of emotion as has this particular matter.

The first thrust of the safety at sea laws of 1966 was the passenger trade out of the major ocean ports of the United States and cruise trade to the Caribbean and other seaward locations. The owners of this vessel have had their vessels plying the inland waters of this great country for 50 years without one loss of life due to an accident or an unsafe condition. The *Delta Queen* is not a vessel engaged in international carriage of trade, nor does she encounter the stresses, strains, and dangers of a vessel on the high seas. The nature of her commerce and the many special precautions taken by her owners make the *Delta Queen* safe for operation on the rivers.

On the basis of the record and the testimony at the hearings, your committee is convinced that the vessel operates as safely in all the circumstances as can be expected. The owners have fireproofed the wooden portions of the vessel and have installed fire prevention sprinkler systems. Moreover, they have thoroughly modernized all the electrical, alarm, and communications systems and have virtually rebuilt the vessel in very many aspects to make it as reasonably safe as possible. In addition, these inland passenger vessels are never far from any shore, presently meet certain Coast Guard safety standards, and are frequently operated in water no deeper than the middle of the ship.

The new vessel, the *Mississippi Queen*, will be the world's largest and finest. She will cost over $20 million, be steam powered with a stern paddlewheel of traditional design, and she will have the old-time glamour and charm that *Delta Queen* passengers enjoy so much.

While the new vessel will have many traditional steamboat features, she will be constructed entirely of noncombustible materials, and the hull and outfitting will comply with the latest Coast Guard regulations. However, the financial success of the new boat will depend upon the continued operation of the *Delta Queen*. Without the ongoing organization to promote and sell river passenger travel, the success of the new vessel would be in doubt.

Mr. Speaker, the granting of the 5-year exemption provided by H.R. 13326 will insure that the American public will continue to have an opportunity to know and cherish this historic riverboat that is so much a part of our cultural heritage. The voluntary and required renovations to the *Delta Queen* in the last years will insure that the vessel, its passengers, and the public interest will be adequately protected.

H.R. 13326 was unanimously reported by the Merchant Marine and Fisheries Committee on June 29, 1976, and I strongly urge the House to support this legislation so that the *Delta Queen* may have an additional 5-year extension from laws that should not have been applied to her in the first place.

Mr. Speaker, my remarks have been brief, as there are Members on both sides of the aisle who wish to speak in support of H.R. 13326. I am confident that the Congress can only resolve to let America continue to have this part of her cultural heritage and romance of the past and this grand old lady of the rivers will continue to operate as have the marvelous "tall ships."

I urge all my colleagues to vote in support of H.R. 13326.

Mr. DODD. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I would be glad to yield to the gentleman from Connecticut.

Mr. DODD. Mr. Speaker, I thank the gentlewoman from Missouri for yielding.

I just want to make the observation that as a Member of this body from the State of Connecticut, I was a student at the University of Louisville School of Law and had the opportunity to travel on the *Delta Queen*. The gentlewoman is absolutely correct, this wooden hulled paddle wheeler is one of the great historical monuments in this country. I strongly support this legislation to extend the life of this river boat.

I hope that other Members will have the added privilege of either traveling on the *Delta Queen* or seeing this fine, old paddle wheeler if they are in the heartland of the country.

Mr. Speaker, again I congratulate the gentlewoman and her committee for bringing us this piece of legislation.

Mrs. SULLLIVAN. Mr. Speaker, I thank the gentleman.

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

Mr. Speaker, I would like to speak in support of H.R. 13326, a bill granting a 5-year exemption from Coast Guard fire safety regulations for the riverboat *Delta Queen*.

The *Delta Queen* is an old California institution, and one of the few actual relics of the last century which can still be enjoyed today. My father used to travel regularly on the *Delta Queen* in its overnight shuttle between San Francisco and Sacramento and only recently my 83-year-old mother took a trip of several weeks on the *Delta Queen* up the Mississippi from New Orleans to Kentucky, visiting 17 other other States bordering on the Mississippi and Ohio Rivers. I know she would be one of the first of the thousands who would write to Congress if we did not extend the *Delta Queen's* exemption to allow her to remain in service.

I want to mention, however, the Coast Guard safety inspectors testified against this bill, and although I think our people should be allowed to risk the hazards of this grand old riverboat, I think the Coast Guard was correct in their statement that the *Delta Queen* "presents an unacceptable risk in regard to fire safety," and that this fact should be made known to those who wish to share an experience rich in history.

In order to properly notify the public of the risks involved, I would hope and expect that the Coast Guard will require the owners of the *Delta Queen* to print on their advertising material and tickets the warning that she has received a special exemption from the Coast Guard fire safety regulations. I also expect that the Coast Guard will require the owners of the vessel to post a similar statement conspicuously on the vessel to warn passengers of the risk which will then allow them to be alert for potential danger.

I am glad to recognize that the operators of the *Delta Queen* have long recognized the dangers involved and have taken many precautions, short of rebuilding the entire vessel, to reduce the possibility of a fire. Their efforts to date have been successful—there has not been a single fatality due to fire in all her years of operation.

On this basis, I am glad to urge the passage of this legislation to allow the continued operation of the *Delta Queen* for another 5 years.

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

Mr. SNYDER. Mr. Speaker, I rise in support of H.R. 13326, a bill continuing the exemption from the Coast Guard fire safety regulations for the Riverboat *Delta Queen*. The *Delta Queen* is an important part of our riverboat heritage. She has been safely operating on the Mississippi and Ohio Rivers as well as the Sacramento River since her construction in 1926. She has been bringing tourists and revenue to the 17 States along the river systems of Mid-America and has contributed to the employment situation in those areas.

This exemption is necessary because much of her structure is made of wood and not in compliance with the 1966 Coast Guard Fire Safety Regulations which require that passenger vessels of greater than 50 gross tons carrying overnight passengers be built of steel. While I recognize the increased safety factor of an all steel vessel, the flawless safety record of the *Delta Queen* and the admissions by the Coast Guard inspectors that they would not be afraid to ride on the *Delta Queen* seems to be ample justification for the continuation of this exemption.

This exemption is also necessary to allow the *Belle of Louisville* to continue to race and beat the *Delta Queen* in the Annual Derby Week Race held in Louisville, Ky. It has been rumored that in some previous years the *Delta Queen* used one of her recent improvements—a bow thruster—to defeat the ***Belle***. We hope to place an observer aboard her next year to insure that both riverboats will be equally matched.

In conclusion, because of the historical and economic significance, as well as the unblemished safety record of the *Delta Queen*, I urge my colleagues to join me in supporting this bill.

Mr. McCLOSKEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. GRADISON).

Mr. GRADISON. Mr. Speaker, the *Delta Queen* is a living memorial to the romantic days gone by when paddlewheel steamboats plied our great rivers, filled with the cargo and populace of an expanding nation. This grand old lady of the rivers celebrates her 50th birthday in the year of the Bicentennial, and she received a most fitting gift from the Administrator of the American Revolution Bicentennial Administration—certification as ongoing Bicentennial experience.

The survival of the *Delta Queen* hangs in the balance today. To continue on her wayfaring path down the various waterways, the *Delta Queen* requires the passage of H.R. 13326 to continue her exemption from certain provisions of the 1966 Safety at Sea Act.

I would like to take this opportunity to acknowledge the great debt we who treasure the *Delta Queen* owe to the gentlelady from Missouri, Mrs. SULLIVAN, a member and later chairman of the Committee on Merchant Marine and Fisheries, has spared no effort to insure the continued survival of the riverboat. She began her fight for the life of the *Queen* in 1966, obtaining a 2-year grace period after passage of the Safety at Sea Act which would have forced the retirement of the *Delta Queen*. In 1968 she rallied supporters in a well-published effort which convinced Congress to grant an exemption from the Safety at Sea Act to the *Delta Queen*. She repeated her vigorous campaign to successfully obtain extensions of the exemption in 1970 and 1973. H.R. 13326 will further extend this exemption, scheduled to expire in 1978, until November 1, 1983.

Since 1966, the Delta Queen Steamboat Co. has made numerous major improvements in the riverboat to make it as safe as possible.

The American people enthusiastically support the *Delta Queen*, clambering aboard at a rate of thousands per year. The steamboat has ports of call in 17 States where she takes on passengers eager to spend their vacations experiencing the beauty of our Nation's waterways.

The steamboat is a historic monument according to the Department of the Interior which has placed the boat on the National Register of Historic Places. The *Delta Queen* richly deserves to be preserved as a priceless reminder of a unique era in the history of our Nation.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 13326, a bill to exempt the *Delta Queen* from certain Coast Guard fire safety regulations. The *Delta Queen* requires this exemption because she does not meet the Coast Guard

standards for construction of vessels of greater than 100 gross tons which have overnight accommodations for 50 or more passengers. This bill will continue the exemption which the *Delta Queen* has enjoyed since 1966.

This historic paddle wheeler was built in 1926, is 285 feet long, and is equipped to carry 192 overnight passengers. Although the *Delta Queen's* hull is built of steel, a major portion of the vessel superstructure is constructed of wood, a combustible material, which is inconsistent with Coast Guard regulations.

In spite of her combustible construction, the safety record of the *Delta Queen* has been excellent. There has never been a single passenger life lost as a result of fire aboard the vessel. This record has been the result of frequent inspections by the Coast Guard and diligent efforts by the owners to keep her in a safe condition.

The *Delta Queen* generates direct employment for over 175 people and brings tourists and revenues to the 17 States along the Mississippi which she visits. In light of those facts, the *Delta Queen's* excellent safety record, the close Coast Guard oversight, and the historical significance of the vessel, I support this legislation and urge my colleagues to join me.

Mr. DOWNING of Virginia. Mr. Speaker, I rise in support of the measure to exempt the *Delta Queen* from the safety at sea laws until November 1, 1983. In doing so, I ask the Members of this distinguished body not to obliterate history by dictate. At a time when we are celebrating our Nation's 200th Anniversary, we should not eliminate this vestige of the riverboat in frontier America.

The *Delta Queen* is in the tradition of a type of riverboat packet. The packet was a critical means of transportation and an important vehicle of expansion for our frontier. In the middle 19th century, such vessels carried cargo and passengers between the developing inland ports of our country. Their reign was relatively short-lived, for the advent of the railroad and the construction of bridges over the major waterways of the country eliminated the packet's advantages. Although transportation via our inland waterways is today an economical means of moving cargo, it seems certain that the special set of circumstances which gave rise to the charm and ambience and romantic atmosphere of the riverboat packet will never occur again. I submit that history involves the significant events and factors which shape our history. I further submit that the riverboat packet was an important factor in the growth of our Nation and its role ought not to be denied.

The *Delta Queen* was constructed to be, and is today, as near like the original riverboat packet as is possible, while still incorporatng modern safety features and some modern conveniences. The superstructure of the vessel consists of wood—teak, mahogany, ironwood, and other woods, thus rendering the vessel unable to meet the Coast Guard requirements as promulgated pursuant to Public Law 89-777. Obviously, there is no way that the requirement that the superstructure be made of fire-retardant material can be satisfied, except through the reconstruction of the *Delta Queen*. This is not possible, but the owners of the *Delta Queen* have done everything possible to make the vessel safe in every respect.

It may be difficult to measure the value of historical items, but we can say this of the *Delta Queen*: in 1970 it was placed on the National Register of Historical Places by the Department of the Interior—surely this indicates its historic value to the United States and our citizens.

In addition to the historical interest in this vessel, there is also a certain commercial or employment aspect to be cited. The owners of the *Delta Queen* are building a new passenger vessel in Jeffersonville, Ind. This new vessel will meet all the safety requirements which are now public law, will be luxurious and convenient, but will still have the charm and decor of the old riverboat. Even with Government assistance, it has taken some years for the owners to finance the new vessel, called the *Mississippi Queen*. However, the financial success of the new boat will depend upon the continued operation of the *Delta Queen*. Without the ongoing organization to promote and sell river passenger travel, the success of the new vessel would be in doubt.

We have authorized millions for cultural examinations and historical renovations in our Nation—here we can pass legislation which will be to our cultural interest, and not cost the taxpayer a cent.

We have in recent years passed legislation which will protect against the extinction of various kinds of animals and plants. Why can we not preserve this vessel?

Let us remember the lessons of history. People will not look forward to posterity who never look backward to their ancestors. Let us preserve the *Delta Queen*.

Let us make an exception for this exceptional vessel, and pass H.R. 13326.

Mr. McCLOSKEY. Mr. Speaker, I have no further requests for time.

Mrs. SULLIVAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. BRADEMAS). The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 13326.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

SALE OF SS "UNITED STATES" FOR USE AS A FLOATING HOTEL

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13218) to permit the steamship *United States* to be used as a floating hotel, and for other purposes.

The Clerk read as follows:

H.R. 13218

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2 of Public Law 92-296 (86 Stat. 140) is amended by striking out the period at the end thereof and inserting the following: "or for use as a floating hotel in or on the navigable waters of the United States. Whenever the conditions set forth in section 902, the Merchant Marine Act of 1936, exist, the vessel may be requisitioned or purchased by the United States and just compensation for title or use, as the case may be, shall be paid in accordance with section 902 of the Merchant Marine Act, as amended (46 U.S.C. 1242).".

The SPEAKER pro tempore. Is a second demanded?

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

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

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Missouri (Mrs. SULLIVAN) and the gentleman from California (Mr. McCLOSKEY) will be recognized for 20 minutes each.

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

Mr. Speaker, I rise in support of H.R. 13218, a bill to permit the Secretary of Commerce to sell the SS *United States* for use as a floating hotel in or on the navigable waters of the United States.

As you know, when Congress authorized the sale of several other U.S. passenger ships to foreign registry in 1972, the SS *United States* was specifically excluded from that legislation because of its special defense features and troop transport capability. The Secretary of Commerce was authorized to requisition the vessel for layup in the National Defense Reserve Fleet or for operation under the U.S. flag. The vessel has been in layup at Norfolk, Va. since 1972 at an annual cost to the taxpayers of approximately $62,000. On several occasions since that date, the Maritime Administration has tried to sell the vessel for operation as a U.S.-flag passenger ship, but no responsive bid has ever been received.

H.R. 13218 would not preclude persons interested in operating the vessel from acquiring it if they submit the most responsive bid. This bill would merely provide another alternative use and allow persons interested in using the vessel as a floating hotel in or on the navigable waters of the United States to also be eligible to have their bids considered by the Maritime Administration.

In the event of a national emergency, the ship could be requisitioned by the Government and the Maritime Administration intends to require that future owners maintain the vessel in a state of defense readiness.

This legislation was supported by both the Department of Commerce and the Department of Defense, and was unanimously reported from committee by voice vote. I urge its immediate passage by the House and, at this time, would like to defer to the distinguished chairman of the Merchant Marine Subcommittee, the gentleman from Virginia, for a more detailed explanation of the bill.

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

Mr. DOWNING of Virginia. I thank the gentlewoman for yielding.

Mr. SPEAKER. I join the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentlewoman from Missouri, in strong support of H.R. 13218, a bill to permit the SS *United States* to be used as a floating hotel in or on the navigable waters of the United States.

As you know, under existing law, the SS *United States* may only be sold for operation under the U.S.-flag. We all recognize that this would be the best utilization of the vessel. However, because of the uncertainty surrounding the economic soundness of such operation, I think this legislation is desirable because it would expand the pool of potential bidders.

When the Maritime Administration attempted to sell this vessel on three previous occasions, no qualified bidders were found for the vessel for operational use. This does not mean that parties interested in operating the vessel under the U.S. flag would in any way be precluded from having their bids considered in the future by the Maritime Administration. This bill would merely expand the pool of potential bidders by making persons who wish to use the vessel as a floating hotel in or on the navigable waters of the United States also eligible to submit bids. In hearings before the Merchant Marine Subcommittee, the Maritime Administration testified that this would appear to be a viable alternative use of the vessel.

As the gentlewoman from Missouri has already pointed out, the SS *United States* was specifically excluded from legislation which the Congress passed in 1972 to authorize the sale of several of our other passenger ships to foreign registry because of its special defense features and troop transport capability. It is my understanding that if this legislation is passed and the vessel is sold for use as a floating hotel in on the navigable waters of the United States, the Maritime Administration will require that the vessel be kept in a state of readiness as a condition of sale and will require that future owners leave the vessel's navigational equipment, machinery, and distinctive character as a vessel entirely intact so as to preserve its defense utilization should it be necessary to requisition the ship in the event of a national emergency.

This vessel could be disposed of for a hotel, scrap, or any other purpose at the expiration of its statutory life in June 1977. This legislation is required only to permit prospective owners to acquire the ship before that date.

I believe that the purpose of this legislation is sound and reasonable and I urge its immediate passage by the House.

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

Mr. Speaker, I rise in support of H.R. 13218. This bill will allow the Maritime Administration to offer the SS *United States* for sale for use as a floating hotel as well as for active service.

At the present time, the SS *United States* is laid up in Norfolk, Va. She has been in that status since her purchase by MARAD in 1972 for $12.1 million, a mere fraction of her original $80 million construction cost. MARAD has had her up for sale since that time but has been unable to find a buyer because of several restrictions which have been placed on her sale.

When built in 1951, the Government paid $45 million in construction subsidies, much of which went into her national defense features. Although never used as such, she is capable of rapid conversion into a high-speed troop transport capable of delivering 14,000 troops to Europe in 3½ days. Because of this significant national defense potential and because of the heavy Federal participation in her construction, any sale of the SS *United States* has been subject to the condition that she be operated under the U.S. flag and manned by a U.S. crew.

This condition has prevented her sale because she demonstrated her unprofitability when operating under the U.S. flag with a U.S. crew from 1954 until 1969. During that period, she was unable to operate in the black, in spite of nearly $134 million in Federal operating subsidies.

This unprofitable situation was caused in part by the high cost of labor to run a labor-intensive passenger vessel. Rapidly increasing wages combined with few, if any, labor force reductions first eliminated profits from her operations, then gradually pushed her further and further into the red until even with subsidies her continued operation could not be justified.

It is difficult to try and cut back the labor force on a passenger vessel. One of the traditional hallmarks of a passenger vessel is passenger service. This service requires manpower. However, during our hearings it was volunteered by a labor representative that the work force on the SS *United States* could be cut back by 50 percent if that meant that she would be put back into active service. That statement raises the question of whether or not she could be put into a profitable operation with a reduced crew and whether or not the manning standards previously required were higher than necessary.

This bill will not foreclose the desirable possibility of putting her back into operation with a reduced crew. If the unions are willing to reduce their manning standards and if that would result in a profitable operation, we may see the SS *United States* back in operation as an active passenger vessel.

However, while those possibilities are being explored, we should allow the Maritime Administration to broaden its search to find an acceptable buyer for the SS *United States*. We have an interest in seeing that the Government receives the best price for her and by expanding the number of potential purchasers, we will accomplish that goal. We also have an interest in seeing that the SS *United States* is kept in a status which would allow her requisition and use by the Government in a time of national emergency. This bill will accomplish both of these goals. Therefore, I urge my colleagues to join me in supporting this measure.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 13218. This bill would authorize the Secretary of Commerce to sell the SS *United States* for use as a floating hotel. The Secretary under existing law may only sell or charter the vessel to a qualified operator for operation under the American flag. Thus, the effect of this legislation would be to broaden the potential market for the sale of the SS *United States* and to increase the likelihood that she will be put to a beneficial use rather than be scrapped when her statutory life expires next year.

The SS *United States*, the former queen of the world's passenger liners, who still holds the blue ribbon for the fastest crossing of the Atlantic by a passenger vessel, was completed in 1952 at a total construction cost of $75 million, of which the Government paid $40 million in construction-differential subsidy and national defense features. The vessel was operated in regular transatlantic service for 17 years with occasional cruises in her later years. Notwithstanding the fact that the SS *United States* was the fastest vessel ever employed in the point-to-point passenger trade, she lost money in practically ever year of her operation in spite of Federal operating-differential subsidies totaling approximately $134 million. She was quite simply a victim of jet aircraft transportation.

In 1972, the Congress in an effort to alleviate the financial drain on the owners of the SS *United States*, namely, United States Lines, Inc., enacted Public Law 92-296. This law directed the Secretary of Commerce to purchase the vessel at her depreciated cost from her owner for laying up in the National Defense Reserve Fleet and operation for the account of any Federal agency, and/or for sale or charter to a qualified operator for operation under U.S. flag. The Maritime Administration, an agency of the Department of Commerce, purchased the SS *United States* for $12.1 million—a fraction of her original cost in 1952, and has been expending approximately $62,000 per year in layup costs.

Since enactment of Public Law 92-296, the Maritime Administration has been attempting to sell the SS *United States* for operation under the U.S. flag. However, none of the bidders have come forward to meet the Government requirement that a cash tender of 10 percent of the purchase price be made at the time of the bid.

This bill would add a floating hotel to the number of uses to which a successful bidder may put the vessel. This should increase the number of prospective purchasers. It should be stressed, however, that enactment of this legislation would not result in the relinquishment of complete Government control over the SS *United States*. Her value as a national defense asset—namely, her capability of transporting 14,000 troops at a speed in excess of 40 knots—will not be lost. In response to a Department of Defense request, the Maritime Administration will be instructed to impose as a condition of any sale of the ship that her navigation and propulsion gear be kept intact. This will insure that an important part of our Nation's sealift ca-

pability will remain intact in the event of a national emergency.

Accordingly, enactment of this bill would increase the pool of potential purchasers of the SS *United States*, and at the same time effectively insure her availability in case of a national emergency. I urge my colleagues to join me in supporting this legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 13218.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

DEBT COLLECTION PRACTICES ACT

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13720) to amend the Consumer Credit Protection Act to prohibit abusive practices by debt collectors, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Consumer Credit Protection Act (15 U.S.C. 1601 et seq.) is amended by adding at the end thereof the following new title:

"TITLE VIII—DEBT COLLECTION PRACTICES

"Sec.

"801. Short title.
"802. Definitions.
"803. Acquisition of location information.
"804. Communication in connection with debt collection.
"805. Harassment or intimidation.
"806. False or misleading representation.
"807. Unfair practices.
"808. Validation of debts.
"809. Multiple creditors.
"810. Legal actions by debt collectors.
"811. Civil liability.
"812. Criminal liability.
"813. Administrative enforcement.
"814. Reports to Congress by the Commission and Attorney General.
"815. Relation to State laws.
"816. Exemption for State regulation.
"817. Effective date.

"§ 801. Short title

"This title may be cited as the 'Debt Collection Practices Act'.

"§ 802. Definitions

"(a) The definitions set forth in this section are applicable for purposes of this title.

"(b) The term 'Commission' means the Federal Trade Commission.

"(c) The term 'consumer' means any individual obligated or allegedly obligated to repay any debt.

"(d) The term 'creditor' means any person who offers or extends credit creating a debt or to whom a debt is owed.

"(e) The term 'debt' means any obligation arising out of a transaction in which credit is offered or extended to an individual, and the money, property, or services which are the subject of the transaction are primarily for personal, family, or household purposes.

"(f) The term 'debt collector' means any person who engages in any business the principal purpose of which is the collection of any debt, or any person who directly or indirectly collects or attempts to collect a debt owed or due or asserted to be owed or due another. The term includes a person who furnishes or attempts to furnish forms or a written demand service represented to be a collection technique, device, or systems to be used to collect debts, if the form contains the name of a person other than the creditor in a manner indicating that a request or demand for payment is being made by a person other than the creditor even though the form directs the consumer to make payments directly to the creditor rather than to the other person whose name appears on the form. The term does not include any officer or employee of the United States or any State to the extent that collecting or attempting to collect and debt is in the performance of his official duties.

"(g) The term 'location information' means, with respect to any individual, his place of abode, his telephone number at such place, and his place of employment.

"(h) The term 'State' means any State, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any political subdivision of any of the foregoing.

"(i) The term 'communication' means conveying information directly or indirectly to any person through any medium, except that with respect to section 804(a)(3), the term 'communication' means actual contact with the consumer which includes a brief statement in any manner of the present intentions of the consumer with respect to the repayment of the debt.

"§ 803. Acquisition of location information

"(a) No debt collector may, in connection with the collection of any debt, communicate other than by telephone, mail, or telegram with any person for purposes of acquiring location information about any consumer.

"(b) Any debt collector communicating with any person for the purpose of acquiring location information about any consumer shall—

"(1) identify himself and, if expressly requested, his employer;

"(2) not state that such consumer owes any debt;

"(3) not communicate with such person more than once unless expressly requested to do so by such person, except for one additional communication to reconfirm location information;

"(4) not communicate by post card or similar device;

"(5) not use any language or symbol, other than the debt collector's address, on any envelope when using the mail or telegrams, except a debt collector may use his company name provided that such name does not indicate that the company is in the debt collection business;

"(6) not use any language or symbol in the contents of mail or telegrams that indicates that the communication relates to the collection of a debt, other than the identification of the person as a debt collector; and

"(7) not communicate with any person pursuant to this section, once the debt collector knows the consumer is represented by an attorney.

"§ 804. Communication in connection with debt collection

"(a) COMMUNICATION WITH THE CONSUMER OR HIS SPOUSE GENERALLY.—No debt collector may initiate communications with a consumer or his spouse in connection with the collection of any debt without the prior consent of the consumer or the express permission of a court of competent jurisdiction—

"(1) before 8 antemeridian or after 9 postmeridian or at any unusual time or time known to be inconvenient to the consumer or his spouse;

"(2) after the initial communication, if the debt collector knows the consumer is represented by an attorney, unless such attorney is unjustifiably nonresponsive to communication from such debt collector; or

"(3) after the initial communication, more than two times during any seven-calendar-day period.

"(b) COMMUNICATION WITH THE CONSUMER OR HIS SPOUSE AT THE PLACE OF EMPLOYMENT.—Without the prior consent of the consumer or the express permission of a court of competent jurisdiction—

"(1) no debt collector may communicate with a consumer or his spouse in connection with the collection of any debt at the place of employment of the consumer or his spouse more than one time; or

"(2) if the debt of a consumer is in the amount of $100 or more, such debt is at least sixty days overdue, and if the consumer has not furnished the creditor or the debt collector with a telephone number where the consumer can be reached during the consumer's nonworking hours, after 8 antemeridian and before 9 postmeridian, no debt collector may communicate with a consumer or his spouse in connection with the collection of any debt more than twice in every thirty-day period at the place of employment of the consumer or his spouse.

"(c) COMMUNICATION WITH THIRD PARTIES.—Except as provided by section 803, no debt collector may communicate with any person other than the consumer or his spouse, parent (if the consumer is a minor), guardian, executor, administrator or attorney in connection with the collection of any debt without the prior consent of the consumer or the express permission of a court of competent jurisdiction, except—

"(1) any employer of the consumer after a court of competent jurisdiction enters a final judgment establishing the consumer's obligation to repay all or any portion of the debt; or

"(2) any consumer reporting agency, as permitted under the Fair Credit Reporting Act.

"(d) CEASING COMMUNICATION.—When a consumer absolutely refuses to pay or even discuss an account a debt collector shall cease further direct collection efforts with the exception of advising the consumer that the collector's further efforts are being terminated and that there is a possibility of an attorney invoking the creditor's remedies locally available.

"(e) PLEADINGS AND PROOF.—In any action brought by a consumer against a debt collector under this section, it shall be the duty of the consumer to plead both the existence of a communication from the debt collector and the lack of consent of the consumer thereto, and to make a prima facie showing that the communication took place and that there was no such consent. A prima facie showing that consent was not obtained may consist of testimony by the consumer. Upon such a prima facie showing, the burden of going forward shall be with the debt collector.

"§ 805. Harassment or intimidation

"No debt collector may harass or intimidate or threaten or attempt to harass or intimidate any person in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

"(1) The use of violence or other criminal means to harm the physical person, reputation, or property of any person.

"(2) The use of abusive or profane language.

"(3) The publication of a list of consumers who allegedly refuse to pay debts.

"(4) The advertisement for sale of any debt to coerce payment of the debt.

"(5) Any communication to acquire location information about a consumer if the debt collector has such information or does not reasonably believe that such person has access to such information.

"(6) The making of harassing or threaten-

ing phone calls or visits to the home or place of employment of a consumer or his spouse or calling any person repeatedly or constantly.

"§ 806. False or misleading representation

"No debt collector may make or threaten or attempt to make any false or misleading representation to any person in connection with the collection of any debt. Without limiting the general application of the foregoing, the following conduct is a violation of this section:

"(1) Any false representation indicating that the debt collector is acting for or on behalf of the United States or any State, including the use of any badge, uniform, or any facsimile thereof of any law enforcement agency.

(2) The false representation of—

"(A) the character, amount, or legal status of any debt; or

"(B) any services rendered or compensation which may be received by any debt collector for the collection of a debt.

"(3) The false representation that any individual is an attorney.

"(4) The false representation that nonpayment of any debt will result in the arrest or imprisonment of any consumer or the seizure, garnishment, attachment, or sale of any property or wages of any person.

"(5) The threat to take any action that cannot legally be taken or that is not intended to be taken.

"(6) The false representation that a sale, referral, or other transfer of any interest in a debt shall cause the consumer to—

"(A) lose any defense to payment of the debt; or

"(B) become subject to any practice prohibited by this title.

"(7) The false representation that the consumer committed any crime or other conduct in order to disgrace the consumer.

"(8) The false statement to any person (including any consumer reporting agency) that a consumer is willfully refusing to pay a debt.

"(9) The false representation that any writing (including any seal, insignia, or envelope) is authorized, issued, or approved by any court or agency of the United States or any State.

"(10) The use of any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer.

"(11) The false representation that any person is seeking information in connection with a survey.

"(12) The false representation that any person has a prepaid package for the consumer.

"(13) The false representation that a sum of money or valuable gift will be sent to the addressee if the requested information is presented.

"(14) The false representation that accounts have been turned over to innocent purchasers for value.

"(15) The false representation that any debt has been turned over to an attorney.

"(16) The false representation that documents are legal process forms.

"§ 807. Unfair practices

"No debt collector may engage in the following practices with respect to any person in connection with the collection of any debt:

"(1) The collection of any amount (including any interest, fee, charge, or expense incidental to the principal obligation) by a debt collector unless such amount is expressly authorized by the agreement creating the debt and is legally chargeable to the consumer, or unless such amount is expressly authorized by a court of competent jurisdiction.

"(2) The acceptance by a debt collector from a consumer of any check or any other negotiable instrument that is postdated, unless such consumer is notified in writing of the debt collector's intent to deposit such check or such instrument at least three business days in advance of the deposit of such check or such instrument.

"(3) The solicitation by a debt collector for the purpose of threatening criminal action of any check or any other negotiable instrument that is postdated.

"(4) The deposit by a debt collector of any postdated check or other postdated negotiable instrument prior to the date on such check or such instrument.

"(5) The use or causing to be used in a debt collector's behalf in connection with the collection of any debt, of any forms, letters, questionnaires, other printed or written material, or other forms of communication which do not clearly and conspicuously disclose that such are used for the purpose of collecting or attempting to collect a debt or to obtain or attempt to obtain information concerning a consumer.

"(6) The placement in the hands of others for use in connection with the collection of any debt, of any forms, letters, or questionnaires or other printed or written material which do not clearly and conspicuously reveal thereon that such are used for the purpose of collectiong or attempting to collect a debt or to obtain information concerning a consumer.

"(7) The selling of any debt collection related form to any person who is not defined as a debt collector under section 802 of this title.

"§ 808. Validation of debts

"Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall send the consumer a written notice containing the following information:

"(1) The amount of the debt.

"(2) The name and address of the creditor to whom the debt was originally owed as it appeared in the original sales contract or bill of sale and the name of the creditor to whom the debt is currently owed.

"(3) A statement that unless the consumer, within thirty days, disputes the validity of the debt, the debt will be assumed as valid by the debt collector.

"(4) If the consumer notifies the debt collector in writing within the thirty-day period that the debt is disputed, the debt collector shall cease collection of the debt until such debt collector obtains certification of the validity of the debt from the creditor and a copy of such certification is mailed to the consumer by the debt collector.

"§ 809. Multiple creditors

"If any consumer owes debts to more than one creditor and makes any single payment to any debt collector with respect to such debts, such debt collector shall not apply such payment to any debt disputed by such consumer.

"§ 810. Legal actions by debt collectors

"(a) A debt collector shall not bring any action on a debt against any consumer—

"(1) in the case of any action to enforce an interest in real property securing the consumer's obligation, in a court that does not have jurisdiction in the judicial district or similar appropriate legal entity in which such real property is located; or

"(2) in the case of any action not described in paragraph (1), in a court that does not have jurisdiction in the judicial district or similar appropriate entity—

"(A) in which such consumer signed the contract sued upon; or

"(B) in which the consumer resides at the commencement of the action.

"(b) A debt collector shall not cause process in any action on a debt to be served on a consumer unless such process is served—

"(1) by an officer or employee of the United States or any State in the course of the official duties of such officer or employee;

"(2) by an individual appointed or approved by the appropriate court for that purpose; or

"(3) by an individual authorized to serve process under the State law in which process is to be served.

"(c) A debt collector shall not utilize, in connection with the collection of any debt, any officer or employee of the United States or any State whose duties include the service of legal papers, except in the course of such duties.

"§ 811. Civil liability

"(a) Except as otherwise provided by this section, any debt collector who fails to comply with any provision of this title with respect to any person is liable to such person in an amount equal to the sum of—

"(1) any actual damage sustained by such person as a result of such failure;

"(2) (A) in the case of any action by any individual, an amount not less than $100 nor greater than $1,000; or

"(B) in the case of a class action, such amount as the court may allow, except that (i) as to each member of the class no minimum recovery shall be applicable, and (ii) the total recovery in such action shall not be more than the lesser of $500,000 or 1 per centum of the net worth of the debt collector; and

"(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court.

"(b) In determining the amount of award in any class action under subsection (a) (2) (B), the court shall consider, among other relevant factors, the frequency and persistence of failures of compliance by the debt collector, the resources of the debt collector, the number of persons adversely affected, and the extent to which the debt collector's failure of compliance was intentional.

"(c) A debt collector may not be held liable in any action brought under this title if the debt collector shows by a preponderance of evidence that the violation was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

"(d) An action to enforce any liability created by this title may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within two years from the date on which the liability arises.

"(e) No provision of this section or section 812 imposing any liability shall apply to any act done or omitted in good faith in conformity with any interpretation thereof by the Commission, notwithstanding that after such act or omission has occurred, such interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

"(f) A consumer may not take any action to offset any amount for which a debt collector is potentially liable to such consumer under subsection (a) (2) against any amount allegedly owing to such debt collector by such consumer, unless the amount of the debt collector's liability to such consumer has been determined by judgment of a court of competent jurisdiction in an action to which such consumer was a party.

"§ 812. Criminal liability

"Whoever willfully and knowingly—

"(1) gives false or inaccurate information or fails to provide information which he is required to disclose by this title; or

"(2) otherwise fails to comply with any provision of this title;

shall be fined not more than $5,000 or imprisoned not more than one year, or both.

"§ 813. Administrative enforcement

"Compliance with this title shall be enforced by the Commission. For the purpose of the exercise by the Commission of its

functions and powers under the Federal Trade Commission Act, a violation of this title shall be deemed a violation of that Act. All of the functions and powers of the Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

"§ 814. Reports to Congress by the Commission and Attorney General

"Not later than twelve calendar months after the effective date of this title and at one year intervals thereafter, the Commission and the Attorney General shall, respectively, make reports to the Congress concerning the administration of their functions under this title, including such recommendations as the Commission and the Attorney General, respectively, deem necessary or appropriate. In addition, each report of the Commission shall include its assessment of the extent to which compliance with this title is being achieved, and a summary of the enforcement actions taken by the Commission under section 813 of this title.

"§ 815. Relation to State laws

"This title does not annul, alter, or affect, or exempt any person subject to the provisions of this title from complying with the laws of any State with respect to debt collecting practices, except to the extent that those laws are inconsistent with any provision of this title, and then only to the extent of the inconsistency. For purposes of this section, a State law is not inconsistent with this title if the protection such law affords any consumer is greater than the protection provided by this title.

"§ 816. Exemption for State regulation

"The Commission shall by regulation exempt from the requirements of this title any class of debt collection practices within any State if the Commission determines that under the law of that State that class of debt collection practices is subject to requirements substantially similar to those imposed by this title, and that there is adequate provision for enforcement.

"§ 817. Effective date

"This title takes effect upon the expiration of six months after the date of its enactment, and section 808 shall apply only with respect to debts for which the initial attempt to collect occurs after such effective date.".

The SPEAKER pro tempore. Is a second demanded?

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

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ANNUNZIO) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. WYLIE) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Illinois (Mr. ANNUNZIO).

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

Mr. Speaker, I appreciate this opportunity to explain the contents and purpose of H.R. 13720, the Debt Collection Practices Act. This legislation will prohibit debt collectors from harassing or intimidating anyone as well as from making false or misleading representations. Reasonable restrictions are placed on communication with a consumer at work, away from work, and with third parties such as a consumer's employer.

The House Banking, Currency and Housing Committee reported this legislation out by a strong margin of 21 to 3 and its Subcommittee on Consumer Affairs reported out this legislation unanimously.

NEED FOR DEBT COLLECTION LEGISLATION

This legislation will have a profound effect on consumers throughout this country. Last year alone, $3 billion in debts were turned over to professional debt collectors. For far too long debt collectors have been collecting money from consumers by use of harassment, abuse, and deceptive tactics.

Frequently consumers are sent phony legal documents, are harassed by threats of contact with their employer or false threats of legal action. They are harassed by phone at home and at work. If these tactics do not work, threats of bodily harm or death are sometimes made.

It is not just the individual who owes a valid debt who receives this outrageous treatment, others such as a person contacted through mistaken identity or through mistaken facts, and his friends, relatives and neighbors—all are subject to the tactics of the disreputable debt collector.

This bill is needed because at present there is no effective regulation of debt collectors, there are no uniform standards of conduct and no uniform penalties. States laws do not and cannot regulate interstate debt collection practices. Thirteen States have no debt collection laws at all and altogether 25 States—with a population of over 80 million—have either no law or very few prohibited practices in their laws. Of the States that do have debt collection laws, only a small number have significant prohibited practices and afford consumers a private right of remedy.

At the present time there is no Federal debt collection law per se. The Federal laws that can be construed to relate to debt collection practices have not been successful in stopping debt collection abuse. In the debt collection area, the the legislation and just 2 weeks ago the "Guides Against Debt Collection Deception" which are not legally enforceable.

The goal of this legislation is to stop debt collectors from using abusive tactics. In essence, what this means is that every individual, whether or not he owes a debt, has the right to be treated in a reasonable and civil manner at all times. I have made the point many times that this bill is not designed to allow consumers to stop paying valid debts. Treating individuals in a reasonable and civil manner will not allow consumers to avoid payment of valid debts.

I have worked hard with members of the debt collection industry to insure that this bill is fair. While this legislation will protect consumers, it will not put any unnecessary or unfair burdens on reputable debt collectors. For instance, there are no recordkeeping requirements in the bill, and no licensing requirements.

SUBCOMMITTEE MEMBERS' CONTRIBUTIONS

Mr. Speaker, a great deal of the credit for this legislation goes to the members of the Consumer Affairs Subcommittee who worked long and hard to bring this bill to the floor. The members of the Subcommittee are: LEONOR K. SULLIVAN, GLADYS NOON SPELLMAN, HENRY B. GONZALEZ, WALTER E. FAUNTROY, STEPHEN L. NEAL, FERNAND J. ST GERMAIN, CHALMERS P. WYLIE, MILLICENT FENWICK, and CHARLES GRASSLEY.

I want to pay special tribute to the ranking minority member, the gentleman from Ohio (Mr. WYLIE), for the cooperation and hard work he has put forth on this bill. He has offered a number of excellent amendments to the bill during the markup session and as always he has made my job as chairman a much easier one. I also want to pay special tribute to the gentlelady from New Jersey (Mrs. FENWICK) and the gentlelady from Maryland (Mrs. SPELLMAN) who were among the guiding forces in bringing this legislation before the House. Mrs. FENWICK was one of the first to suggest the introduction of the legislation and during the hearings we constantly called upon her expertise as the former Consumer Affairs Director for the State of New Jersey. I remember the very first meeting of the subcommittee when Mrs. FENWICK stressed the need for a bill such as we are dealing with here today. At that time it was only in the idea stage. But, today that idea has progressed to a piece of legislation in which every member of the House can take pride.

DEBT COLLECTION INDUSTRY SUPPORT FOR BILL

Some Members may have been concerned that representatives of the debt collection industry are unhappy with this bill. I think much of that unhappiness stems from some debt collectors who are operating outside of their own trade associations. Both of the major debt collection trade associations are supporting the legislation and just 2 weeks ago the American Collectors Association, at its annual meeting, adopted a resolution not only supporting the legislation but disavowing the attempts by any collectors to defeat or amend the legislation. I am including a copy of that resolution in my remarks so there can be no doubt as to the position of the debt collection industry:

RESOLUTION OF AMERICAN COLLECTORS ASSOCIATION, INC.

Be it resolved: That ACA take no further action in the House of Representatives on H.R. 13720 and continue to pursue attempts to amend the undesirable features of the bill in the Senate;

That ACA go on record as endorsing the bill in the Senate, subject to certain amendments;

That the determination and approval as to the wording of the amendment lie with the National Legislative Council and with the approval of the Executive Committee;

That any other collection agency spokesmen regarding the bill are without the sanction of ACA, and that as such, ACA be permitted to publicly disavow efforts which would defeat the legislation.

Recently I received a letter from a consumer who owed a debt of $325. When a collection agency contacted him, he agreed to a repayment plan and repaid the full amount. When the consumer requested a verification of his payment, he received a letter verifying the payment, but claiming the full balance included an additional $99.13. He was told this was "interest." Interest for what and to whom

is not clear, nor is it clear why this amount was never mentioned before. Apparently, this consumer's good faith conduct in repaying the debt is being met by an attempt to make him pay an additional $99.13 he does not seem to owe.

CONTENTS OF LEGISLATION

This bill prohibits debt collectors from adding on costs to a debt that the consumer does not legally owe.

Also, the bill specifically prohibits, among other things, making harassing or threatening telephone calls or visits to a consumer, publishing "deadbeat" lists, impersonating an attorney or a law enforcement officer, threatening to take any action that cannot legally be taken or that is not intended to be taken, falsely threatening that failure to repay a debt will result in the arrest or imprisonment of any consumer and misusing postdated checks.

To protect consumers and related third parties from harassment the bill regulates skiptracing activities used by debt collectors to locate consumers.

The provisions on communication in connection with the collection of a debt are some of the most important in this legislation. Communication, especially those by telephone, frequently are used to harass or intimidate a consumer.

Consequently, these provisions place reasonable control on a debt collector's communication with a consumer at work, away from work, and with third parties such as his employer.

Communication with a consumer at work or with his employer, may work a tremendous hardship for a consumer because such calls can embarrass a consumer and can result in his losing a deserved promotion or result in costing him his job. Such calls should only be made with great care. However, I want to make it clear that the bill does permit some communication with a consumer at work and it does not prohibit all communication with a consumer's employer.

The Federal Trade Commission will be responsible for enforcement of this legislation. The bill provides for stiff penalties consistent with those in the Consumer Credit Protection Act.

EFFECT ON CREDIT

Opponents of this legislation assert that prohibiting harsh debt collection tactics will mean less debts collected and this will increase the cost of consumer credit. Debt collectors claim only a small minority of their industry engage in the prohibited, unethical practices. If this is true, the bill should have little or no effect on the amount of bad debts collected.

However, if the result is less bad debts collected because abusive tactics cannot be used, the response should be to grant credit more carefully in the first place, not to permit abusive tactics. Credit grantors have to share the responsibility for the large amount of uncollectable debts when they grant credit carelessly to people who are not creditworthy.

LEGISLATION CONSISTENT WITH FIRST AMENDMENT

I believe that the provisions of H.R. 13720 are constitutionally sound. The point has been raised that a recent Supreme Court case, *Virginia Pharmacy Bd.* v. *Va. Consumer Council* No. 74-895 (U.S., May 24, 1976) which held that "commercial speech" is not unprotected by the first amendment, might call into question several of the provisions of the Debt Collection Practices Act. For several reasons, I believe this case presents no problems for us in our consideration of this bill. This case invalidated a Virginia statute which prohibited licensed pharmacists from advertising the prices of prescription drugs. However, the Court pointed out that—

> Some form of commercial speech regulation are surely permissible. (Slip opinion at 22.)

In explaining permissible regulation the Court expressly noted that restrictions on the time, place, and manner of advertising are permissible, "provided that they are justified without reference to the content of the regulated speech, that they serve a significant governmental interest, and that in doing so they leave open ample alternative channels for communication of the information." Slip opinion at 22–23.

This bill's relevant provisions meet this test. The sections on regulation of the acquisition of location information and on restrictions on communications in connection with debt collection would impose restrictions on the time and manner of communications by debt collectors, but would not prohibit them totally. The restrictions are justifiable based on the prevention of harm to consumers. The restrictions will serve the significant governmental interest in protecting the public welfare by protecting citizens from harassment and invasion of privacy.

Finally, the restrictions leave open several alternative channels for communication. For example, under the location information section a debt collector can, subject to certain conditions, locate a consumer by telephone, mail or telegram; and under the communication section there is no limit on mail or telegrams sent to a consumer at his home.

Similarly, the provisions of the bill which impose outright prohibitions on harassment and intimidation and on false and misleading representations are consistent with the Court's opinion. For example, the Court noted that threats of retaliation by an employer in a labor dispute are not within the protection of the first amendment. Slip opinion at 14, note 17. The Court saw no obstacle to a State's dealing effectively with the problem of commercial speech that is false, deceptive, or misleading. Slip opinion at 22–23.

Therefore, I feel this legislation is consistent with the permissible regulation of commercial speech.

SCOPE OF LEGISLATION

There are two areas of controversy with respect to this bill. First, whether the bill's coverage should be extended to cover credit grantors collecting their own debts.

Legislation almost invariably involves some form of classification whereby the statute affects some persons, and not others. Independent debt collectors represent a separate industry from creditors. Debt collectors' primary business is the collection of debts. Unlike creditors, they do not offer to sell any product or service to consumers. Debt collectors do not really compete with creditors because creditors first attempt to collect their own 30-day overdue accounts while debt collectors usually work on accounts that are at least 60 to 90 days overdue. Accounts are generally turned over to collection agencies only after a creditor has tried and been ineffective in collecting on his own. Therefore, these accounts are likely to be difficult to collect and may create an attempt to use harsh collection tactics.

Also, a company whose primary business is not debt collection will be concerned with maintaining the good will of consumers and therefore is less likely to chance angering consumers by employing harassing collection techniques. Creditors, unlike debt collectors, are usually larger, therefore, if a Federal agency like the Federal Trade Commission takes action against a major creditor, it usually has a deterrent effect throughout the industry. This is not the case with the debt collection industry.

COMMUNICATIONS

The second area of controversy is contacting a consumer or his employer. The bill's controls on communication are quite reasonable and strike a fair balance between the debt collector's need to contact and the consumer's right to privacy and right to be free from harassment. Contact with the consumer away from work, is limited only to two actual contacts a week in which the consumer states his present intentions as to repayment. In other words, a phone message or letter would not count toward the limit. Also, this limit does not include communication at work.

At work, where contact can have more serious consequences, contact is limited to one call if the debt is below $100. However, collection industry representatives have informed me that the average referred debt is $100 and the bill permits two communications each month at work if the debt is $100 or more, and meets two other conditions.

The twice a month limit on work contact for the average debt is certainly fair since under the section on locating a consumer, a debt collector can find the current home address and phone number of a consumer. Then he can communicate at home with the consumer by phone, mail, or telegram.

In permitting contact at work, one cannot ignore that such contact may have many harmful results for the consumer being contacted. Many employees are not allowed to get any calls at work. The calls can cause a consumer to be denied a promotion or lose his job. Also, the calls can result in the consumer's coworkers and employer learning that the consumer owes an unpaid debt whether or not the debt is valid. Consequently, calls at work should only be made when absolutely necessary, not on an automatic basis. The communication section now provides for reasonable contact at work.

Debt collectors would like to be able to call a consumer's employer all the time. The bill permits contacting an em-

ployer with the prior consent of the consumer, by express court permission, or after a final judgment.

Yet, it is simply not an employer's responsibility to collect debts for debt collectors. The subcommittee has yet to receive one letter from an employer requesting that debt collectors be able to contact them. However, we have received many letters from employers requesting that debt collectors not contact them. There is no basis for contacting the consumer's employer prior to final judgment, unless the consumer gives prior consent or a court expressly permits it. If a consumer wants his employer's help, such as a debt counseling service, he can arrange for it himself.

If a consumer loses his job, he is in a worse, not better, position to pay the debt. Employer calls may intimidate a consumer into paying a debt he does not even owe. Prior to final judgment, the damage an employer contact could do to a consumer far outweighs any benefit from such a call. The bill's present restrictions on communication allow reasonable opportunity for contact with the consumer.

CONSUMER LETTERS

I would like to have the excerpts from the following letters I have received made a part of the RECORD. These vivid examples of the harsh practices used by some debt collectors reflect the need for this legislation.

A mother wrote in indignant at the treatment her son received from a debt collector. Her letter reads in part:

One day, someone said they were collecting a bill for my husband's cremation. I thought my friends had taken care of that, so I told them I would inquire. In the six years that had past, my friends had moved and it took a while to get in touch with only one. I did not know that the one who wanted to collect was a bill collecting agent and *not* the funeral home. He called the following week and when my son asked his name and number, he said he was not giving it again to any dumb kid and my son had better give him my office number—OR ELSE. My son refused and hung up. Needless to say he was frightened, but even more so, because just that week a little girl in . . . had been kidnapped and tied to a tree and left to die. My son (then eleven) was hysterical by the time I came home.

I still had the man's name and number from before, so I called and told him that he knew I was trying to contact my friends: what kind of pervert would frighten a child just for $250. He said, "If it takes scaring a kid to get his money, that's what he'll do." I told him I would not continue to try to find out if my friends paid the bill and, if he wanted to take me to court, I would love to tell a judge how he behaved and file a countersuit against him.

The next letter excerpt is from a woman after she received the following collection notice:

The above named creditor claims a just indebtedness from you in the above amount. The account is long past due and payment has been duly demanded. No payment or arrangement has been made.

We insist that you pay the full amount of this claim to your creditor at his business office no later than October 14, 1975.

We trust that your creditor will not be compelled to take more *extreme measures* in order to collect the full amount of this claim.

However, in the event such further measures do become necessary in order to collect the above amount, you may be subject to additional expenses and other proceedings, including sheriffs' fees, wage and other garnishments, *execution*, and a sheriff's sale. (emphasis added by consumer)

This letter excerpt was in response to the above collection notice:

DEAR SIR: I recently read an article where you are going after the "butcher" collection agencies. I am enclosing a letter I received from a company several weeks *after* I had already paid the bill. I am unemployed and I get this nonsense. What gets me is the part in the letter I have circled (underlined), does this mean they were going to kill me if I didn't pay?

Following is an excerpt from a complaint filed by a woman harassed by a debt collector:

Mr. . . . from the . . . (collection agency) has called 3 or 4 times a day. Mrs . . .'s daughter has a head problem and is supposed to avoid stress. Mr. . . . called them a liar, said Mrs. . . . belongs in a nut house, called her son a queer and said he was coming over and cut his . . . out. Mr. . . . called her a nosey old bitch, told her son they were running a whore house and his Mother was a whore. Mr. . . . spoke to her husband and called him a . . . wanted to know where they live and said he was going to come out and wipe the ground with them.

One letter reads:

DEAR MR. ANNUNZIO: I read your article about unscrupulous bill collectors in the Sunday (paper), September 28.

Here is something we were intimidated into believing. This notice about the sale of our house was sent to us and in our terror we believed it until later we found out the lot number was not even ours as proved by a copy of our grant deed enclosed.

Please do all you can to stop these storm troopers in the name of justice.

A consumer received a "Moneygram"—a document made to look like a telegram—with regard to an alleged doctor bill, yet all her doctor bills were covered by Medi(state). The "Moneygram" reads:

The next step in our collection procedure will depend on your response to this message. Investigation of your job, auto and other property being made. Urgent you contact me regarding payment immediately.

The following letter is from the accounting secretary of a health foundation,

I read with much interest the article in the September 28, 1975 issue of (the newspaper) about unscrupulous bill collectors.

I work in the accounting department of a medical clinic which cares primarily for minority and financially indigent patients. One of my tasks is to process bills for payment from grant funds for this latter group of people. These payments would go to providers of medical care outside of our own clinic when our doctors had referred them.

Enclosed is a copy of a collection notice one of our patients received for a bill that is our responsibility for payment. However, according to our records the bill is paid.

I was much interested in the form of the collection notice. It has an official-looking gold foil seal and of course, as you can see, the form has the appearance of an official document, such as a subpoena or a judgment.

I am not personally acquainted with the gentleman who received this notice. He is Spanish-speaking, and through a translator he appeared to be frightened of the consequences of this "document."

I feel that this type of collection form is unethical. I would be interested in your comments.

LEGISLATION: PROTECTS CONSUMERS, FAIR TO REPUTABLE DEBT COLLECTORS

The practices illustrated by the above letters are unethical and must be stopped. This legislation should stop debt collectors from using unethical practices and establish a standard of conduct for debt collectors.

Passage of the Debt Collection Practices Act is important if consumers throughout this country are to be protected from the mental anguish and intimidation that are the consequences of abusive debt collection practices.

The subcommittee has worked long and hard to insure that this bill protects consumers, and remains fair to reputable debt collectors. I believe the Debt Collection Practices Act accomplishes these two priorities. I strongly urge you to vote for this important consumer protection legislation.

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

Mr. ANNUNZIO. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding.

I think this is an interesting concept that the Federal Government should intrude itself into yet another area of private activity. I heard a great deal of comment in the New York convention of the gentleman's party about the intrusion of Washington into individuals' lives and how this was to be halted.

I have read with interest on page 3 of the bill the definition of a debt collector. I see it is defined as anyone "who engages in any business the principal purpose of which is the collection of any debt."

Second, it includes any person "who directly or indirectly collects or attempts to collect a debt owed or due or asserted to be owed or due another."

The report is not too clear on this point. Would this include attorneys, the largest part of whose professional activities would be the collection of debts?

Mr. ANNUNZIO. Mr. Speaker, I say to the gentleman from Maryland, this does not include attorneys.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield further, what if an attorney's full practice was the collection of debts?

Mr. ANNUNZIO. If the attorney's full practice is in the business of collecting debts, this would not include him, because he is not a debt collector under the definition of the bill.

Mr. BAUMAN. Has the gentleman read the language on page 3?

Mr. ANNUNZIO. I have read the language.

Mr. BAUMAN. It says any person who engages in debt collection; it does not say attorneys are exempted. It says any person who engages.

Mr. ANNUNZIO. My definition of an attorney is a man who has a license to practice law.

Mr. BAUMAN. I agree with the gentleman, but many attorneys do engage in that practice and the largest part of their practice is collecting debts. It seems to me that the Federal Government, under the gentleman's bill, will be regulating the practice of law.

Mr. ANNUNZIO. On page 4 it says that

the term "debt collector" does not include any person who does not directly or indirectly collect debts owed to another and whose primary business is extending credit, such as banks, retailers, credit unions, finance companies or attorneys at law collecting debts as attorneys on behalf of clients and in the name of such clients.

Mr. BAUMAN. That wishful language is on page 4 in the report not in the bill. Can the gentleman show in the bill where that is written, because I do not find it.

In other words, there is no such exemption, and the bill is going to include attorneys.

Mr. ANNUNZIO. I think the report speaks for itself.

Mr. BAUMAN. I thank the gentleman.

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

Mr. ANNUNZIO. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Speaker, does this bill include a debt that was contracted solely within a State and would be collected solely within a State and that does not deal with interstate commerce, above and beyond the exempted language?

Mr. ANNUNZIO. That is absolutely correct.

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

Mr. Speaker, H.R. 13720, the Debt Collection Practices Act, is a bill designed to protect consumers obligated to repay debts, mistakenly believed to be obligated to pay debts, or consumers involved in credit transactions to be protected against harassment by unethical debt collectors, and also to protect honest debt collectors from competition by unethical debt collectors.

One of the most significant provisions of this bill, and I would like to call this especially to the attention of the Members, is the one which says that this bill, insofar as establishing standards of conduct, is complete and that the Federal Trade Commission, the supervisory agency, has only such power as we grant it under this bill and that is to enforce its supervision; but it does not have any rulemaking power in this regard.

Specifically, the bill makes it quite clear that the FTC is not granted any additional rulemaking power by this bill.

I think this is significant from a legislative standpoint. If there is any doubt as to congressional intent, the FTC must come back to the Congress for guidance. That is significant, because frequently Congress will pass a bill which will become onerous on some small business as a result of the rulemaking process; a result which Congress never intended will be put into effect.

I would like to have the attention of the distinguished chairman of the subcommittee, so that we might make a legislative history on the House floor as to what we intend in this legislation, if there be doubt.

I would ask the gentleman from Illinois (Mr. ANNUNZIO) this question; Is there any doubt in the gentleman's mind that the Federal Trade Commission would not be granted any additional rulemaking power if this bill becomes law? Is there any doubt as to congressional intent that the FTC would have enforcement authority only and would not require additional rulemaking power? And, if there is a question of congressional intent, the FTC must come back to Congress for guidance, which would take the form of new legislation, of course.

Mr. ANNUNZIO. I want to say to the gentleman from Ohio that he is absolutely correct in his statement.

Mr. WYLIE. I thank the gentleman for confirming that.

Now, 38 States already have laws similar to this bill today. I might add that Ohio is not one of them. So the bill is of particular importance to Ohioans. But, a legitimate question might be asked that if the States are already acting, why do we need this bill today? Why should the Federal Government become involved?

Well, we have found that the most flagrant abuses have been in interstate commerce such as the mail order record clubs, the magazine, and book clubs. These have caused most of the problems. A young person alledgedly representing himself as working his way though college signs up an unsuspecting housewife for a magazine subscription. This is an actual example with which I have personal knowledge. When the bill comes for the magazines, she finds that she has signed up for 5 years worth of magazines, with installment payments adding up to much more than the magazine stand cost would be for the magazines.

The husband becomes irate and says, "I won't pay it." The next thing he knows, he is contacted by a debt collection agency for payment of the whole bill. It seems that there was a cognovit note provision on the form the housewife signed.

This bill will not stop stupidity or what might be more appropriately termed acts of generosity of this type, but it does create a general rule of conduct prohibiting a debt collector from harassing or intimidating any person in the collection of a debt.

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

Mr. WYLIE. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Speaker, the gentleman is speaking of interstate commerce, which of course would be very appropriate jurisdiction of this Congress, but as I understand from a previous question I asked, this bill also encompasses the transactions solely within a State, which is not in interstate commerce. This is a suspension of the rules and, therefore, we cannot amend to confine the bill strictly to interstate commerce. Am I correct on that?

Mr. WYLIE. The statement of the gentleman from Illinois was accurate a little while ago, but on page 19 we have a provision which says:

> This title does not annul, alter, or affect, or exempt any person subject to the provisions of this title from complying with the laws of any State with respect to debt collecting practices, except to the extent that those laws are inconsistent with any provision of this title, and then only to the extent of the inconsistency. For purposes of this section, a State law is not inconsistent with this title if the protection such law affords any consumer is greater than the protection provided by this title.

So, State laws would apply in most cases.

Mr. WHITE. But the gentleman spoke of some 36 States having laws, and 14 other States do not have laws, so as to debts within their limitations, they would be affected by this bill.

Mr. WYLIE. This is true. Ohio is one of those States. I mentioned the fact that Ohio does not have a debt collection practices act.

Mr. WHITE. But is it not the desire generally of the people of this country to stop the encroachment of the Federal Government into matters strictly confined to State boundaries, rather than becoming a National Government?

Mr. WYLIE. I think that is true generally, but I would say that in this area the type of activity that is involved is usually an interstate type of practice. I would say that there are State laws which would apply and which could be enforced as to fraud or misrepresentation.

Mr. WHITE. The intent of the bill probably is good, except as it applies solely within a State. I would like very much for this bill to come up not on the suspension calendar so that we could amend it to confine it to interstate situations.

Mr. WYLIE. I understand what the gentleman is saying, but we have been working on this bill now for almost a year, and it is a finely tuned bill. I am afraid that if it comes out under a rule, there will be so many amendments that the bill will become a bad bill and we will not accomplish what we want to.

I think a vote to open the bill up for amendments must be interpreted as an attempt to defeat the bill.

Mr. WHITE. Is there any justification for the approach for a breach of the basic principle, that is the question, really.

Mr. WYLIE. I do not think that is the question, really. I do not think that we are talking about taking away States rights, if that is what the gentleman is referring to.

This is a bill on which we have worked with representatives of the trade associations. They have agreed with the bill now in its present form, and they have agreed to support it. I do not understand how this is a question of States rights.

I am well aware of what the gentleman is saying. We do not want the law to unnecessarily apply to a State like Ohio, except that if a debt collection practice is bad for interstate commerce it should be a prohibited activity in intrastate commerce.

The activities which are prohibited in this bill are activities which I think the gentleman will agree, if he has read the bill, should be prohibited, whether it is intrastate commerce or interstate commerce.

Mr. WHITE. Yes, I condemn it. But I do not know that we should ask the Congress to try to cure every particular ailment within the State. There are some matters that should be left up to the States to cure.

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

Mr. WYLIE. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I thank the gentleman for yielding.

Mr. Speaker, I want to assure my good friend, the gentleman from Texas (Mr. WHITE), that after 1 year of studying this problem, the abuses were so horrendous that there was no other course the committee or subcommittee could take. We are talking about a $3 billion industry which gets 50 percent of what they collect. We are talking about $1 billion a year that is collected, or over $500 million. Witnesses before our committee described the threats. The association itself approves the bill.

We are not trying to interfere with the States. The States have been so weak they came to us and asked us to do something for them. We tried to comply with the requests of the several commissions of the several States which appeared before our subcommittee on behalf of the legislation.

Mr. WHITE. If the gentleman will yield further, they may have asked in regard to interstate matters, but I am sure as to their intrastate commerce they are capable in their own State legislatures to pass legislation on the abuse the gentleman describes.

Mr. WYLIE. Honest debt collectors have come to us and said they would like to be protected against competition from unethical collectors. They think standards should be applied uniformly in all States. The standards prescribed in this bill are not standards that they cannot otherwise comply with. For example, it prohibits the use of violence or profane language. It prohibits the publication of deadbeat lists. It prohibits making harassing telephone calls at the person's home or place of employment. These are the kinds of activities that ethical debt collectors do not engage in, in the first place, and that is why they have said they support the bill.

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

Mr. WYLIE. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentleman for yielding.

Mr. Speaker, I could not agree more with most of the gentleman's comments. I like the gentleman have had experience with clients and friends who have had the experience with the book salesman and the record club, and that sort of thing, where the practices are, indeed, very questionable. It seems to me they should be prohibited. But does not the gentleman still exclude those very operations from its application? It seems to me that those practices that are most rampant in the country by organizations selling books and organizations selling records, and what have you, would be excluded by the specific provision in the bill.

Mr. WYLIE. It does exclude the in-house collector, that is true. The bill excludes in-house collection activity. It does not apply to business credit, in other words. It is only after a debt is turned over to an independent collection agency that the bill would come into play.

Mr. HARRIS. If the gentleman will yield further, I do not understand why it is all right for one of these record clubs or book clubs to harass an individual but it is wrong for them to turn it over to some one else to do the same thing. Why does the gentleman make this kind of differentiation?

Mr. WYLIE. I agree that maybe the distinction should not be made, and that was one of the points I attempted to make throughout the hearings. The provisions of this bill do not apply to a bank, a financial institution, department stores, a record club or any business that attempts to collect its own debt.

Provisions of the bill only apply to about 1 percent of the debts collected in the country, and maybe that will have to be extended a little later on. Right now we need to take this initial step, it seems to me, before we go the whole route. I do not believe, we could pass a bill such as the one the gentleman describes, one that would apply to every in-house debt collection practice.

Mr. HARRIS. I would like to know why not.

Mrs. FENWICK. Mr Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I am going to speak to this, because there is a good reason for this practice. The reason the debt-collection agency is more apt and willing and ready to sue under these practices which the gentleman referred to than is the selling company is quite clear.

The selling company, whether it is a record company or any of these other companies, turns the matter over to the debt collector because it does not want to be in the position of harassing customers and getting a name for so doing. Here is where the distinction comes in. They say, "Regretfully, we have turned your account over to such-and-such an agency, since you have not paid."

Why do we have that? I served for over a year as State director of the division of consumer affairs. We never got troubled letters from consumers dealing with Sears and Bamberger's and Macy's and all the other big companies, or even with the record companies. Why? Because they do not want to get that name. They do not want to be tagged with that reputation.

Mr. Speaker. I would really like to speak on this bill, if I may. Perhaps I should not take the gentleman's time right now, but there is a good reason for that practice.

Mr. WYLIE. Mr. Speaker, I would be glad to yield time to the gentlewoman a little later on.

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

Mr. WYLIE. Mr. Speaker, first, let me make an observation.

The reason why I think we should pass this bill on the floor today under suspension of the rules is because of the debate that has just taken place here. We have gone through this issue for over a year on these very same questions, and we have tried to use our best judgment to this bill on what can be accomplished.

This is a responsible bill, and it is one which I think can be passed and signed into law. I think if it is brought out under a rule—and we do have a rule already—and it is subject to amendment, we will get a bill that is worse, depending on one's viewpoint, of course. This bill could be opened up to all kinds of rules and regulations by the Federal Trade Commission for example.

Mr. Speaker, before I close, I want to commend the gentleman from Illinois (Mr. ANNUNZIO) for his hard work, his patience, and his persistence on this bill. It has been over a year in the making now, and although I did not appear as a cosponsor of the original bill because I thought it went too far, I believe we do have a reasonable bill here, one that can be defended and one on which the trade associations have agreed to be of assistance.

I also wish to thank the gentleman for his complimentary remarks about my own work in this regard. We have, indeed, worked together on this matter. As I say, this bill outlines circumstances under which a debt collector may communicate with a consumer at home or at his place of employment and with a consumer's spouse.

This will not encourage the deadbeat. We do not want to encourage the deadbeat, but at the same time there is a limit beyond which a debt collector should not be allowed to go.

Mr. Speaker, I repeat again that I think we have finely tuned the bill to take into account all of those considerations. I respectfully urge my colleagues to support the bill here on the floor today, and I do recommend its passage.

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

Mr. WYLIE. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I know that the Lord's Prayer tells us to forgive our debtors, but the premise of this bill is not that people should be allowed to go about without paying their just debts; is it?

Mr. WYLIE. It does not say that people should go out and avoid paying their just debts, the gentleman is correct.

Mr. BAUMAN. Mr. Speaker, I am sure that the gentleman knows there are people in this country who advocate that persons who accrue debts avoid payment on a systematic basis. Some would disrupt the free enterprise system by abusing credit and using credit as a means toward social ends.

Mr. WYLIE. I wish to assure the gentleman that I am not one of those persons.

Mr. BAUMAN. I know the gentleman is not. The gentleman has a distinguished record, both Federal and otherwise, I am sure.

Mr. WYLIE. That is right. I agree with the gentleman's position to the extent that he says we should not encourage people to go out and become deadbeats or avoid payment of their debts, because that throws the cost of those debts onto other people who do pay their debts and who are honest people.

I started out with the philosophy a year ago, that we do not need a bill or any legislation in this regard. However, I have since learned of several instances of people who were harassed, not by ethical people, but by people who were unethical debt collectors, through the

mail, through telephone calls, through calls at home, places of employment and so forth.

Therefore, I determined in my own mind that we should establish some sort of standard of conduct which would be prescribed with respect to the activities of debt collectors. If the ethical debt collectors are already complying with those standards anyhow, which most are, it would not affect them all that much. However, certain book clubs, and record clubs have been particularly abusive in this regard. They operate through the mails, in interstate commerce and cannot be reached by many State agencies.

I received a complaint from a man just this morning, who called my office and said that he was glad to see we have this bill before the House today. His wife had received several harassing phone calls threatening bodily harm. That is prohibited activity under this bill.

It turned out to be a question of mistaken identity.

This bill also says that the debt collector had better be absolutely certain that the person owes the debt before he goes out and tries to collect it.

Mr. BAUMAN. If the gentleman will yield further, I think the gentleman from Ohio (Mr. WYLIE) would agree that we cannot remove all the painful circumstances of life now in existence in this Nation. If we attempted to, we would be passing legislation to prevent harassing phone calls to Congressmen in the night. I get them. I am sure that other Members do, too.

It just seems to me that we have before us a sort of debt collection OSHA bill, with many pages of regulations written into it about what can and cannot be done by one who seeks to collect a just debt.

Why should we prescribe at what time of day a telephone call can be made in the United States? That is absurd.

Mr. WYLIE. To answer the gentleman from Maryland (Mr. BAUMAN), we do not want harassing calls to be made at 3 or 4 o'clock in the morning; do we?

However, the reason this is not an OSHA bill—and perhaps the gentleman from Maryland did not hear my statement just before—is that this bill specifically makes clear that the FTC does not have any rulemaking authority.

Mr. BAUMAN. How would it be enforced, then?

Mr. WYLIE. I think this sets a precedent which we ought to set forth in every bill. If there is any doubt about it, we ought to say that this is what Congress intended, and this is all we intended.

We ought to say to them, "If you think there is some doubt as to what we intended, you will have to come back before Congress and we will spell it out for you in future legislation."

Mr. BAUMAN. If the gentleman will yield further, in section 813 on page 18, it says that the Federal Trade Commission shall enforce this bill.

How can the FTC do that except by sending forth a swarm of agents to eat out the substance of the land? This is a Federal program and the heavy hand of the Federal Government will be used to enforce it, Do we not ever learn?

Mr. WYLIE. There is also a burden of proof provision in the bill, which is my amendment. The burden of proof is on the person complaining to the Federal Trade Commission that a debt collector has not used proper tactics or practices which we permit in this bill. I think that is a significant provision. Enforcement does not necessarily contemplate another rule or regulation. I urge passage of the bill.

Mr. ANNUNZIO. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. REUSS).

I want to extend to him my deep appreciation for his help, assistance, and cooperation as well as guidance with respect to this legislation.

Mr. REUSS. Mr. Speaker, I congratulate Mr. ANNUNZIO, the chairman of the Subcommittee on Consumer Affairs, for his fine work on the Debt Collection Practices Act. Mr. ANNUNZIO and the other members of his subcommittee have dedicated a great deal of time and effort to this legislation. The subcommittee members have listened to consumers, industry representatives, and public officials. They have studied the debt collection problem. With this knowledge, they have produced a carefully drafted bill that successfully meets the problem of protecting consumers from harsh and deceptive tactics, while not causing hardship to reputable debt collectors.

The subcommittee has also avoided the bureaucracy inherent in requiring licensing or registration. Nor does the bill authorize the enforcing agency to write implementation regulations for each section. All too often, such regulations have resulted in complex, confusing regulations that neither those regulated nor those protected can understand.

I strongly support the Debt Collection Practices Act. There is an urgent need for this legislation because some debt collectors abuse consumers with harassment, intimidation, and threats. Sometimes the debts are not even bona fide.

Valid debts do go unpaid, resulting in the need for debt collectors. Yet, debt collectors can and should pursue their livelihood in an ethical manner. They can and should treat all consumers fairly and reasonably.

The subcommittee's 5 days of extensive hearings demonstrated the need for this legislation because of frequent abuses by unethical debt collectors, the interstate aspects of debt collection, and the unsatisfactory nature of current Federal and State legislation to stop such abuses.

This legislation responds to the need for debt collection regulation in a reasonable and appropriate manner. I urge you to join me in voting for the Debt Collection Practices Act.

Mr. Speaker, a moment ago I heard my friend, the gentleman from Virginia (Mr. HARRIS), raise a question whether legislation should be on the books, not only with respect to the so-called independent debt collector, which this bill is aimed at, but with respect to in-house collection agencies.

I would say to the gentleman that while I am not entirely familiar with that problem, it is a different problem. No doubt, the subcommittee will turn its attention to that later on; and if the gentleman from Virginia can be of assistance to them on that, I know they would welcome his assistance.

Today, however, we have before us the area of the independent debt collector, which is able to be delineated and which contains special problems. I think the bill handles those problems in an effective way.

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

Mr. REUSS. I would be glad to yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Speaker, I appreciate the assurances of the gentleman from Wisconsin, but my whole experience has been that it has been the record club and the book club and the magazine salesman group that use these practices more often than anyone else, yet this bill specifically excludes them. I cannot imagine delineating these kind of practices and saying that we are just going to cover the independent collection agencies, that they be prohibited from using those practices and to put an exclusion in that it is all right for these other outfits to use these practices.

It seems to me the examples given by the gentleman from Ohio (Mr. WYLIE) have been specifically those examples that the committee has taken care to exclude from the application of the bill. I just wondered why.

Mr. REUSS. Mr. Speaker, I believe that the gentleman from Virginia has had his answer given by the gentleman from Ohio (Mr. WYLIE) and by the gentlewoman from New Jersey (Mrs. FENWICK).

Let me just say that I hope the gentleman from Virginia can support the bill before us today, as I am sure he can, even in spite of his perfectionist attitude, which I admire. I agree that there are other problems connected with the in-house issue which also ought to be the subject of legislation. I know that the gentleman from Virginia will help the committee in the future when they turn their attention to that.

Mr. HARRIS. Mr. Speaker, if the gentleman from Wisconsin will yield still further.

The answer of the gentleman from Ohio (Mr. WYLIE), I thought, to my question, was that the reason these other organizations were not covered was that we could not pass the bill. Is that the reason why they are not covered in this bill?

Mr. REUSS. Mr. Speaker, I would state to the gentleman from Virginia (Mr. HARRIS) that I was more impressed by the reasons given by the gentlewoman from New Jersey (Mrs. FENWICK) that they really are apples and oranges, and that one of the reasons why the independent debt collector has acquired the poor reputation which he or she has in certain areas is because they are looked to as exemplars of these bad tactics, and the reputable companies dump their cases for bad tactics on them. I do not purport to be privy to the deliberations of the subcommittee on this point. The thing that I am stating to the gentleman from Virginia is simply that this is a good bill. If it is not broad enough do not let that interfere today with support of the bill before us.

Mr. ANNUNZIO. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore. The Chair will state that the gentleman from Illinois has 6 minutes remaining.

Mr. ANNUNZIO. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. FENWICK), a member of the subcommittee.

Mrs. FENWICK. Mr. Speaker, I thank my colleague, the gentleman from Illinois (Mr. ANNUNZIO) for yielding me this time.

Mr. Speaker, I would like to speak very earnestly to this bill and say that it is not only a consumer bill, but it is also a small business bill.

Just by extraordinary coincidence, Mr. Speaker, I received a telephone call from a small businessman whose firm is being harassed by an out-of-State collection agency on collection of a bill from one of the major oil companies. I might add that there is some dispute over the bill. The major oil company is not doing this itself, and I do not think that this major oil company would wish to be associated with the kind of things that are going on.

For the enlightenment of the gentleman from Virginia (Mr. HARRIS) let me state some of the things that have happened in this instance.

This small businessman is a reputable businessman. He has been in business for a long time. It is not a large establishment; he has very few employees.

This gentleman has been verbally abused by the collector. The collector has impersonated customers. The debt collector has threatened his secretary if she did not put his calls through.

If that is not enough, this debt collector has even pursued this businessman at his home, after working hours. He has called before 8 in the morning and has telephoned late in the evening. When this small businessman and his wife were entertaining friends, this collector called 12 different times. He has asked to speak to the children of the house. He has used pseudonyms and has posed as a customer. He has threatened the businessman's wife that he would place a lien on their home. He called one of the neighbors, without revealing his true identity and said he had to inform the businessman about an emergency and was unable to reach him.

Mr. Speaker, these are the kinds of things and the kind of competition that decent and reputable collection agencies are up against.

If we do not do something, the entire market is going to be left to people who are prepared to do this, because people who do not even owe the money in desperation sometimes pay.

Mr. HARRIS. Mr. Speaker, will the gentlewoman yield?

Mrs. FENWICK. I only have 4 minutes.

Mr. HARRIS. I know, but the gentlewoman has referred to me, and I thought she would yield.

Mrs. FENWICK. I wanted the gentleman to listen; I did not want to yield to him.

Mr. HARRIS. Is the gentlewoman sure she would not like to let me make just one little comment?

Mrs. FENWICK. I yield to the gentleman.

Mr. HARRIS. I thank the gentlewoman very much.

Mrs. FENWICK. Do not thank me; just speak.

Mr. HARRIS. I wondered why the gentlewoman thought it was wrong for a little old collection agency to conduct such a practice, but it was right for Exxon to do it.

Mrs. FENWICK. It is not right for anybody. The point I am making is I am trying to answer the gentleman's previous question. Reputable companies will not use these practices. The do not want to be involved, and they hand it over to somebody who will do it. I can assure the gentleman of this because of my own experience for over 15 months when I sat trying to protect people from this kind of thing—consumers and small businesses. By whom were they harassed? Not by the companies from which they bought, but by the debt collection agencies to which these accounts had been turned over. Many across State lines. There was nothing I could do in New Jersey to protect them. They would call from out of State, from neighboring States, and from further away.

We have a real problem here, and we have been wrestling with it long before I ever came to Congress. When we turn over reports like this to reputable debt collection agencies, they are more shocked than we are. They are more shocked. They cannot believe this because they conduct their business in an honorable way. They cannot believe that these things go on.

We had one case where a man was self-employed. His wife had refused to pay a certain debt she did not owe. The debt collection agency said he would complain to the man's employer. She said he was self-employed. They went after his best customer. He was a lawyer, and they went after his client and said he was unreliable financially.

This is the kind of thing the people of this Nation are up against. Some of them are far less equipped than is the wife of a lawyer to cope with these tactics. Some of them are humble people without the savvy or the know-how. How they happened to turn to their Division of Consumer Affairs was always to me somewhat of a miracle.

We cannot allow these practices to continue. We are encouraging the worst element in a very sound, good business association. What we will do if we pass this kind of legislation is to make it possible for the good businesses to stay in business. I am not interested in having the consumers of this Nation pay for deadbeats. That is what happens when we do not collect just debts. The vast majority of the consumers have to pay for them because in the long run they pay for everything anyway. But this is an absolutely necessary piece of legislation, I do assure my colleagues as one who is not overeager to pass new legislation.

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

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

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Speaker, H.R. 13720 represents a conscientious effort on the part of the distinguished chairman of the Subcommittee on Consumer Affairs (Mr. ANNUNZIO) and the distinguished ranking minority member (Mr. WYLIE) to develop a bill that would deal fairly with abuses in the debt collection industry. Nevertheless, and despite my particular concern with abuses by debt collectors who use the telephone or the mails to operate beyond the reach of the laws of the States of target debtors, it is necessary for me to oppose this legislation, for the following reasons:

First. H.R. 13720 is very narrow in its scope—it does not apply to businesses which collect their own debts, which account for about 99 percent of debt collection activity. This means that those businesses which conduct their debt collection "in house," or which choose to establish such operations, can engage in all of the prohibited abuses with impunity, at least as far as this Federal legislation is concerned.

Second. There is reason to believe that the effect of this bill may be to increase the incentive for those who habitually abuse credit to resort to frivolous suits for "false or misleading representations" as a means to avoid paying their debts. These actions increase the cost of doing business and, in turn, result in increased costs to those consumers who pay their bills on time. Another unfortunate but probably inevitable result is tightened screening, so that those poor people who need credit most will find it more difficult to obtain it.

It may surprise my colleagues to learn that there are available on the market manuals which instruct debtors on how to use techniques which can only be characterized as abusive to avoid paying their debts. In addition to instructions on how to "fold, spindle, and mutilate," and on how to use the mails to delay, such books instruct their readers that by using the procedures provided under the Fair Credit Billing Act it is possible to tie the creditor up for as long as 90 days and impose substantial additional costs on him. These costs, of course are ultimately borne by those consumers who pay on time.

To give the authors of debt avoidance manuals their due, however, it should be observed that the Federal Government itself has contributed significantly to the decline of the "pay as you go" ethic. One of the manuals contains the following quote, which should give us all pause:

> Slow payment . . . is neither immoral nor illegal. You can be sued for it, but you can't be put in jail. It has the seal of approval of American commerce (in practice, if not in pronouncement) and of the United States government itself, which, since 1933, has been spending money it didn't have and calling the technique *deficit spending*. (Money paid out for social security in the 1930's, for example, came from money that the Social Security Administration didn't expect to receive until the 1950's.)
>
> Of course, since people can't get away with as much as governments can, you may fear that you won't be able to get away with deficit spending for as long as the government has. You may fear that long-term deficit spending will catch up with you in the long run, just as it's now starting to catch up with the government. But one or two years of stalling is hardly the long run. Besides, as John Maynard Keynes, the father of deficit spending, wrote: "In the long run,

we shall be dead."—*Your Check Is In the Mail*, Goldman, Franklin, and Pepper, p. 11.

Mrs. SPELLMAN. Mr. Speaker, I rise in strong support of H.R. 13720, the Debt Collection Practices Act, which amends the Consumer Credit Protection Act to prohibit abusive practices by professional debt collectors. I am pleased to be a cosponsor of this pro consumer legislation which is the Federal Government's first attempt to curb the harassment and intimidation which appears to be characteristic of a significant segment of the debt collection industry.

I believe this legislation has been carefully constructed in a manner designed not to restrict or penalize the ethical debt collector. Instead, its purpose is to protect consumers from fraudulent practices by regulating the debt collection industry, an industry which has gone wholly unregulated to date, despite the large volume of business which they handle.

Last year alone $3 billion in debts were turned over to professional debt collectors. Yet, over 40 million Americans are totally unprotected against debt collection abuses. In fact, 13 States do not even have debt collection regulations and another 12 States have laws so weak or unenforceable that blatant abuses can and do occur on a daily basis. Despite an estimated 5,000 debt collectors spread across the Nation only 37 States and the District of Columbia have any collection regulation on their books at the present time.

The Debt Collection Practices Act is a product of long, arduous hours of work by the Consumer Affairs Subcommittee of the Banking, Currency and Housing Committee, and I extend my congratulations to Chairman ANNUNZIO and the subcommittee staff for their exemplary achievement. During the course of these hearings the subcommittee received testimony from a wide range of witnesses, including a former debt collector, representatives of small and large collection companies, consumer groups, consumer victims, enforcement officials, and others. As a member of the Consumer Affairs Subcommittee, I believe the 5 days of public hearings which we held and the excellent testimony which we received showed overwhelming evidence of abusive tactics which appear to be typical of much of the debt collection industry.

In fact, according to these hearings, as stated on the committee report, frequently consumers are sent phony legal documents, they are often harassed by phone at home and at work, attorneys and policemen are sometimes impersonated and threats of bodily harm or death have been reported on occasions.

Another major area of concern which this legislation addresses is the problem of interstate regulation of the debt collection industry. Current State laws do not and cannot regulate interstate debt collection practices and existing Federal regulations have been found to be wholly ineffective in correcting abuses. This legislation recognizes these problems and proposes strict enforcement of new and explicit regulations which are designed to protect the consumer.

The Debt Collection Practices Act will prohibit professional debt collectors from harassing or intimidating any person in connection with the collection of a debt and from making false and misleading representations. H.R. 13720 also puts controls on communications with a consumer or his spouse or third parties including controls on abusive practices used to locate the home address, home phone number, and place of work of a consumer. The legislation further prohibits the use of abusive or profane language, violence or criminal intimidation, false representation, and more.

Administrative enforcement of these regulations is provided by the Federal Trade Commission and the civil and criminal penalties are consistent with those already in the Consumer Credit Protection Act. In accordance with section 814, annual reports shall be made to Congress by the Commission and the Attorney General concerning the administration of the functions of this legislation.

I urge my colleagues to join me in supporting this vital legislation which is needed to protect millions of American consumers.

Mr. FRENZEL. Mr. Speaker, I rise in opposition to the motion to suspend the rules and pass H.R. 13720, the Debt Collection Practices Act. My opposition is based on the suspensing procedure rather than the substantive merits of the bill.

Mr. Speaker, this is not a bill which should be considered under suspension of the rules. Suspending the rules to pass a bill is a practice which should be reserved for noncontroversial measures. I believe that the committee made a mistake in guaging the House's enthusiasm to debate this legislation. The Speaker, in approving this request, made a similar mistake.

There is some serious opposition to this bill. It probably is not a majority, but I believe this opposition should be allowed to present its case and offer amendments to this bill. This will not be permitted under the suspension of rules.

I realize that both consumer groups and the debt collection industry have had considerable input in the drafting of this legislation, and that the committee has labored long and hard in the drafting process. I commend the committee for its efforts. However, as in most compromises, not every one is satisfied.

When Federal legislation is concerned, both sides should be allowed to present their cases both in committee and the Whole House. The committee has had its say in the bill before us. The opposition can only present amendments. But under the suspension of rules, this possibility is precluded.

The opposition to this bill centers on four major points. First, it prohibits collectors from contacting third parties in connection with the collection of a debt. Second, it prohibits more than two contacts with debtor's at their place of employment during any 30-day period. Third, it provides that a collector must cease any efforts to collect a debt if a debtor merely asks him or her to do so. Finally, the bill requires the usual additional paperwork made necessary by our burgeoning governmental bureaucracy.

Perhaps the majority of Congress does not favor amending these provisions. If so, the amendments should be defeated. But at least there should have been the opportunity to offer them, to discuss them, and to vote on them.

I hope my colleagues will join me in opposing the motion to suspend the rules and pass H.R. 13720.

Mr. GRASSLEY. Mr. Speaker, I voted in favor of bringing H.R. 13720 to the floor because debt collection practices and the need to curb unethical operators is a subject worthy of much debate. Reluctantly, however, I today am not persuaded that such legislation, at least as currently written, would have any positive effects. H.R. 13720 is defective for three major reasons. First, it is so restrictive that even the honest, conscientious debt collector is going to have a great deal of difficulty in doing his job. The end result of preventing honest collectors from doing their jobs is higher prices for consumers, because the consumer must pay more for the goods he or she purchases to cover the loss caused by those who do not pay their bills. Second, the bill as written does not cover the vast bulk of collections which are undertaken by major retailers through their own collection departments. These collectors far outnumber the independent agencies that collect, which means that this legislation could not hope to touch a large number of abusers. Finally, 38 States have some form of debt collection law on the books. The States have shown a sincere effort to curb debt collection abuses and there thus seems little justification for the Federal Government to get into the act.

Mr. SEIBERLING. Mr. Speaker, after reading the text of H.R. 13720, I find myself in a dilemma. The goal of the bill, which is to establish safeguards to protect consumers against harassment by unscrupulous debt collectors, is a praiseworthy one which I have no difficulty in supporting. However, the bill is not limited to regulating the use of interstate communications by debt collectors. On the contrary, as I read the bill, it would prohibit any debt collector from using any means of communication other than interstate methods. In other words, it would prohibit any debt collector from personally calling on a debtor at his home or place of work.

In my view, the bill as written, is unconstitutional, for the reason that the Federal Government has no power to regulate local debt collecting practices not involving the use of any instrumentality of interstate commerce. If Congress cannot regulate such practices, it cannot prohibit them either.

Since the bill is plainly unconstitutional, I will therefore vote against it.

Mr. DOWNEY of New York. Mr. Speaker, I want to express my enthusiastic support of H.R. 13720, which will amend the Consumer Credit Protection Act in order to prohibit abusive practices by debt collectors. It is clear that the Consumer Credit Protection Act of 1968 does not successfully regulate these interstate practices. Some debt collectors continue to abuse consumers through various forms of harassment and deception. Often consumers are sent phony legal documents, and

are harassed by telephone both at home and at work. Attorneys and policemen are often impersonated, and if these tactics do not work, threats of bodily harm or death are sometimes made.

Although the lives of many consumers throughout this country are severely affected by these unethical practices, there is currently no effective regulation of debt collectors. No uniform standards or penalties exist for wrongdoing. In addition, State laws do not and cannot regulate interstate debt collection practices.

Thus, this bill (H.R. 13720), establishes the following safeguards to protect consumers:

First. Restrictions on debt collectors' acquisition of location information.

Second. Time limit on communications made with a consumer regarding a debt.

Third. Controls on debt collectors' communications at consumers' place of work.

Fourth. Prior consent or court permission needed for communications with third party.

Fifth. Prohibition of harassment or intimidation of consumer.

Sixth. Prohibition of false or misleading representation by debt collector.

Seventh. Prohibition of unfair practices—that is, collection of a debt which is not expressly authorized by the agreement creating the debt.

Eighth. Provisions for validation of debts.

Ninth. Civil liability of debt collector.

Tenth. Criminal liability for violation of the bills provisions.

It is obvious that frequent incidences of consumer abuse and inadequate Federal or State regulation over debt collection practices make this legislation necessary immediately. Therefore, I ask my colleagues to join in support of this important bill.

GENERAL LEAVE

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

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. ANNUNZIO) that the House suspend the rules and pass the bill H.R. 13720, as amended.

The question was taken; and the Speaker pro tempore being in doubt, the committee divided, and there were—yeas 38, nays 22.

Mr. WYLIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 12939; H.R. 13326; H.R. 13218; and H.R. 13720.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

AMENDING CERTAIN LAWS AFFECTING COAST GUARD PERSONNEL

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 12939.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 12939, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 1, not voting 56, as follows:

[Roll No. 508]

YEAS—375

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conte
Corman
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall, Ill.
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
Krueger
LaFalce
Lagomarsino
Latta
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lundine
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—1

Mottl

NOT VOTING—56

Anderson, Ill.
Bell
Bolling
Collins, Ill.
Conlan
Conyers
Cotter
Derwinski
Duncan, Oreg.
du Pont
Esch
Eshleman
Evans, Ind.
Ford, Mich.
Fountain
Goodling
Green
Hall, Tex.
Harkin
Harrington
Harsha
Heinz
Helstoski
Hinshaw
Howe
Hubbard
Jarman
Johnson, Colo.
Jones, Tenn.
Koch
Landrum
Leggett
Litton
Lujan
McDonald
Metcalfe
Michel
Moorhead, Calif.
Ottinger
Pepper
Pressler
Rangel
Riegle
Risenhoover
Schneebeli
Shipley
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Symington
Thornton
Vander Jagt
Wolff
Young, Alaska
Young, Ga.

The Clerk announced the following pairs:

Mr. Cotter with Mr. Anderson of Illinois.
Mr. Fountain with Mr. Heinz.
Mr. Green with Mr. Pressler.
Mr. Pepper with Mr. Young of Alaska.
Mr. Symington with Mr. Bell.
Mr. Wolff with Mr. Johnson of Colorado.
Mr. Young of Georgia with Mr. Harsha.
Mr. McDonald with Mr. du Pont.
Mr. Koch with Mrs. Collins of Illinois.
Mr. Jones of Tennessee with Mr. Eshleman.
Mr. Helstoski with Mr. Vander Jagt.
Mr. Harrington with Mr. Esch.
Mr. Duncan of Oregon with Mr. Jarman.

Mr. Ford of Michigan with Mr. Derwinski.
Mr. Harkin with Mr. Lujan.
Mr. Litton with Mr. Conlan.
Mr. Hubbard with Mr. Goodling.
Mr. Rangel with Mr. Landrum.
Mr. Shipley with Mr. Moorhead of California.
Mr. Thornton with Mr. Schneebeli.
Mr. Risenhoover with Mr. Steiger of Arizona.
Mr. Riegle with Mr. Stephens.
Mr. Conyers with Mr. Leggett.
Mr. Evans of Indiana with Mr. James V. Stanton.
Mr. Metcalfe with Mr. Howe.
Mr. Ottinger with Mr. Hall of Texas.

Mr. MADDEN and Mr. BLANCHARD changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

EXEMPTING STEAMBOAT "DELTA QUEEN" FROM CERTAIN VESSEL LAWS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 13326.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 13326, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 367, nays 9, not voting 56, as follows:

[Roll No. 509]

YEAS—367

Abdnor	Bevill	Burton, Phillip
Abzug	Biaggi	Butler
Adams	Biester	Byron
Addabbo	Bingham	Carney
Alexander	Blanchard	Carr
Allen	Blouin	Carter
Ambro	Boggs	Cederberg
Anderson,	Boland	Chappell
Calif.	Bonker	Chisholm
Andrews, N.C.	Bowen	Clancy
Andrews,	Brademas	Clausen,
N. Dak.	Breaux	Don H.
Annunzio	Breckinridge	Clawson, Del
Archer	Brinkley	Clay
Armstrong	Brodhead	Cleveland
Ashbrook	Brooks	Cochran
Ashley	Broomfield	Cohen
Aspin	Brown, Calif.	Collins, Tex.
AuCoin	Brown, Mich.	Conable
Badillo	Brown, Ohio	Corman
Bafalis	Broyhill	Cornell
Baldus	Buchanan	Coughlin
Baucus	Burgener	Crane
Bauman	Burke, Calif.	D'Amours
Beard, R.I.	Burke, Fla.	Daniel, Dan
Beard, Tenn.	Burke, Mass.	Daniel, R. W.
Bedell	Burleson, Tex.	Daniels, N.J.
Bennett	Burlison, Mo.	Danielson
Bergland	Burton, John	Davis

de la Garza	Kemp	Regula
Delaney	Ketchum	Reuss
Dellums	Keys	Richmond
Dent	Kindness	Rinaldo
Derrick	Krueger	Roberts
Devine	LaFalce	Robinson
Dickinson	Lagomarsino	Rodino
Diggs	Latta	Roe
Dingell	Lehman	Rogers
Dodd	Lent	Roncalio
Downey, N.Y.	Levitas	Rooney
Downing, Va.	Lloyd, Calif.	Rose
Duncan, Tenn.	Lloyd, Tenn.	Rosenthal
Early	Long, La.	Rostenkowski
Eckhardt	Long, Md.	Roush
Edgar	Lott	Rousselot
Edwards, Ala.	Lundine	Roybal
Edwards, Calif.	McClory	Runnels
Eilberg	McCloskey	Ruppe
Emery	McCollister	Russo
English	McCormack	Ryan
Erlenborn	McDade	St Germain
Evans, Colo.	McEwen	Santini
Evins, Tenn.	McFall	Sarasin
Fary	McHugh	Sarbanes
Fascell	McKay	Satterfield
Fenwick	McKinney	Scheuer
Findley	Madden	Schroeder
Fisher	Madigan	Schulze
Fithian	Maguire	Sebelius
Flood	Mahon	Seiberling
Florio	Mann	Sharp
Flowers	Martin	Shriver
Flynt	Mathis	Shuster
Foley	Matsunaga	Sikes
Ford, Tenn.	Mazzoli	Simon
Forsythe	Meeds	Sisk
Fraser	Melcher	Skubitz
Frenzel	Meyner	Slack
Frey	Mezvinsky	Smith, Iowa
Fuqua	Michel	Smith, Nebr.
Gaydos	Mikva	Snyder
Giaimo	Milford	Solarz
Gilman	Miller, Calif.	Spellman
Ginn	Miller, Ohio	Spence
Goldwater	Mills	Staggers
Gonzalez	Mineta	Stanton,
Gradison	Minish	J. William
Grassley	Mink	Stark
Gude	Mitchell, Md.	Steed
Guyer	Mitchell, N.Y.	Steiger, Wis.
Hagedorn	Moakley	Stokes
Haley	Moffett	Stratton
Hall, Ill.	Mollohan	Stuckey
Hall, Tex.	Montgomery	Studds
Hamilton	Moore	Sullivan
Hammer-	Moorhead, Pa.	Symms
schmidt	Morgan	Talcott
Hanley	Mosher	Taylor, Mo.
Hannaford	Moss	Taylor, N.C.
Hansen	Murphy, Ill.	Teague
Harris	Murphy, N.Y.	Thompson
Hawkins	Murtha	Thone
Hayes, Ind.	Myers, Ind.	Traxler
Hays, Ohio	Myers, Pa.	Treen
Hébert	Natcher	Tsongas
Hechler, W. Va.	Neal	Udall
Heckler, Mass.	Nedzi	Ullman
Hefner	Nichols	Van Deerlin
Henderson	Nix	Vander Veen
Hicks	Nolan	Vanik
Hightower	Nowak	Waggonner
Hillis	Oberstar	Walsh
Holland	Obey	Wampler
Holt	O'Brien	Waxman
Holtzman	O'Hara	Weaver
Horton	O'Neill	Whalen
Howard	Passman	White
Hughes	Patten, N.J.	Whitehurst
Hutchinson	Patterson,	Whitten
Hyde	Calif.	Wiggins
Ichord	Pattison, N.Y.	Wilson, Bob
Jacobs	Paul	Wilson, C. H.
Jeffords	Pettis	Wilson, Tex.
Jenrette	Peyser	Winn
Johnson, Calif.	Pickle	Wirth
Johnson, Pa.	Pike	Wright
Jones, Ala.	Poage	Wylie
Jones, N.C.	Preyer	Yates
Jones, Okla.	Price	Yatron
Jordan	Pritchard	Young, Fla.
Karth	Quie	Young, Tex.
Kasten	Quillen	Zablocki
Kastenmeier	Railsback	Zeferetti
Kazen	Randall	
Kelly	Rees	

NAYS—9

Conte	Gibbons	Mottl
Drinan	Hungate	Vigorito
Fish	Krebs	Wydler

NOT VOTING—56

Anderson, Ill.	Bolling	Conlan
Bell	Collins, Ill.	Conyers
Cotter	Hubbard	Rhodes
Derwinski	Jarman	Riegle
Duncan, Oreg.	Johnson, Colo.	Risenhoover
du Pont	Jones, Tenn.	Schneebeli
Esch	Koch	Shipley
Eshleman	Landrum	Stanton,
Evans, Ind.	Leggett	James V.
Ford, Mich.	Litton	Steelman
Fountain	Lujan	Steiger, Ariz.
Goodling	McDonald	Stephens
Green	Metcalfe	Symington
Harkin	Moorhead,	Thornton
Harrington	Calif.	Vander Jagt
Harsha	Ottinger	Wolff
Heinz	Pepper	Young, Alaska
Helstoski	Perkins	Young, Ga.
Hinshaw	Pressler	
Howe	Rangel	

The Clerk announced the following pairs:

Mr. Cotter with Mr. James V. Stanton.
Mr. Rangel with Mr. Riegle.
Mr. Jones of Tennessee with Mr. Symington.
Mr. McDonald with Mr. Green.
Mr. Fountain with Mr. Leggett.
Mr. Pepper with Mr. Bell.
Mr. Wolff with Mr. Eshleman.
Mr. Young of Georgia with Mr. Stephens.
Mr. Risenhoover with Mr. Jarman.
Mr. Duncan of Oregon with Mr. Lujan.
Mr. Evans of Indiana with Mr. Derwinski.
Mr. Harkin with Mr. Moorhead of California.
Mr. Helstoski with Mrs. Collins of Illinois.
Mr. Harrington with Mr. Anderson of Illinois.
Mr. Koch with Mr. du Pont.
Mr. Metcalfe with Mr. Esch.
Mr. Ottinger with Mr. Heinz.
Mr. Shipley with Mr. Harsha.
Mr. Thornton with Mr. Conlan.
Mr. Conyers with Mr. Perkins.
Mr. Litton with Mr. Goodling.
Mr. Howe with Mr. Pressler.
Mr. Hubbard with Mr. Landrum.
Mr. Ford of Michigan with Mr. Schneebeli.
Mr. Vander Jagt with Mr. Steelman.
Mr. Young of Alaska with Mr. Steiger of Arizona.

Mr. McCLOSKEY changed his vote from "nay" to "yea."

Mr. FISH changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SALE OF SS "UNITED STATES" FOR USE AS A FLOATING HOTEL

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 13218.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 13218, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 370, nays 6, not voting 56, as follows:

[Roll No. 510]

YEAS—370

Abdnor	Anderson,	Armstrong
Abzug	Calif.	Ashley
Adams	Andrews, N.C.	Aspin
Addabbo	Andrews,	AuCoin
Alexander	N. Dak.	Badillo
Allen	Annunzio	Bafalis
Ambro	Archer	Baldus

Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conte
Corman
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Tenn.
Forsythe
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hall, Ill.
Hall, Tex.
Hamilton
Hammer-schmidt
Hanley
Hannaford
Hansen
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
Krueger
LaFalce
Lagomarsino
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lundine
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Traxler
Treen
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—6

Ashbrook
Latta
Myers, Pa.
Satterfield
Stratton
Wydler

NOT VOTING—56

Anderson, Ill.
Bell
Bolling
Collins, Ill.
Conlan
Conyers
Cotter
Derwinski
du Pont
Esch
Eshleman
Evans, Ind.
Ford, Mich.
Fountain
Goodling
Green
Harkin
Harrington
Harsha
Heinz
Helstoski
Hinshaw
Howe
Hubbard
Jarman
Johnson, Colo.
Jones, Tenn.
Koch
Landrum
Leggett
Litton
Lujan
McCollister
McDonald
Metcalfe
Moorhead, Calif.
Ottinger
Pepper
Pressler
Rangel
Riegle
Risenhoover
Schneebeli
Shipley
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Symington
Thornton
Vander Jagt
Waxman
Whitten
Wolff
Young, Alaska
Young, Ga.

The Clerk announced the following pairs:

Mr. Cotter with Mr. James V. Stanton.
Mr. Rangel with Mr. Riegle.
Mr. Jones of Tennessee with Mr. Symington.
Mr. McDonald with Mr. Green.
Mr. Fountain with Mr. Leggett.
Mr. Pepper with Mr. Bell.
Mr. Wolff with Mr. Eshleman.
Mr. Young of Georgia with Mr. Stephens.
Mr. Risenhoover with Mr. Jarman.
Mr. McCollister with Mr. Lujan.
Mr. Evans of Indiana with Mr. Derwinski.
Mr. Harkin with Mr. Moorhead of California.
Mr. Helstoski with Mrs. Collins of Illinois.
Mr. Harrington with Mr. Anderson of Illinois.
Mr. Koch with Mr. du Pont.
Mr. Metcalfe with Mr. Esch.
Mr. Ottinger with Mr. Heinz.
Mr. Shipley with Mr. Harsha.
Mr. Thornton with Mr. Conlan.
Mr. Conyers with Mr. Waxman.
Mr. Litton with Mr. Goodling.
Mr. Howe with Mr. Pressler.
Mr. Hubbard with Mr. Landrum.
Mr. Ford of Michigan with Mr. Schneebeli.
Mr. Vander Jagt with Mr. Steelman.
Mr. Young of Alaska with Mr. Steiger of Arizona.
Mr. Whitten with Mr. du Pont.

Mr. ROUSSELOT changed his vote from "nay" to "yea."

Mr. ASHBROOK changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DEBT COLLECTION PRACTICES ACT

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 13720, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. ANNUNZIO) that the House suspend the rules and pass the bill H.R. 13720, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 201, nays 175, not voting 56, as follows:

[Roll No. 511]

YEAS—201

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Aspin
Badillo
Beard, R.I.
Biaggi
Biester
Bingham
Blanchard
Boland
Brademas
Brodhead
Brooks
Broomfield
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Cederberg
Chisholm
Clay
Cleveland
Cohen
Conable
Conte
Corman
Coughlin
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evins, Tenn.
Fary
Fenwick
Findley
Fish
Fisher
Flood
Florio
Ford, Tenn.
Forsythe
Fraser
Gaydos
Gilman
Gonzalez
Gradison
Gude
Guyer
Hall, Ill.
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hicks
Hillis
Holland
Holtzman
Horton
Howard
Hungate
Hyde
Jacobs
Jeffords
Johnson, Calif.
Johnson, Pa.
Jordan
Kastenmeier
Keys
Kindness
Krebs
LaFalce
Latta
Lehman
Lent
Long, Md.
Lundine
McCloskey
McCormack
McDade
McFall
McKinney
Madden
Madigan
Maguire
Mazzoli
Meeds
Melcher
Meyner
Michel
Mikva
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Perkins
Pettis
Peyser
Pike
Price
Pritchard
Railsback
Randall
Rees
Regula
Reuss
Rhodes
Richmond
Rinaldo
Rodino
Roe
Roncalio
Rooney
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Simon
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Thompson
Traxler
Tsongas
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Wampler
Wilson, Bob
Wilson, C. H.
Wirth
Wright
Wydler
Wylie
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NAYS—175

Abdnor
Allen
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Blouin
Boggs
Bonker
Bowen
Breaux
Breckinridge
Brinkley
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burleson, Tex.
Butler
Byron
Carter
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Cornell
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
English
Erlenborn

Fithian
Flowers
Flynt
Foley
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Ginn
Goldwater
Grassley
Hagedorn
Haley
Hall, Tex.
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Hébert
Hefner
Henderson
Hightower
Holt
Hughes
Hutchinson
Ichord
Jenrette
Jones, Ala.
Jones, N.C.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Krueger
Lagomarsino
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
McClory
McCollister
McEwen
McHugh
McKay
Mahon
Mann
Martin
Mathis
Matsunaga
Mezvinsky
Milford
Miller, Calif.
Miller, Ohio
Mitchell, N.Y.
Moffett
Mollohan
Montgomery
Moore
Murtha
Myers, Pa.
Natcher
Neal
Nichols
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Paul
Pickle
Poage
Preyer
Quie
Quillen
Roberts
Robinson
Rogers
Rose
Roush
Rousselot
Runnels
Ruppe
Santini
Satterfield
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Steed
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Ullman
Waggonner
Walsh
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Tex.
Winn
Young, Fla.

NOT VOTING—56

Anderson, Ill.
Bell
Bolling
Collins, Ill.
Conlan
Conyers
Cotter
Derwinski
du Pont
Esch
Eshleman
Evans, Ind.
Fascell
Ford, Mich.
Fountain
Goodling
Green
Harkin
Harrington
Harsha
Heinz
Helstoski
Hinshaw
Howe
Hubbard
Jarman
Johnson, Colo.
Jones, Tenn.
Karth
Koch
Landrum
Leggett
Litton
Lujan
McDonald
Metcalfe
Moorhead, Calif.
Ottinger
Pepper
Pressler
Rangel
Riegle
Risenhoover
Schneebeli
Shipley
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Symington
Thornton
Vander Jagt
Waxman
Wolff
Young, Alaska
Young, Ga.

The Clerk announced the following pairs:

On this vote:

Mr. Pepper and Mr. Ford of Michigan for, with Mr. McDonald against.

Mr. Helstoski and Mr. Rangel for, with Mr. Fascell against.

Mr. Symington and Mr. Wolff for, with Mr. Fountain against.

Mr. Metcalfe and Mr. Leggett for, with Mr. Jones of Tennessee against.

Mr. Harrington and Mr. Conyers for, with Mr. Eshleman against.

Mrs. Collins of Illinois and Mr. Waxman for, with Mr. Lujan against.

Mr. Ottinger and Mr. James V. Stanton for, with Mr. Moorhead of California against.

Mr. Koch and Mr. Riegle for, with Mr. Young of Alaska against.

Mr. Young of Georgia and Mr. Karth for, with Mr. Landrum against.

Until further notice:

Mr. Cotter with Mr. Bell.
Mr. Shipley with Mr. Conlan.
Mr. Green with Mr. du Pont.
Mr. Harkin with Mr. Esch.
Mr. Thornton with Mr. Goodling.
Mr. Risenhoover with Mr. Anderson of Illinois.
Mr. Hubbard with Mr. Harsha.
Mr. Litton with Mr. Derwinski.
Mr. Evans of Indiana with Mr. Heinz.
Mr. Howe with Mr. Pressler.
Mr. Stephens with Mr. Steelman.
Mr. Vander Jagt with Mr. Steiger of Arizona.

Messrs. ASHLEY, JENRETTE, ULLMAN, MEZVINSKY, RUPPE, BERGLAND, CORNELL, MILLER of California, and HANLEY changed their vote from "yea" to "nay."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

AMENDING THE MERCHANT MARINE ACT, 1936

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11504) to amend section 502(a) of the Merchant Marine Act, 1936, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That this Act may be cited as the "Negotiated Shipbuilding Contracting Act of 1976".

SEC. 2. Section 502(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1152(a)) is amended in the third sentence thereof—

(1) by striking out "June 30, 1976" and inserting in lieu thereof "June 30, 1979";

(2) by striking out "(i) the negotiated" and all that follows through "per centum in fiscal 1976;"; and

(3) by redesignating "(ii)", "(iii)", and "(iv)" as "(1)", "(2)", and "(3)".

SEC. 3. Section 502(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1152(b)) is amended by amending the fifth, sixth, seventh, and eighth sentences thereof to read as follows: "The construction differential approved and paid by the Secretary shall not exceed 50 per centum of the cost of constructing, reconstructing, or reconditioning the vessel (excluding the cost of national defense features). If the Secretary finds that the construction differential exceeds, in any case, the foregoing percentage of such cost, the Secretary may negotiate with any bidder (whether or not such person is the lowest bidder) and may contract with such bidder (notwithstanding the first sentence of section 505) for the construction, reconstruction, or reconditioning of the vessel involved in a domestic shipyard at a cost which will reduce the construction differential to such percentage or less.".

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING AND DIRECTING CLERK TO MAKE CORRECTION IN ENROLLMENT OF H.R. 11504

Mrs. SULLIVAN. Mr. Speaker, I send to the desk a concurrent resolution (H. Con. Res. 678) to amend section 502(a) of the Merchant Marine Act, 1936, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 678

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H.R. 11504) to amend section 502(a) of the Merchant Marine Act, 1936, is authorized and directed to make the following correction: strike out "502(a)" in the title of the bill and insert in lieu thereof "502".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1975

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1259 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1259

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. No amendments to titles I through III of said bill shall be in order, including any amendment in the nature of a substitute modifying titles I through III, in the Committee of the Whole *except the following*: amendments recommended by the Committee on Ways and Means; amendments printed on page H5309 of the Congressional Record of June 3, 1976, by Representative Ullman, which amendments shall be considered en bloc; amendments printed on page H5309 of the Congressional Record of June 3, 1976, by Representative Ketchum, which amendments shall be considered en bloc; an amendment printed on page H5309 of the Congressional Record of June 3, 1976, by Representative Pickle; an amendment adding section 314 to title III printed on pages H5307 to H5308 of the Congressional Record of June 3, 1976, by Representative Corman; and an amendment printed on page H5309 of the Congressional Record of June 3, 1976, by Representative Sisk; and said amendments shall not be subject to amendment except for amendments offered by direction of the Committee on Ways and Means and pro forma amendments. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Mr. SISK. Mr. Speaker, I yield 30 minutes to my colleague, the gentleman from

California (Mr. DEL CLAWSON), and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1259 is a modified open rule providing 2 hours of general debate on H.R. 10210, the unemployment compensation amendments bill.

Mr. Speaker, this is the second rule which has been granted to H.R. 10210. The first rule, House Resolution 1183, was defeated on May 17, 1976, by a vote of 125 to 219. House Resolution 1259 differs in two major respects from House Resolution 1183. First, while House Resolution 1183 was a closed rule, House Resolution 1259 provides that five specific amendments, which have been published in the CONGRESSIONAL RECORD of June 3, 1976, may be offered. Those amendments may be amended only by amendments offered by direction of the Committee on Ways and Means. Members may secure additional time to debate the amendments by offering pro forma amendments. No other amendments to titles I through III of the bill would be in order unless they are amendments offered by direction of the Committee on Ways and Means. Title IV of the bill, which establishes the National Commission on Unemployment Compensation, is open to any germane amendment. Second, while House Resolution 1183 did not provide for the offering of a motion to recommit with instructions, House Resolution 1259 specifically makes that motion in order.

Mr. Speaker, H.R. 10210 is designed to provide coverage under permanent Federal-State unemployment compensation law for substantially all of the Nation's wage and salary earners, restore solvency to the unemployment compensation program, modify the "trigger mechanism" in the extended benefits program, and establish a National Study Commission to undertake a comprehensive examination of the present unemployment compensation program and recommend further improvements.

Mr. Speaker, this is important legislation. The provisions of the previous rule have been modified to grant the House an adequate opportunity to work its will on this bill. Mr. Speaker, I urge the adoption of House Resolution 1259 to permit the House to proceed to the consideration of H.R. 10210.

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

Mr. SISK. I yield to the gentleman from Texas.

Mr. KAZEN. Why is it that the Rules Committee did not give us an open rule on this bill? For all practical purposes, it is still a closed rule, because only specific amendments can be offered.

Mr. SISK. Let me say that I have great respect—as my colleague from Texas knows I do—for him, but I thoroughly disagree with him.

Mr. KAZEN. Disagree with what, because I asked the gentlemen to tell me why? I want to know why. The Rules Committee did not give us an open rule.

Mr. SISK. For all basic purposes, we have got an open rule.

Mr. KAZEN. Can I offer any amendment I want to offer to the bill which is germane?

Mr. SISK. No.

Mr. KAZEN. Therefore, I do not have an open rule.

Mr. SISK. The gentleman can offer any amendment he wants to which is germane to title IV.

Mr. KAZEN. I thank the gentleman for his answer.

Mr. SISK. On titles I, II and III, amendments will be limited to those amendments which are made in order, some five of them. Very frankly, this is as far as the Ways and Means Committee was willing to go. Let me say to my colleague from Texas, for whom I have great respect, that the committee initially wanted a completely closed rule, and believe you me, we came down here with one. The House turned it down. We have substantially modified it.

Of course, again it is up to the will of the House as to whether we want to do something in this area or not.

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

Mr. SISK. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Speaker, I think the gentleman said in his explanation that there would be only five amendments permissible to the first part of the bill.

Mr. SISK. That is my understanding. There is, basically, made in order five amendments which have already been printed in the CONGRESSIONAL RECORD.

Mr. GONZALEZ. If the gentleman will yield further, can the gentleman briefly tell us what the 5 amendments are, or who the sponsors are?

Does that include the amendment to be offered by the gentleman from Texas (Mr. PICKLE)?

Mr. SISK. Yes, it does.

Mr. Speaker, let me outline those amendments specifically which will be made in order.

No. 1 is the Ullman amendment to section 111, requiring coverage of agricultural workers of employers with four or more workers in 20 weeks or who paid $10,000 in quarterly wages, rather than four workers in 20 weeks or $5,000 in quarterly wages. That is number 1.

No. 2 is the Ketchum amendment. That is an amendment to be offered by the gentleman from California (Mr. KETCHUM), to strike section 115 that requires coverage of State and local government employees and employees of nonprofit schools.

No. 3, an amendment to be offered by the gentleman from Texas (Mr. PICKLE) to section 211 raising the taxable wage base to $6,000, rather than $8,000.

No. 4 is the Corman amendment to title III, adding section 314, requiring States to pay a weekly benefit amount equal to 50 percent of the claimant's average weekly wage, up to the State maximum. The State maximum must be equal to at least 66⅔ of the statewide average weekly wage in covered employment.

No. 5 is the so-called Sisk amendment, that is, this particular Member, prohibiting payment of benefits to illegal aliens and/or to professional athletes under contract.

Those are the five amendments that will be in order in titles I, II and III.

Title IV, of course, will be open to germane amendments.

Mr. GONZALEZ. I thank the gentleman.

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

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

Mr. ASHBROOK. I thank the gentleman for yielding.

Mr. Speaker, I would like to ask the gentleman a question, because I heard him say something that sounded rather strange to me. I think his exact words were that, with the rule before us, this is about as far as the Committee on Ways and Means was willing to go.

Have we arrived at the place where the Committee on Ways and Means supersedes the Committee on Rules? I am not being facetious.

Mr. SISK. Mr. Speaker, will the gentleman speak into the microphone? I am not hearing the gentleman.

Mr. ASHBROOK. This is not meant to be facetious, because I have the highest respect for the gentleman, but I was highly astounded when he made the statement. That is why I wonder whether the rules are such that the Committee on Ways and Means supersedes the Committee on Rules. What I wanted to ask the gentleman was, in response to his statement that that was about as far as the Committee on Ways and Means was willing to go. That was the exact statement the gentleman made when referring to the rule that he currently is ably handling before the House. I am not being facetious. I really wonder if we do have a situation where the Committee on Ways and Means does in fact dictate to the rest of the Members of the House what kind of ground rules we will have on bills from their committee that come before the House. I think that is a very serious question to inform the Members about.

Mr. SISK. Mr. Speaker, let me say that I have great respect for my colleague, the gentleman from Ohio (Mr. ASHBROOK). I appreciate the opportunity to comment.

Let me point out one thing first, and I am sure my colleague will agree with this because I know from time to time through the years he himself has been before the Committee on Rules.

Mr. ASHBROOK. Never to oppose a rule, however.

Mr. SISK. I am not saying for what purpose the gentleman was there.

Mr. Speaker, I simply say that I think the gentleman recognizes the Committee on Rules attempts to work with all the legislative committees of the House. The Committee on Rules has not during the 16 years I have been on the committee, attempted to dictate per se to any other committees. In cases where committees come in and make specific requests, where we can the committee goes along and abides by the request coming from the legislative committee as to the length of time and as to the type of rule.

There are times when the Committee on Rules, because of concerns by the leadership and because of other reasons, does not necessarily go exactly in line with what the committee has requested, but to the extent that we can, we do

accede to its request. That is all this Member proposed to indicate here.

Initially the Committee on Ways and Means asked for a closed rule. That was granted, as my colleague knows, and it was brought to the floor here and turned down by a very substantial margin, as is the right of the House to do. The committee came back, and after a good deal of discussion by and between the members of the Committee on Ways and Means and the Committee on Rules, this modification was proposed. It is a substantial modification, compared to the initial position of the Committee on Ways and Means, and the Committee on Rules went along with it.

Mr. Speaker, I recognize that we still could have come out with something substantially different, but it was felt, I believe, as a matter of judgment by the Committee on Rules, that this was a reasonable request and that is the reason we have the rule before us in this fashion.

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman for his explanation. I think that is a reasonable response, but I cannot help but wonder what would have happened if we had a closed rule.

The gentleman clearly indicated that the Committee on Ways and Means would have almost withdrawn the bill if they did not get a rule along the lines the gentleman is suggesting. I do not mean to question the gentleman's intentions, but I do say that when the gentleman says this is as far as they could go, I cannot help but think about legislation that is brought to us under that type of rule.

Mr. SISK. Mr. Speaker, I think my colleague understands that I do not wish to put the gentleman from Oregon (Mr. ULLMAN) or any other member of the Committee on Ways and Means on the spot. I know there have been times in the past when, frankly, a committee took the position, either rightly or wrongly—and I think each Member has to deal with these matters under his own conscience—that if they could not bring a bill to the floor under a certain kind of rule, they would not bring the bill to the floor at all. I do not say that the statement was made in this instance, and I did not mean to intimate that.

Mr. ASHBROOK. Mr. Speaker, I thank the gentleman, and I wish to say I think he has done a fine job in handling the entire situation.

Mr. SISK. Mr. Speaker, I thank the gentleman, and I reserve the balance of my time.

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

Mr. Speaker, our distinguished colleague from California has properly noted that House Resolution 1259 provides for the consideration of H.R. 10210, Unemployment Compensation Amendments of 1975, under a modified closed rule granting 2 hours of equally divided general debate. No amendments to titles I through III shall be in order, including any amendment in the nature of a substitute modifying titles I through III except committee amendments and certain amendments which the committee was specifically requested to make in order, as printed in the RECORD of June 3, 1976. Such amendments will not be subject to amendment except those offered by direction of the Ways and Means Committee and pro forma amendments. Title IV will be open to amendment. One motion to recommit with or without instructions is further granted.

Specifically, H.R. 10210 extends unemployment compensation coverage to certain previously uncovered workers, increases the amount of wages subject to the Federal unemployment tax while increasing the rate of tax and also provides a longer duration of benefits through a modified trigger mechanism.

Of the 80 million wage and salary workers in this country, approximately 68 million are covered under existing unemployment compensation programs. The remaining balance of this number is comprised of State and local government employees, agricultural employees, and domestic workers.

Under provisions of H.R. 10210, unemployment compensation benefits would be extended to about 9.5 million of the 12 million jobs not presently covered. The total cost for these extensions has been estimated at $1,350,000,000 in fiscal year 1978. This will result in substantial additional costs to State and local governments to insure their employees under the program.

In order to extend unemployment benefits and restore solvency to the presently depleted unemployment compensation trust funds, employers will bear the burden through an increase in the taxable wage base from $4,200 to $8,000 for both Federal and State unemployment compensation taxes. Additionally, the net Federal unemployment compensation tax rate will be raised from 0.5 to 0.7 percent. The effect will be to increase annual taxes by about $20 per worker.

A serious problem created by this legislation is the financial burden paced on employers. Small businesses, in particular, will be hard hit. Unless a more equitable way to replenish the deflated trust funds is found, the Congress may be contributing to the already staggering unemployment rate by forcing some employers out of business.

The Committee on Ways and Means has stated that the imposition of an $8,000 wage base will cost employers more than $6 billion in unemployment taxes annually. Representatives BURLESON, WAGGONNER, and PICKLE observed in dissenting views that—

> This increase, which might have been spent on new plant production and other job-producing capital investments, will be funneled into unemployment taxes.

Representative KETCHUM further warned in accompanying minority views that—

> Another unpleasant side effect of this legislation could well be another round of inflation as businesses, which are able, increase consumer prices to offset the escalating costs of unemployment taxes.

H.R. 10210 will also provide extended benefits when there is a seasonally adjusted national insured unemployment rate of 4.5 percent based on the most recent 13-week period or when the seasonally adjusted State insured unemployment rate is 4 percent based on the most recent 13-week period.

Finally, this legislation will establish a National Commission on Unemployment Compensation to further study and evaluate unemployment compensation programs; assess the long-range needs of the programs; develop alternatives, and recommend changes in the programs.

Mr. Speaker, under previous consideration, on May 17, 1976, the House defeated the rule for H.R. 10210 by a record vote of 125 yeas to 219 nays. While the committee has proposed amendments to make the legislation more palatable and acceptable, the changes are not yet in the bill, and, in my opinion, are not of a magnitude sufficient to warrant support. Therefore, Mr. Speaker—I urge my colleagues to once again reject the rule and the Unemployment Compensation Amendments of 1975 it makes in order.

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

Mr. KETCHUM. Mr. Speaker, I thank the gentleman from California (Mr. DEL CLAWSON) for yielding this time to me.

I will not use this time, Mr. Speaker, to speak on the merits or demerits of the bill before us except to say that this is not an unemployment insurance bill; it is a welfare bill, and there is no other way in which to describe it.

However, Mr. Speaker, I would like to talk about the rule for just a moment. During the initial debate on the rule, a question was asked as to whether this rule was indeed a closed rule. The answer was, No, it was sort of open.

Make no mistake about it, this is a closed rule, period. There are five amendments, and five amendments only, authorized.

Mr. Speaker, when the resolution came to the floor before and when this House, in its wisdom, defeated it, the resolution did call for an absolutely, totally closed rule, with a motion to recommit but no instructions. The House, as I said, in its infinite wisdom, turned that resolution down.

We went back to the Committee on Ways and Means with the resolution, and it was reported out of that committee, authorizing the five amendments described in the resolution.

When the gentleman from Texas (Mr. PICKLE) and I raised the question about the rule on this floor, we indicated that we felt it should be an open rule but that if it could not be a totally open rule, at least it should be open for the two amendments that the gentleman from Texas (Mr. PICKLE) and I were fighting for: the Pickle amendment, which would raise the taxable wage base from $4,200 to $6,000, and my amendment, that I will offer myself, which will make voluntary the coverage of municipal employees.

That is all we were asking for.

We went back to committee and now, of course, we come back with Federal benefits standards, which was defeated not once but twice in the Committee on Ways and Means, and now we will have a bill in which the gentleman from California (Mr. CORMAN) may offer the amendment for Federal benefits standards.

Mr. Speaker, I repeat that this is not

an unemployment insurance bill, it is a welfare bill, purely and simply, and it should be classified as just that.

I intend to vote against this rule because, No. 1, we did not do what we said we were going to do when we went back to committee, and, No. 2, I believe in an open rule so that this House and all of its Members may have an opportunity to offer amendments to the bill to improve it in any way they see fit.

This Congress opened its doors as a reform Congress, talking about openness and government in the sunshine. Well, if this is government in the sunshine, and the public buys it, the voters are fooled again.

Mr. DEL CLAWSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, for my part it is exceedingly difficult to quite understand how we get in the position in which we find ourselves. The House clearly spoke the last time this bill was on the floor. It turned down the request of the Committee on Ways and Means that had been granted by the Committee on Rules for a closed rule, overwhelmingly.

The reasons that were used to turn down that rule were two-fold: First, because there was no motion to recommit with instructions permitted, and second, because we were not going to allow a vote on the Pickle amendment and the Ketchum amendment.

The Committee on Ways and Means has recommended and the Committee on Rules has adopted, what seems to me an eminently fair procedure. The House has a chance to work its will on the issues of substance, that is, to vote on the limitation of Government employee coverage question, the wage base question, the Federal benefits standard question, the amendment offered by the chairman of the Committee on Ways and Means on agricultural workers and the amendment offered by the gentleman from California (Mr. SISK) and an open rule of title IV on the National Commission on Unemployment Compensation.

In addition, the minority is protected in its right to offer a motion to recommit with instructions.

I cannot justify, and I cannot see a basis in which this House this afternoon can justify turning down the rule on this bill. To do so I think clearly means that the bill will not come before the House and we will continue to see the unemployment compensation system go into deficit and we will continue to see the inability of that system to sustain itself called into question. I think this would be a serious public policy mistake. I hope it does not happen.

I hope the rule is adopted.

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

Mr. SISK. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I think the debate that has been going on here is indicative of the great concern that Members of this House have regarding the pending bill. There is no point in rehashing the history of the rule when it went down by over 100 votes here some 30 days or more ago.

The argument made at that time was a request by the gentleman from California (Mr. KETCHUM) and me that we be allowed to offer two amendments. We were not given that permission in the rules because it was a totally closed rule. We were not given the right to offer it even as a motion to recommit because of the rule. We were simply requesting a vote on at least two of those propositions, and neither were made available, and the House I think correctly said no in a resounding manner.

Now, when the rule went back to the Committee on Ways and Means with a request for a different approach—and it was approved by the Committee on Rules—they have enlarged this rule. They did not give us an open rule, but they picked out five amendments. One of those amendments will be on Federal standards which was not in the bill, which failed on two specific votes in committee. Yet we are being given the right to vote on it just as if the committee had worked its will. That is not true of the amendment on the wage base. That is not true with respect to the amendment on public employees.

The amendment that I will offer is one which affects the wage base. For the Members' information, their employers—and, incidentally, they should remember that the employers pay the entire bill—are taxed on the basis of wages of $4,200 a year. The pending bill provides that they will be taxed on the basis of $8,000 a year. I think that is too high a jump. That is a 90-percent increase, by far and away the largest increase that the unemployment program has ever had before. I do not think it is a good time to saddle the employers with that steep an increase on the wage base.

I recognize, as the gentleman from Wisconsin (Mr. STEIGER) said, that we do need to put money in the trust fund, both State and Federal. They need to be made solid. But I think that if we went from $4,200 to $6,000 at a 0.7-percent rate, that would accomplish what we seek to do. The bill would make it $8,000 at a 0.7-percent rate, and it is going to be costing the employers almost twice as much in that one segment of the cost factor; that is, the wage base.

The SPEAKER. The time of the gentleman has expired.

Mr. SISK. Mr. Speaker, I yield 2 additional minutes to the gentleman.

Mr. PICKLE. It is estimated that if the wage base is, indeed, increased to $8,000 at 0.7 rate this would cost the employers in excess of $5 billion a year. Perhaps $5 plus billion would be a more accurate figure. The amendment on the public employees would cost approximately $1.8 billion.

The gentleman from California asks that that public employees be covered on a voluntary basis. If a city or a county or a school or a water district wants to say their employees are covered mandatorily by this act the present bill would do that. But the cities and counties would also choose to be an employer. In the past, we have always found that is a better approach to do this voluntarily because we do not like the prospect of having one agency of the Federal Government saying to a State that they must mandatorily handle it this way.

I personally think a voluntary approach would be better so we do have those two amendments to be voted on. But the Rules Committee also enlarged it to bring in the Federal benefit standards as well as an agricultural amendment and an alien amendment.

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

Mr. PICKLE. I yield to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Speaker, the gentleman is going on the assumption that the House turned down the rule simply on the plea the gentleman and the gentleman from California made. Has it occurred to the gentleman from Texas that the House wanted a completely open rule and that is the reason they defeated the rule?

Mr. PICKLE. I thought of that, but if the gentleman will read the debate he will see those were the only two amendments discussed primarily. But I also recognize that several Members voted against the rule because they wanted an open rule. One can argue the advantages of an open and a closed rule. I would contend that these trust funds do need money and this unemployment compensation is the best safety valve we have got and the trust funds must be made solvent again.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker being in doubt, the House divided, and there were—yeas 71, nays 57.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 246, nays 131, not voting 55, as follows:

[Roll No. 512]

YEAS—246

Abzug	Boland	D'Amours
Adams	Bonker	Daniels, N.J.
Addabbo	Brademas	Danielson
Alexander	Brodhead	Delaney
Allen	Brooks	Dellums
Ambro	Brown, Calif.	Dent
Anderson, Calif.	Brown, Mich.	Derrick
Annunzio	Buchanan	Diggs
Ashley	Burke, Calif.	Dingell
Aspin	Burke, Fla.	Dodd
AuCoin	Burke, Mass.	Downey, N.Y.
Badillo	Burton, John	Downing, Va.
Baldus	Burton, Phillip	Drinan
Baucus	Carney	Duncan, Oreg.
Beard, R.I.	Carr	Early
Bedell	Carter	Eckhardt
Bennett	Cederberg	Edgar
Bergland	Chisholm	Edwards, Calif.
Bevill	Clay	Eilberg
Biaggi	Cleveland	Evans, Colo.
Biester	Cohen	Evins, Tenn.
Bingham	Conable	Fary
Blanchard	Conte	Fascell
Blouin	Corman	Findley
Boggs	Cornell	Fish
	Coughlin	Fisher

Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Forsythe
Fraser
Frenzel
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Gude
Hall, Ill.
Hamilton
Hanley
Hannaford
Harris
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hicks
Hillis
Holland
Holtzman
Horton
Howard
Hughes
Jeffords
Johnson, Calif.
Johnson, Colo.
Jordan
Kastenmeier
Keys
Krebs
Krueger
LaFalce
Lehman
Levitas
Lloyd, Calif.
Long, La.
Long, Md.
Lujan
Lundine
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Preyer
Price
Quie
Railsback
Rees
Reuss
Rhodes
Richmond
Rinaldo
Rodino
Roe
Rogers
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Thompson
Thone
Traxler
Tsongas
Udall
Ullman
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wylie
Yates
Yatron
Young, Tex.
Zablocki
Zeferetti

NAYS—131

Abdnor
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bowen
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Ohio
Broyhill
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Fenwick
Flynt
Frey
Fuqua
Ginn
Goldwater
Gradison
Grassley
Guyer
Hagedorn
Haley
Hall, Tex.
Hammerschmidt
Hansen
Hefner
Henderson
Hightower
Holt
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jenrette
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lent
Lloyd, Tenn.
Lott
McClory
McCollister
Mahon
Martin
Mathis
Milford
Miller, Ohio
Montgomery
Moore
Myers, Ind.
Myers, Pa.
Passman
Paul
Pettis
Pickle
Poage
Pritchard
Quillen
Randall
Regula
Risenhoover
Roberts
Robinson
Roncalio
Rose
Rousselot
Runnels
Satterfield
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Steed
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Treen
Van Deerlin
Waggonner
White
Whitehurst
Whitten
Wiggins
Winn
Wright
Wydler
Young, Fla.

NOT VOTING—55

Anderson, Ill.
Bell
Bolling
Collins, Ill.
Conlan
Conyers
Cotter
Derwinski
du Pont
Esch
Eshleman
Evans, Ind.
Ford, Mich.
Fountain
Goodling
Green
Harkin
Harrington
Harsha
Hays, Ohio
Hébert
Heinz
Helstoski
Hinshaw
Howe
Hubbard
Jarman
Jones, Ala.
Jones, Tenn.
Karth
Koch
Landrum
Leggett
Litton
McDonald
Metcalfe
Moorhead, Calif.
Ottinger
Pepper
Pressler
Rangel
Riegle
Schneebeli
Shipley
Stanton, James V.
Steelman
Steiger, Ariz.
Symington
Teague
Thornton
Vander Jagt
Waxman
Wolff
Young, Alaska
Young, Ga.

The Clerk announced the following pairs.

On this vote:

Mr. Cotter for, with Mr. Jones of Tennessee against.

Mr. Rangel for, with Mr. Landrum against.

Mr. Pepper for, with Mr. Hébert against.

Mr. Hays of Ohio for, with Mr. McDonald against.

Mr. Koch for, with Mr. Teague against.

Mr. Waxman for, with Mr. Fountain against.

Mr. Helstoski for, with Mr. Shipley against.

Mr. Vander Jagt for, with Mr. Moorhead of California against.

Mr. Anderson of Illinois for, with Mr. Derwinski against.

Until further notice:

Mrs. Collins of Illinois with Mr. Riegle.

Mr. Leggett with Mr. Symington.

Mr. Conyers with Mr. Green.

Mr. Evans of Indiana with Mr. Karth.

Mr. Ford of Michigan with Mr. Jones of Alabama.

Mr. Harkin with Mr. Bell.

Mr. Harrington with Mr. Goodling.

Mr. Hubbard with Mr. Conlan.

Mr. Litton with Mr. Esch.

Mr. Metcalfe with Mr. James V. Stanton.

Mr. Ottinger with Mr. du Pont.

Mr. Thornton with Mr. Eshleman.

Mr. Pressler with Mr. Heinz.

Mr. Young of Alaska with Mr. Schneebeli.

Mr. Howe with Mr. Steiger of Arizona.

Mr. Young of Georgia with Mr. Wolff.

Mr. HUNGATE and Mr. TAYLOR of *North Carolina changed their vote from* "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. CORMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. CORMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10210, with Mr. YATES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. CORMAN) will be recognized for 1 hour, and the gentleman from Wisconsin (Mr. STEIGER) will be recognized for 1 hour.

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

Mr. CORMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today the House begins consideration of H.R. 10210, the Unemployment Compensation Amendments of 1975. This legislation contains the most important improvements in the Federal-State unemployment insurance program since the 1970 Unemployment Compensation Amendments. I urge the Members to consider carefully the provisions of this bill as they are explained by Mr. STEIGER, the ranking minority member of the Unemployment Compensation Subcommittee, and others of us on the Ways and Means Committee who were involved in the development of this critically needed legislation.

The Federal-State Unemployment Insurance System was 40 years old last year. It was enacted during the Great Depression of the 1930's, a part of the Social Security Act of 1935. Its primary economic purpose is to help stabilize the economy by maintaining purchasing power during periods of economic recession. The main social objective of the program is to provide unemployed workers sufficient income to meet nondeferrable expenses during periods of temporary unemployment.

Unemployment insurance is not a welfare program. Eligibility is not based on income need. It is a program for temporarily unemployed workers. Eligbility is based on an individual's past work experience and his or her ability and willingness to seek and accept work.

Unemployment insurance is a Federal-State program. Within general Federal guildelines, the States are responsible for administering the benefit payments, work requirements and employment service components of the program.

Under current permanent law, most States provide a maximum of 26 weeks of regular Unemployment Compensation benefits, which are financed by employer-paid State Unemployment Compensation taxes. When the unemployment rate in a State or the Nation goes above normal levels, an additional maximum of 13 weeks of benefits can be paid under the permanent extended benefits program enacted in 1970. This program is financed 50 percent out of State and 50 percent from Federal employer-paid Unemployment Compensation taxes. For the past 17 months, additional benefits have been provided under the temporary Federal supplemental benefits program which is scheduled to expire in March of next year.

Unemployment insurance has proven to be one of our most successful and important economic and social programs. The necessity and basic soundness of the unemployment insurance system have been sharply demonstrated in recent months. The permanent programs, supplemented by temporary measures, have made it possible for millions of individuals and families to sustain themselves during the recent months of high unemployment. Unemployment compensation

has been a major force in preventing the recent recession from reaching the disastrous proportions of the Great Depression of the 1930's. It is fortunate that we had such a system in place.

We have depended heavily upon unemployment compensation to pull us through the recent period of high unemployment. A few rather startling statistics indicate the tremendous financial and administrative strain this has placed on the unemployment insurance system:

Unemployment compensation expenditures have increased from $4.2 billion in 1973 and $5.2 billion in 1974 to $18 billion in 1976.

Unemployment compensation expenditures during the 4 years 1974, 1975, 1976, and 1977 will amount to about 45 percent of all expenditures under the unemployment compensation program since it was enacted in 1935.

About 26 percent of the workers covered by unemployment insurance—or 1 out of every 4 workers—has been unemployed and collected unemployment insurance benefits at some point during the past 2 years.

Prior to 1972, only three States had ever depleted their unemployment insurance trust funds and been forced to borrow from the Federal Unemployment Insurance Fund. At the present time, 21 States have depleted their trust funds, and several more will be forced to borrow in order to continue paying unemployment insurance benefits by the end of this year. Estimated outstanding Federal loans to State unemployment insurance trust funds—if current financing provisions are maintained—will amount to $6.2 billion in fiscal year 1977, $8.4 billion in fiscal year 1980, increasing to $14 billion in 1985.

The Federal unemployment insurance trust funds are depleted and borrowing from Federal general revenues, including the fund that loans money to States. It is estimated that under current financing provisions, the Federal unemployment insurance trust fund will be $8.5 billion in the red by fiscal year 1977, increasing to $10 billion in fiscal year 1980, and $13 billion in fiscal year 1984.

During the past 18 months, no government program has been more important to American workers and their families, and the general economy of this Nation, than unemployment compensation. And, no program has been under greater financial and administrative pressure. Our dependence on this program has taken its toll, and we must now take the actions contained in H.R. 10210 in order to preserve and make needed improvements in the unemployment insurance system.

The Unemployment Compensation Subcommittee completed work on H.R. 10210 in October 1975. It was approved without change by the full Ways and Means Committee in December. Delays created by tax legislation and other emergency bills prevented the Rules Committee from scheduling House action before the end of the last session.

We hoped that the House and Senate were going to be able to act on the bill early this year so the coverage and revenue provisions could take effect in 1977. However, under the new budget procedures, legislation like H.R. 10210 was subject to a point of order on the House floor until after the House had approved the first concurrent resolution on the budget for fiscal year 1977.

Because of the delay in House action, a committee-approved amendment will be offered that moves the effective dates in H.R. 10210 forward 1 year. The cost revenue estimates that we will be using throughout the discussion of the bill are based on the changes in effective dates made by this committee amendment.

Let me now summarize the objectives of H.R. 10210 and review by title the major provisions of the bill. The bill is designed to achieve the following objectives:

First. Provide coverage under the permanent Federal-State unemployment compensation law for substantially all wage and salary earners, and thereby provide more equal treatment of the Nation's workers and eliminate the need for the temporary special unemployment assistance program;

Second. Restore solvency in the unemployment compensation program at the State and Federal levels by increasing revenues in a manner that distributes fairly the impact of additional employer-paid taxes;

Third. Modify the "trigger mechanism" in the extended benefits program; and

Fourth. Establish a National Study Commission that will undertake a thorough and comprehensive examination of the present unemployment compensation program and make recommendations for further improvements.

TITLE I—COVERAGE PROVISIONS

In order to provide more equal treatment of the Nation's wage and salary workers under the permanent law, and eliminate the need to provide unemployment protection for uncovered workers on a temporary and emergency basis, title I makes the following changes in coverage:

Coverage is extended to agricultural workers of employers with four or more workers in 20 weeks or who paid $5,000 in quarterly wages for agricultural services. This covers 7 percent of farmers and 61 percent of workers.

Coverage is extended to domestic workers of employers who paid $600 or more in any calendar quarter for domestic services.

Coverage is extended to State and local government employees with the following exceptions: Elected officials or officials appointed for a specific term or on a part-time basis; members of a legislative body or the judiciary; members of the State National Guard or Air National Guard; emergency employees hired in case of disaster; and inmates of custodial or penal institutions.

These coverage provisions will extend permanent unemployment compensation protection to about 8.9 million of the 10 million jobs not presently covered: 7.7 million local government, 0.6 million State government, 0.3 million farm jobs, and 0.3 million domestic jobs. The Department of Labor estimates that the coverage provisions in H.R. 10210 will increase unemployment compensation expenditures by approximately $340 million in fiscal 1978 and $760 million in fiscal 1979.

The bill prohibits payment of unemployment compensation benefits during the summer, and other vacation periods, to permanently employed teachers and other professional school employees. For 2 years after coverage becomes effective, it allows States to deny benefits during vacation periods to employed nonprofessional school workers. During this 2-year period, we will monitor the experience of the States in order to determine if this option should be continued.

The reimbursement financing option for State and local governments contained in existing law will continue under H.R. 10210. This means that the States can allow State agencies and local government jurisdictions to finance unemployment compensation benefits either by paying the State unemployment compensation tax, the same as private employers, or by reimbursing the State fund—on a retroactive basis—for benefits paid to their employees.

TITLE II—FINANCING PROVISIONS

In order to restore fiscal solvency at the State and Federal levels as soon as possible and distribute equitably the needed increases in employer payroll taxes, H.R. 10210 makes the following changes in the existing law:

The taxable wage base is increased from $4,200 to $8,000 for both Federal and State employer-paid unemployment compensation taxes.

The net Federal unemployment compensation tax rate is increased from 0.5 to 0.7 percent. It is reduced to 0.5 percent 5 years after enactment, or the year after all advances to the Federal extended unemployment compensation account have been repaid, whichever occurs first.

The Department of Labor estimates that the increased tax base and net Federal tax rate will raise an additional $400 million in Federal unemployment compensation revenues in fiscal 1977 and $1.8 billion in fiscal 1978. These additional funds should produce a positive balance in the Federal unemployment compensation trust funds by 1985. How much additional revenue the higher tax base will produce at the State level depends largely on the rate structure established in each State. Assuming an average tax rate in the States of 2.7 percent, the $8,000 base would increase State unemployment compensation revenues by about $3.7 billion in fiscal 1978 and $3.3 billion in fiscal 1979. This would allow States to repay all Federal loans by 1981.

H.R. 10210 eliminates private employer financing of administrative and extended benefit costs attributable to State and local government employees. Federal administrative grants to States and the Federal share of extended benefits are financed out of revenues raised by the Federal unemployment compensation payroll tax—presently five-tenths percent on first $4,200 of wages—imposed on all private employers. State and local governments—including those that cur-

rently pay unemployment compensation benefits to their employees—do not pay this Federal tax, and will not be required to do so under this bill. Under current law, private employers pay the tax that finances administration costs and extended benefit expenditures for their employees and public sector employees. Provisions in title III makes State and local governments liable for all unemployment compensation costs attributable to their employees.

TITLE III—BENEFIT PROVISIONS

There are two important changes contained in title III:

The 120 percent factor in the State trigger under the permanent extended benefits program is eliminated. Since enactment in 1970, Congress has legislated on seven different occasions to waive temporarily this part of the State trigger for extended benefits. Under H.R. 10210, extended benefits will be payable in a State when the national insured unemployment rate is 4.5 percent or the seasonally adjusted State insured unemployment rate is 4 percent.

Another provision in title III prohibits disqualification for unemployment compensation benefits solely on the basis of pregnancy.

TITLE IV—NATIONAL STUDY COMMISSION

H.R. 10210 does not address all the problems or issues that have been raised with respect to unemployment compensation. Title IV of the bill establishes a National Study Commission for the purpose of examining the unemployment compensation program and its relationship to other income programs. The Commission will review the changes contained in this bill and evaluate other changes that have been proposed.

H.R. 10210 is the product of several months of work by the Unemployment Compensation Subcommittee of Ways and Means. It reflects a cooperative effort on the part of the majority and minority members of the subcommittee, and the Department of Labor, to develop sound, fair, and feasible changes that address critical problems requiring immediate attention.

As I have already said, the unemployment insurance system is important to the American worker and the national economy. It was very fortunate that we had such a program in place when high unemployment hit in late 1974 and early 1975. Now we must take the steps that will not only preserve, but strengthen, the unemployment insurance system. For these purposes I urge you to support H.R. 10210.

EXPLANATION OF AMENDEMENTS

Along with the committee amendment dealing with effective dates, the following amendments to titles I, II, and III will be in order under the rule approved by the House:

(1) MR. ULLMAN'S AMENDMENT LIMITING AGRICULTURAL COVERAGE

The amendment would extend coverage to farmworkers of employers with four workers in 20 weeks or who paid $10,000 in quarterly wages; rather than four workers in 20 weeks or $5,000 in quarterly wages as in H.R. 10210. DOL estimates that changing the quarterly wage criterion from $5,000 to $10,000 would extend unemployment compensation coverage to 6 percent, rather than 7 percent, of the Nation's farmowners; and 59 percent, rather than 61 percent, of the Nation's farmworkers. It would further limit farm coverage to large farm operations and exclude small farms that only use workers during certain periods of the year. Under the amendment, 60,700 farmowners and 683,200 farmworkers would be covered.

(2) MR. KETCHUM'S AMENDMENT ELIMINATING COVERAGE OF STATE AND LOCAL GOVERNMENT EMPLOYEES

The amendment would strike the provisions in H.R. 10210 that require States to extend unemployment compensation protection to all State and local government employees and employees of nonprofit schools. This would eliminate 7.7 million local government jobs and 0.6 million State government jobs from the coverage requirements of H.R. 10210. This amounts to 93 percent of the new coverage achieved under the bill: 8.3 million of the 8.9 million newly covered jobs. These workers would continue to have limited coverage under the temporary special unemployment assistance program until it expires December 31, 1976.

(3) MR. PICKLE'S AMENDMENT REDUCING THE TAX BASE INCREASE

This amendment would raise the taxable wage base for both Federal and State, employer-paid unemployment compensation taxes from the present $4,200 to $6,000. As approved by Ways and Means, H.R. 10210 raises the tax base to $8,000. The Pickle amendment would reduce the estimated amount of new Federal unemployment compensation revenues raised by the bill from $1.8 billion to $1.2 billion in fiscal 1978, and from $1.9 billion to $1.3 billion in fiscal 1979. It would reduce the amount of new State unemployment compensation revenues from $3.7 billion to $1.7 billion in fiscal 1978, and from $3.3 to $2.1 billion in fiscal 1979. According to DOL estimates, neither the Federal unemployment compensation trust funds nor most of the States that have depleted their unemployment compensation funds would be able to achieve solvency if the wage base increase is limited to $6,000 as proposed in this amendment.

(4) MR. CORMAN'S AMENDMENT ESTABLISHING A FEDERAL BENEFIT REQUIREMENT

This amendment would require States to pay a weekly benefit amount equal to 50 percent of a qualified claimant's average weekly wage, up to the State maximum. The State maximum must be equal to at least two-thirds of the statewide weekly wage in covered employment. For example, if the average weekly wage in a State is $150, under this amendment the maximum weekly benefit in that State would have to be at least $100—two-thirds of $150. Most States already purport to pay claimants 50 percent of their normal wage. However, in 1974 approximately 40 percent of all claimants nationwide were prevented from receiving 50 percent of their normal wage because of low State maximum payments. The principle effect of this amendment would be to require most States to increase their maximum payments, thereby increasing the number of unemployment compensation claimants who do receive 50 percent of their normal pay. The amendment would assure that 80 percent of the Nation's workers—or most low and middle income workers—would be entitled to a weekly benefit equal to half their normal pay should they become unemployed. Nationwide, the amendment would increase unemployment compensation costs by about $800 million in fiscal 1978 and $1 billion in fiscal 1979.

(5) MR. SISK'S AMENDMENT PROHIBITING UNEMPLOYMENT COMPENSATION BENEFITS TO ILLEGAL ALIENS AND PROFESSIONAL ATHLETES

This amendment prohibits the payment of unemployment compensation benefits to illegal aliens and to professional athletes during off-season periods if the athlete is expected to be employed during the forthcoming season. Illegal aliens should not be receiving benefits under existing law, and there are no available figures on the number of professional athletes who collect unemployment compensation during the off-season of their sport. Consequently, it is not possible to estimate the impact of this amendment.

I include the following:

FUTA ESTIMATED COSTS, REVENUES, AND BALANCES UNDER CURRENT LAW

FEDERAL—CURRENT LAW

[In billions of dollars]

	Cost	Revenue	Cumulative balance
Fiscal year:			
Transition quarter			−6.6
1977	3.5	[1] 1.6	−8.5
1978	2.5	1.5	−9.5
1979	1.8	1.5	−9.8
1980	1.9	1.5	−10.2
1981	1.9	1.6	−10.5
1982	2.1	1.6	−11.0
1983	2.2	1.6	−11.6
1984	2.4	1.6	−12.4
1985	2.5	1.6	−13.3

[1] 1977 budget estimate.

Note: Tax rate and base remain at 0.5 percent and $4,200, respectively.

FUTA ESTIMATED COSTS, REVENUES, AND BALANCES UNDER H.R. 10210

FEDERAL—H.R. 10210

[In billions of dollars]

	Cost	Revenue	Cumulative balance
Fiscal year:			
Transition quarter			−6.6
1977	3.5	2.0	−8.1
1978	2.5	3.3	−7.3
1979	1.9	3.4	−5.8
1980	1.9	3.5	−4.2
1981	2.0	3.6	−2.6
1982	2.2	3.8	−1.0
1983	2.3	2.7	−.6
1984	2.4	2.8	−.2
1985	2.6	2.8	0

NOTES

Impact of benefit standard is less than $50,000,000 per year.

Taxable wage base of $4,200 through 1977, increasing to $8,000 in 1978.

Tax rate increases from 0.5 to 0.7 *percent in* 1977, *decreasing* back to 0.5 percent in 1983.

FUTA ESTIMATED COSTS, REVENUES, AND BALANCES UNDER H.R. 10210

FEDERAL—$6,000 BASE

[In billions of dollars]

	Cost	Revenue	Cumulative balance
Fiscal year:			
Transition quarter			−6.6
1977	3.5	2.0	−8.1
1978	2.5	2.7	−7.9
1979	1.9	2.8	−7.0
1980	1.9	2.9	−6.0
1981	2.0	3.0	−5.0
1982	2.2	3.0	−4.2
1983	2.3	2.2	−4.3
1984	2.4	2.3	−4.4
1985	2.6	2.3	−4.7

NOTES

The impact of benefit standards is less than $50,000,000 per year.

Taxable wage base of $4,200 through 1977, increasing to $6,000 in 1978.

Tax rate increases from 0.5 to 0.7 percent in 1977, decreasing back to 0.5 percent in 1983.

STATE ESTIMATED COSTS, REVENUES, AND BALANCES UNDER CURRENT LAW

STATE/CURRENT LAW

[In billions of dollars]

	Cost	Revenue	Cumulative balance [1]	Loans excluding State reserves
Fiscal year:				
Transition quarter			−0.2	−3.4
1977	11.8	9.0	−3.0	−6.2
1978	11.1	9.2	−4.9	−8.1
1979	9.5	9.3	−5.1	−8.3
1980	8.6	8.5	−5.2	−8.4
1981	9.2	8.8	−5.6	−8.8
1982	10.1	10.0	−5.7	−8.9
1983	11.0	10.2	−6.5	−9.7
1984	12.0	10.4	−8.1	−11.3
1985	13.0	10.5	−10.6	−13.8

[1] Balance in State reserves minus loans to States.

NOTES

Taxable wage base if $4,200 throughout the entire period.

Assumes average State tax rate of 2.7 percent from 1977 through 1985.

STATE ESTIMATED COSTS, REVENUES, AND BALANCES UNDER H.R. 10210

STATE H.R. 10210

[In billions of dollars]

	Cost	Revenue	Cumulative balance [1]	Loans excluding State reserves
Fiscal year:				
Transition quarter			−0.2	−3.4
1977	11.8	9.0	−3.0	−6.2
1978	11.4	12.9	−1.5	−4.7
1979	10.1	12.6	+1.0	−2.2
1980	9.2	11.2	+3.0	−.2
1981	9.9	10.1	+3.2	0
1982	10.8	10.4	+2.8	
1983	11.7	10.7	+1.8	
1984	12.7	11.9	+1.0	
1985	13.9	13.1	+.2	

[1] Balance in State reserves minus loans to States.

NOTES

Excludes benefit standard.

Taxable wage base of $4,200 through 1977, increasing to $8,000 in 1978.

Assumes an average variable State tax rate reflecting effects of experience rating not to exceed 2.7 percent.

STATE ESTIMATED COSTS, REVENUES, AND BALANCES UNDER H.R. 10210

STATE/$6000 BASE

[In billions of dollars]

	Cost	Revenue	Cumulative balance [1]	Loans excluding State reserves
Fiscal year:				
Transition quarter			−0.2	−3.4
1977	11.8	9.0	−3.0	−6.2
1978	11.4	10.9	−3.5	−6.7
1979	10.1	11.4	−2.2	−5.4
1980	9.2	11.0	−.4	−3.6
1981	9.9	10.3	0	−3.2
1982	10.8	10.4	−.4	−3.6
1983	11.7	11.0	−1.1	−4.3
1984	12.7	11.9	−1.9	−5.1
1985	13.9	12.8	−3.0	−6.2

[1] Balance in State reserves minus loans to States.

NOTES

Excludes benefit standard.

Taxable wage base of $4,200 through 1977, increasing to $6,000 in 1978.

Assumes an average variable State tax rate reflecting effects of experience rating not to exceed 2.7 percent.

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield myself 10 minutes.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I rise in support of H.R. 10210, the unemployment compensation amendments. This bill represents a serious effort to correct some of the major defects of our unemployment system which became painfully apparent to millions of workers during our recent economic crisis. It is imperative that we bring into the permanent unemployment compensation the 12 million workers who are not now covered.

While this bill fails to include all these workers it does extend coverage to approximately 9 million workers, including 8 million employees; 0.7 million farm workers and 0.4 million domestic employees who are currently excluded.

There is no justification for leaving coverage of State and local employees by the unemployment compensation system up to the individual State. I oppose all attempts to strike this provision from the bill. While I recognize that this program will be costly, particularly in my own State of New York, I also recognize that the thousands of city workers laid off in the recent fiscal crisis and who may be laid off in future years are entitled to some compensation for their loss of earnings. There is no rationale for providing this protection for workers in the private sector, and not for workers in the public sector. In New York, for example, State workers are covered but city workers are not. This is not at all unusual. Only eight States provide mandatory coverage for all public workers.

Unemployment insurance provides security to the worker and his family and is the major source of financial assistance for jobless workers. It is time to end the second-class treatment of public employees and begin to provide them with the same benefits as workers in the private sector.

While it is difficult to ask our States to bear this additional financial burden at a time when there is little revenue to spare and services are being cut back, it is even more difficult to ask our city workers and their families to bear this financial burden alone when they have lost their job and only source of income.

We cannot turn our backs on these 8.3 million workers; therefore I oppose any amendment which would eliminate these workers from mandatory coverage.

I want to commend the committee for including section 312 which prohibits States from delaying or terminating benefits solely on the basis of pregnancy. This exclusion, which has been challenged by court action in several States, has placed an additional burden on women seeking to collect benefits.

The decision when to terminate one's employment because of pregnancy is an individual one to be decided by the woman and her doctor. So long as a woman is available for work she is entitled to collect unemployment compensation.

While I am pleased that at least domestic workers have been included in the unemployment program, I am disappointed that a $600 earnings requirement from a single employer is necessary for eligibility. This will permit 0.4 million domestic workers to be covered by the program. However, the remaining 1 million are still excluded. Over 95 percent of these household workers are women earning wages at the lowest end of the pay scale and many have families to support. I want to point out that of the remaining 3 million workers excluded from coverage by this bill, one-third will be domestic workers.

The social and economic justification underlying unemployment compensation for private and Federal workers is equally applicable to workers employed by the States and local governments as well as farmworkers and domestic workers. I urge my colleagues to support this legislation.

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in opposition to H.R. 10210, unemployment compensation amendments.

While it is true that corrections are needed in our unemployment compensation laws because of the effects of the recession, the bill before us today is another case of congressional overkill. H.R. 10210 would expand Federal jurisdiction over the States and would greatly increase the burdens of small business without coming to grips with our unemployment problems.

As reported by the committee, H.R. 10210 envisions a repayment schedule to replenish depleted unemployment compensation trust funds that will result in an $8 billion per year burden on a business community just coming out of a recession. If enacted, this will further slow economic recovery at a cost of thousands

of jobs. The more responsible course would be to stretch out the repayment period to reflect actual economic conditions.

In addition, this bill continues a trigger formula for extended unemployment benefits which discriminates against those States successful in maintaining low levels of unemployment. California, for example, could receive 20 percent of all payments despite the fact that it accounts for only about 10 percent of the Nation's employment.

Most objectionable, however, is the extension of coverage contained in H.R. 10210. For the first time, seasonal farm workers, at a cost of $150 million in fiscal year 1978 alone, will be included under the unemployment compensation program. The problem here is determining what constitutes unemployenmt for seasonal workers. Uncorrected abuses of unemployment compensation over the years in other industries indicate that we have no intention of profiting by past mistakes.

Nor was the Constitution sufficiently considered when this bill was drafted. Federal legislation requiring coverage of individual State employees ignores the constitutional prohibition against Federal intrusion in the rights of States to conduct their own affairs.

In other words, today's bill would follow the discredited tradition of solving our problems by throwing money at them. I believe it is time for us to face up to our responsibilities and search for more workable solutions. If only a portion of the money H.R. 10210 will cost were used to stimulate jobs in the private sector, much of the need for unemployment compensation could be eliminated. We could then turn our energies toward programs specifically geared to reducing unemployment—instead of turning the unemployment compensation program into still another income maintenance program.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise to support enactment of H.R. 10210, the Unemployment Compensation Amendments of 1975. It would achieve many worthy objectives and ought to be considered favorably.

This bill enjoys a checkered past. It was reported by Ways and Means last December, but floor consideration had to await approval of the first concurrent budget resolution which was considered in May.

The bill then came to the floor on May 17 but under a proposed closed rule. That rule was defeated. And all the while the system's deficit has grown.

It all reminds me of the case of the car carrying four people. It hits a telephone pole—at the time of the accident each of the four says he was in the back seat asleep.

We need this bill; we need it now if we are to stave off financial collapse of this vital system. It is and has been the Nation's frontline defense against the hardship of recession.

The point of financial disaster has long past. Only 28 States now have solvent unemployment compensation accounts. We are on the brink of financial collapse.

To meet this situation we must act, so among the most important provisions of the bill, and the most controversial, are those that increase the unemployment compensation taxable wage base and tax rate. Under present law employers are taxed on the basis of their payrolls at a rate of 3.2 percent of the first $4,200 in wages. Employers receive a credit of 2.7 percent against their Federal tax for participating in approved State unemployment compensation programs. Thus each employer pays a five-tenths percent net Federal tax. Each employers' State tax rate depends on his or her unemployment experience rating.

Funds generated by unemployment compensation taxes are used solely to finance the unemployment compensation system. They were sufficient for that purpose at their present levels until 1972 when high unemployment rates depleted unemployment compensation accounts in several States and forced them to borrow to continue operation. At the present time 22 jurisdictions are in the red and reliable estimates indicate that unless additional revenues are produced, another 10 jurisdictions will have insolvent unemployment funds by the end of the year. Over $3 billion of Federal funds have already been advanced to the States to allow them to meet their obligations.

In order to bring the program back to a sound fiscal basis, this bill would increase the taxable wage base from $4,200 to $8,000 effective January 1, 1978. The bill would also increase the net Federal tax rate from 0.5 percent to 0.7 percent until 1983 or until all advances to the Federal Extended Unemployment Compensation Account have been repaid. The rate would then be lowered back to 0.5 percent.

Projections based on the increased taxes which this measure will generate indicate that the Federal system will be solvent in 1985.

Unless we act the financial structure of the system will continue to decay. Under present law, at the Federal level during fiscal year 1978 we will take in $1.5 billion; we will pay out $2.5 billion. At the State level we will take in $9.2 billion; we will pay out $11.1 billion, for a combined fiscal 1978 deficit of nearly $3 billion.

So you see we need these proposed financing changes desperately.

The rule under which we are considering this bill makes five amendments in order along with committee amendments. They are:

An amendment by Mr. ULLMAN to limit, or reduce, the provisions in the bill relative to the coverage of farm workers;

An amendment by Mr. KETCHUM to strike the bill's provisions extending coverage to employees of State and local governments;

An amendment by Mr. PICKLE to reduce the taxable wage base, set at $8,000 in the bill, to $6,000;

An amendment by Mr. SISK to deny benefits to professional athletes and aliens illegally in the United States; and

An amendment by Mr. CORMAN to impose on each of the States a minimum Federal benefit standard.

The costs of this last amendment would be nearly a billion dollars in fiscal year 1978. This proposal was defeated in the Unemployment Compensation Subcommittee; it was defeated in the full Committee on Ways and Means, and it should be defeated here today.

This bill should be passed, as reported by the Committee on Ways and Means with only the committee amendment relative to the bill's effective dates.

In addition to the bill's financial provisions the bill would achieve many other worthwhile objectives. Let me list the bill's major coverage and benefit provisions and then describe each of them briefly. The bill would:

Expand the program's coverage;

Modify the present trigger provisions in the extended benefit program;

Establish a national study commission;

Allow the Virgin Islands to become a part of the Federal-State unemployment compensation system;

Prohibit disqualification from unemployment compensation benefits solely on the basis of pregnancy;

Modify the appellate rights of Federal employees regarding agency determinations of the cause of separation from work; and

Provide reimbursement for unemployment compensation benefits paid to CETA employees.

By expanding coverage of the permanent Federal-State unemployment compensation system we would protect 8.9 million workers not now covered under any permanent program.

Specifically, the bill would extend coverage to:

Agricultural workers of farm employers with four or more workers in 20 weeks or who paid wages of $5,000 or more in any calendar quarter;

Domestic workers of employers who pay $600 or more in any calendar quarter;

Employees of State and local governments; and

Employees of nonprofit educational institutions.

These are important features of the bill. Presently, these workers are covered under the special unemployment assistance program, scheduled to expire December 31, 1976. The bill would cover the vast majority of these people under the permanent program effective with SUA's expiration.

Because the trigger system in present law which relates to the extended benefits program has proven to be unworkable, the bill would make significant changes in this area. Under present law an unemployment compensation claimant may be entitled to benefits for weeks of unemployment 27 through 39 if the extended benefits program is triggered on.

The present law provides that the extended benefits program will be triggered on when the national insured unemployment rate reaches 4.5 percent seasonally adjusted. The insured unemployment

rate, or IUR, is generally about 2 percent lower than the total unemployment rate.

The bill would not change the national trigger rate. However, the trigger would be based on the most recent 13-week period rather than the present requirement of each of 3 consecutive months. The State trigger which applies without regard to the national indicator would be changed to an IUR of 4 percent—seasonally adjusted—based on the most recent 13-week period, rather than the present dual requirement that the rate be 4 percent—not seasonally adjusted—and 120 percent of the rate for the corresponding periods in the 2 preceding years.

The bill provides that Federal payments to the States for their administrative expenses would not include administrative costs attributable to State and local government employees. Further, the bill revises the definition of "sharable benefits" under the Federal-State extended benefits program to eliminate any sharing of payments by the Federal Government based upon services performed by workers in State and local governments.

These provisions will eliminate private employer support for administrative and sharable cost benefits attributable to public employees. Federal grants to the States and the Federal share of benefits paid under the extended benefits program are financed out of revenues raised by the Federal unemployment tax.

State and local governments, including those that currently provide unemployment compensation protection for their employees, do not pay this tax and will not be required to do so under this bill. Therefore, Federal administrative grants and the Federal share of extended benefits attributable to their employees will not be financed out of these tax revenues generated only from private employers.

Recognizing the need for further study, the bill would create a 13-member National Study Commission on Unemployment Compensation. The Commission would be directed to study and evaluate the present unemployment compensation programs in order to assess its long-range needs, to develop alternatives, and to recommend changes.

The Commission would be required to report back to the Congress on January 1, 1979.

The bill would also allow the Virgin Islands to become part of the permanent Federal-State unemployment compensation program. The Virgin Islands already has an unemployment compensation system in place and has asked to be allowed to join the present Federal-State system.

In an effort to eliminate a discriminatory practice directed against women, the bill prohibits the States from denying benefits solely on the basis of pregnancy. This does not mean that all pregnant unemployed women will automatically receive unemployment compensation benefits. It simply means that pregnant women will no longer be denied benefits solely on the basis of their pregnancy.

If a pregnant woman is available for work, able to work, and cannot find a job, she ought be treated no differently than any other unemployed individual available for work. That is what the provision in the bill seeks to accomplish.

The bill also provides for reimbursement from Federal general revenues for unemployment compensation benefits paid on the basis of work in jobs funded under the Comprehensive Employment and Training Act of 1973.

Present law requires that the same unemployment compensation protection afforded other employees apply equally to CETA employees in corresponding jobs. The costs of benefits paid these employees are financed from CETA grants, thereby reducing the amount of grants available for CETA activities. Thus unemployment compensation benefits paid to public service employees working with prime sponsors or nonprofit subgrantee organizations will be funded with Federal general revenues.

Mr. Chairman, this is a good bill. It results from great efforts on the part of our subcommittee chairman, Mr. CORMAN, and my colleagues on the Unemployment Compensation Subcommittee and the full Committee on Ways and Means. It makes signifiant improvements in the present unemployment compensation system and takes steps to return the system to a fiscally sound basis.

Mr. Chairman, I urge adoption of H.R. 10210.

Mr. CORMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, first, I commend the chairman of the subcommittee and the ranking minority member and all the members of that subcommittee for their dedicated effort in tackling the very difficult and controversial area.

They have come up with a bill that certainly does pose some controversial questions, but they have realistically faced up to a tough issue. They have faced it with considerable courage. The decisions that they have made are in most part decisions that are of major and far-reaching significance in carrying on this important program. Therefore, I commend this bill to the members of the committee and to the Members of the House.

H.R. 10210 makes important and badly needed changes in the coverage and financing provisions of the Federal unemployment compensation law.

It represents several months of work by the Unemployment Compensation Subcommittee. It is a compromise bill that has the support of the administration and minority and majority members of the subcommittee.

It contains changes that are needed if we are to preserve the present Federal-State financial and administrative structure of the unemployment compensation program.

It also provides for more equal treatment of the Nation's wage and salary workers with respect to unemployment compensation protection.

The bill raises additional unemployment compensation revenues with the objective of restoring solvency to the unemployment compensation system at the State and Federal level.

The unprecedented, multi-billion-dollar unemployment compensation deficits at the State and Federal level present the greatest threat the unemployment compensation system has faced in its 40-year history. Prior to 1972, only three States had ever depleted their unemployment compensation funds and been forced to borrow from the Federal Government. Presently, 22 States are broke and have borrowed over $3 billion in Federal funds in order to continue paying State unemployment compensation benefits. Furthermore, the Federal unemployment compensation funds are depleted and heavily in debt to the general fund.

The financing provisions in the bill do not raise more unemployment compensation revenues than is absolutely necessary. The tax increases were carefully designed to raise enough new money to restore the unemployment compensation program at the State and Federal level to a solvent and self-supporting status within a reasonable period of time. The Federal tax rate increase contained in the bill will be automatically reduced back to its present level in 1983, or earlier, if the Federal trust funds become solvent before that time. Each State can adjust its tax rate schedule to raise as much money as it needs to finance the State program.

The tax base increase should allow States to adjust their tax rates so as to achieve a more equal distribution of State unemployment compensation taxes among high- and low-wage-paying industries.

A number of States, including Oregon, have already raised their unemployment compensation tax base in order to prevent the State fund from going broke, or to prevent borrowing additional Federal funds.

At the present time, the employers in States that have raised their taxes are somewhat disadvantaged because they are paying higher unemployment compensation taxes than employers in States that have decided to borrow Federal money rather than make the necessary increases in their State taxes to remain solvent.

By raising the tax base in all States to $8,000, H.R. 10210 will equalize the tax burden on employers among the different States.

By expanding coverage under the permanent unemployment compensation law to farmworkers, domestic workers, and State and local government employees, H.R. 10210 will reduce the inequities that currently exist with respect to the treatment of workers who do the same kind of work but for different types of employers.

For example, at the present time, security, maintenance and food service personnel working in private industry, for the Federal Government, or for a State hospital or college are required by Federal law to have unemployment compensation protection; 28 States, including Oregon, at their option, have extended unemployment compensation protection to these same workers in all State agencies. Eight States, including Oregon, at their option, have extended unemployment compensation protection to the workers employed in local government agencies.

In 24 States, however, a security guard,

cafeteria worker, secretary or grounds keeper working for a State agency, other than a State university or hospital, is not protected under the permanent unemployment compensation program. In 44 States, these workers do not have unemployment compensation protection under permanent law if they work for a city, county, or local school board.

The coverage provisions in H.R. 10210 would eliminate this inequity. It will provide workers, who do the same kind of work, the same protection under the unemployment compensation program, regardless of their employer.

The coverage provisions in the bill would also eliminate the need for the temporary special unemployment assistance—SUA—program that has been providing limited unemployment compensation benefits to workers not covered under the permanent law. This program expires December 31, 1976.

SUA has created significant administrative problems in the States. It has also created substantial inequities between those States that have extended coverage to groups of workers not required to be covered by Federal law and those who have not. For example, all local Government workers in Oregon are covered by State law. Benefits received by these workers are paid for by State and local agencies in the State. In most other States, however, local government employees are not covered under State law and have been able to collect benefits under SUA, which are financed out of Federal general revenues.

No program has been more vital to the American workers or the general economy during the recent period of high unemployment than the Federal-State Unemployment Compensation System.

It is a basically sound, successful and necessary program. It has been a major factor in preventing the recent recession from reaching the disastrous proportions of the great depression.

We have depended heavily on the unemployment compensation system during recent months. The unprecedented levels of unemployment have placed tremendous administrative and financial strain on the program. The temporary special unemployment assistance for workers not covered under permanent law has added to the administrative problems created by the heavy unemployment.

We must now enact the changes contained in H.R. 10210 in order to eliminate unnecessary administrative problems, eliminate existing inequities among workers and States, and restore solvency to the unemployment compensation system as soon as possible.

The provisions in the bill extend unemployment compensation coverage to farm workers of employers with four or more workers in 20 weeks or who paid $5,000 in quarterly wages for agricultural services. The amendment simply changes the quarterly wage criterion from $5,000 to $10,000. It makes no other changes in the provisions pertaining to farm worker coverage.

The Department of Labor estimates that the effect of the amendment nationwide will be to extend unemployment compensation coverage to 6 percent, rather than 7 percent, of the farmowners; and to 59 percent, rather than 61 percent, of the farmworkers. Approximately 60,700 farmowners and 683,200 farmworkers will be covered under the amendment. This compares to 69,000 farmowners and 710,100 farmworkers that would be covered under the provisions in the bill.

The principle effect of the amendment would be to limit farm coverage to large farm operations and generally exclude the small farms that only use workers during certain periods of the year.

This will reduce the economic impact on small, family-operated farms of covering farmworkers;

It will avoid some of the administrative problems we have experienced under the social security program where coverage has been extended to small farm operations;

It will provide us with some actual experience and information regarding the economic effect of extending unemployment compensation coverage to agricultural employment, its impact on migrant farm labor, and the administrative problems involved in extending unemployment compensation to farms. This information will be most pertinent to any future considerations of expanding coverage to small farm operations.

It is consistent with past experience of the unemployment compensation program to begin with the larger employers when coverage of a new type of employment is initiated.

Mr. STEIGER of Wisconsin. Mr. Chairman, I am pleased to yield 7 minutes to the distinguished gentleman from California (Mr. KETCHUM), a very hardworking expert in his field.

Mr. KETCHUM. Mr. Chairman, I will not use anywhere near 7 minutes in the discussion of this bill, because I see before me this giant audience, out of our 435 Members, whom are vitally interested in this most important piece of legislation. I am sure that their absence here would indicate that they have minutely examined the contents of this bill. Otherwise, of course, they would be here to discover what is in it and what is not.

Mr. Chairman, I indicated in my arguments against the rule that what this bill really does is to change a program that we have always called unemployment insurance and makes it into a welfare bill. There is no other way to explain it.

We have been told that if we pass this bill, we will save anywhere—and the estimates vary—I think the President's estimate was $2 billion. It may be as high as $4 billion. That is probably true as far as the Federal Government is concerned, because this will reduce the burdens of SUA and FSB, and place it squarely on the backs of America's already overburdened employers.

The employers, of course, have no recourse except to do that which they must do to recover additional expenses, and that is to increase prices. So, I truly believe that what we will see as the result of the passage of this bill, if indeed it is passed and if it is signed into law by the President, is another round of inflation, which is totally unnecessary.

We have extended and extended benefits. We extended time periods, as indeed perhaps we should have during those periods of extremely high unemployment. I think the Federal Government does indeed have a responsibility in times such as those, and if we approach those times again, I am sure that will ensue, but to tell the American public that this bill is going to save the Federal Government x number of dollars by simply strapping that load on every employer, large and small, is really telling an untruth.

I will offer an amendment to this bill relative to municipal and county employees. The bill mandates that they must be covered, but it does give the municipalities an option either to cover or to pay for those who have been placed on unemployment. In my view, mandating that coverage simply is a subterfuge for raising or putting more money into the fund. There are very, very few times when any municipality fires anyone. There are very few times, usually predicated in very short budget periods, when municipal employment is reduced. We have seen some in New York; we have seen some in San Francisco, where budgetary accommodations insisted that employment be reduced, and in those cases, if those municipalities choose to voluntarily cover their employees, there is nothing in the world that says that they cannot. All that the amendment that I will offer will do is to retain that provision in the law, which is already there, and say that this coverage shall be voluntary.

I shall support the amendment to be offered by the gentleman from Texas (Mr. PICKLE) to raise the taxable wage base, because it does indeed need to be changed, from $4,200 to $6,000. I shall not support raising the taxable wage base from $4,200 to $8,000.

I might point out that in my own State of California—and perhaps I am being a bit parochial there—the employers in the State of California concerned about their dwindling reserves, and chose to tax themselves additionally this year and raise the unemployment compensation payments by $600 million. Load this one on those employers, and as I indicated, I believe that we will have another round of inflation.

There is really not much point in pursuing further my arguments on this bill. I will reserve that time until tomorrow, when we get into the amending process. But, I would be remiss if I did not say that I am really disappointed, as I was when we discussed the tax bill where we spent in the Ways and Means Committee some 6 months putting together the bill, and then we looked about the House and we found those individuals who had been arguing about the tax bill for 6 months in committee, and nobody else. Either our membership is better informed than I really believe they are about a complex piece of legislation, or they do not really give a damn.

Mr. CORMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, when the Ways and Means Subcommittee on Unemployment Compensation first held

hearings last year on various legislation to affect the unemployed in this country, the jobless rate hovered near the 10-percent mark. Fortunately, during the intervening months that astronomical rate has declined, little by little, to a 7.5-percent level for June. So, the situation has improved steadily although the more than 7 million still unemployed probably would not attest to that.

Some might speculate that with an unemployment rate at nearly 10 percent, social chaos might be occurring. But this has not been the case, thanks, partly, to the unemployment compensation system.

Naturally the general recession that much of this Nation has suffered during the last couple of years has hit the State employment trust funds hard. In fact, at latest count, 22 States have gone bankrupt and had to borrow from the Federal employment trust fund. The Federal fund, because of the demands of the States, and because of the extended benefits and the Federal supplemental benefits which have been paid out of it, has also gone into the red.

The sponsors of this bill, H.R. 10210, proposes to make the fund solvent by raising the taxable wage base from its present level of $4,200 to $8,000, effective January 1, 1978. At the same time, the bill would raise the effective Federal tax rate from its current 0.5 percent to 0.7 percent, beginning January 1, 1977.

Before I delve into the question of the wage base more deeply, a short explanation is called for.

The permanent unemployment compensation program, which we are dealing with today, provides for 26 weeks of payments to beneficiaries and 13 additional weeks—extended benefits—when certain unemployment levels are reached, or triggered.

The joint Federal-State unemployment system was established in 1935 as a part of the original social security law. There are two olive branches which the Federal Government holds out to the States so that they would establish an unemployment system. First, the Federal Government give all private employers a 90-percent credit against the 3.2-percent Federal payroll tax—for a net Federal tax of 0.5 percent—and second, the Federal Government makes grants to the States to administer the program. Naturally, all States established their own unemployment systems. How is the unemployment program financed? It is totally financed by employees with the exception of three States which allow employee contributitons. Every employer pays two taxes, one to the Federal trust account and one to the State account. The employer pays $21 per employee on the Federal tax—$4,200 times 0.5 percent equals $21. The amount an employer pays in each State varies because of the various rates and bases in the States, but the average State rate is 2.7 percent and the average tax per employee is about $130 to $135. So, for each employee, an employer now pays about $155 in taxes to support the unemployment compensation program.

The sponsors of this bill would increase this amount to $8,000, which represents a 90-percent increase. This would mean that employers would pay a Federal tax per employee of $56—$8,000 times 0.7 percent equals $56—and approximately $212 for State employee taxes for a total of $272, compared to $156 now.

The proposal to increase the base to $8,000 is too steep a jump to make at one time. I take the position that we must make the trust funds solvent. We have the responsibility to act in good faith in order to retain this as an insurance program and not turn it into a general assistance program. So, it is proper that we do raise the base and the rate.

But the question facing us today, is how much do we raise the base? My colleagues, I appeal to your good commonsense. You know and I know that the large manufacturers and corporations will gnash their teeth and pull their hair about this increase that the Congress is putting on them with an $8,000 base. But eventually, this cost will be added to that automobile or that dishwasher and at the end of the line, the consumer will pay for it. My eloquent colleague from Minnesota, Mr. FRENZEL, has often stressed this point in our committee deliberations. But I also ask what happens to the Mom and Pop grocers, who have three teenagers helping them run their bastions of entrepreneurship? They have no high-paid certified public accountants—CPA—or Wall Street tax lawyers to consult and help them defray their costs. What will happen to the small farmer who has employees only during the growing seasons but will now be covered by this bill? Will the farmer be able to bear the new costs for unemployment taxes? In many instances, the result will be that these people will have to close their small businesses. Not only will we see this but I predict that others, whom we cannot count, will be discouraged from going into business. Additionally, businesses will gain no productivity from this added-on cost and many will be deferred from adding employees or plant expansion. The net result will be less new jobs and probably more layoffs.

So, I ask for your support for a more moderate course by voting for the Pickle amendment calling for a $6,000 base. The amendment is not a negative approach. I am not attempting to sabotage the unemployment compensation system. In fact, I have been a longtime active supporter of it, and once served as a member of the Texas Employment Commission. The goals of the program are laudable and it has served the Nation well for its 41-year existence. During the recession, it has been a source of genuine aid and probably has been a steadying influence when our jobless rate teetering near the 10-percent mark.

But the program has taken some disturbing turns in the last few years and has, in some ways, moved away from its original purpose and aims. Over the years there has been a good relationship between the States and the Federal administrators and between employers and employees.

If we keep increasing the tax on business, I fear that the cooperation may fade. I ask you to keep in mind that employers are facing several taxes increase in the not too distant future for social security and perhaps, national health insurance.

Here again these costs will come, at least partially, from the payroll tax.

Mr. Chairman, may I summarize by saying to the Members that I think a $6,000 increase is sufficient to do the job that we want to accomplish. When the administration first offered this bill a year ago, they asked for a $6,000 base at the 0.65 percent rate. This was the administration's recommendation. The committee has now raised that figure of $6,000 up to $8,000 and increased the effective Federal tax rate to 0.7 percent.

When the added tax will make the funds solvent is in doubt. We must keep in mind that it is a double-slug proposition. Under the bill we would raise the base to $8,000 and increase the rate by 0.2 from 0.5 to 0.7 percent. That is going to cost the employers over $5 billion in the next 2 years.

Now the question is: Do we need that much? The administration said originally that at $6,000 and at 0.65 percent we would have plenty of money by 1985 to pay for the whole program. But now my amendment increases the rate from 0.65 to 0.7 percent and the Department of Labor says that by 1985 the trust fund will still be broke. Well, it cannot work both ways. That is ridiculous. That is inconsistency at its worst.

The Labor Department forecast of total wages from the period 1975-85 has decreased very greatly from its estimates of last October. In fact, DOL has removed more than $1.7 trillion in wages in its current estimate. If the economy is going to be that bad over the next decade we might as well pack up and quit!

Mr. Chairman, I will not impose on the Committee much further, but I do think there are serious questions about this bill. I suppose that overall the total cost on the employer would be in excess of $7 billion.

I really believe this is going to cause some people to go out of business. In my own State about one-fourth of the businesses that do go bankrupt say that they simply cannot pay all the taxes that are expected of them from the Federal Government.

If we are going to raise the social security tax, which is inevitable, and if we do pass a national health insurance program next year, then we should think of those future costs before we slap this one on the employers.

We should raise the base to $6,000 now and look at it 2 or 3 years from now, at which time we can take whatever action is needed.

Let us not take this precipitate action against the employers in one fell swoop.

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from Minnesota (Mr. FRENZEL), a very distinguished, very able, and very articulate gentleman, for the purposes of closing this debate.

Mr. FRENZEL. Mr. Chairman, I rise in strong support of H.R. 10210, the Unemployment Compensation Amendments of 1975. As one of the members of the Unemployment Compensation Subcommittee and a cosponsor of this bill, I believe it represents a positive step toward

making the Federal-State unemployment compensation system more equitable, effective, and fiscally sound.

This bill makes several very significant and long overdue changes in the permanent unemployment compensation system. At the same time, the Ways and Means Committee wisely rejected changing the unemployment compensation system to include a Federal benefit standard.

One of the most important changes contained in H.R. 10210 is the increase in the taxable wage base and the net Federal tax rate. Twenty-one States to date have totally depleted their unemployment compensation trust funds and have been forced to borrow over $3 billion from the Federal Government. It is projected that without a change in the present law, the State unemployment accounts will be over $16.5 billion in the red by the end of fiscal year 1977.

In addition, the Federal unemployment account is presently in a serious deficit condition and will be over $6.5 billion in debt by the end of this next fiscal year. We must now assume the responsibility for paying our bills for past benefits and for returning these funds to solvency as soon as possible.

Although the drastic increase in the taxable wage base contained in H.R. 10210 is distasteful, I beleive it is the most effective way to return the Federal and State unemployment accounts to solvency within 5 years and to improve the distribution of the financial burden of the unemployment tax system. Among the various financing proposals considered by the subcommittee, this one seemed to be the best alternative because it causes the least disruption in the very important experience rating system and reallocates the tax burden to low- and high-wage employers on a more equitable basis. Therefore, I strongly urge my colleagues to support this change in the unemployment compensation system's financial structure.

A second very significant provision of H.R. 10210 is the extension of coverage under the permanent Federal-State unemployment compensation system to about 9.5 million previously uncovered workers, including agricultural workers, certain domestic workers, and State and local government employees. These workers are currently provided with very limited unemployment benefits under the temporary special unemployment assistance program—SUA—or, in certain cases, under State laws.

SUA was created in 1974 as a temporary unemployment compensation program, due to expire at the end of this year. SUA benefits have been funded from general revenues. It is time for these workers to be assured adequate coverage under the permanent unemployment compensation system, which is funded by employer taxes rather than by Uncle Sam. H.R. 10210 will accomplish this objective, and provide a basis for elimination of special, temporary, or emergency programs.

H.R. 10210, however, falls short in certain areas. I was generally dissatisfied with the subcommittee's decision to leave the triggering mechanism for extended unemployment compensation benefits essentially unchanged. H.R. 10210 retains the 4.5-percent seasonally adjusted insured unemployment rate as the national trigger, and slightly modifies the State trigger to a 4 percent seasonally adjusted insured unemployment rate. When either trigger is met, extended benefits, which are funded on a 50/50 basis from State and Federal funds, are provided for benefits weeks 27 to 39. The trigger mechanism has proven to be very unsatisfactory in the past because some States end up being perpetual benefit recipients while others are petpetual donors. I would have preferred to raise both the national and State triggers, and am hopeful that we will be able to improve, if not totally eliminate, the benefit triggers in the future. What we need at this point is a more careful study of the trigger concept in order to develop more acceptable and effective alternatives.

Along this line, it should be noted that since the unemployment compensation system was established over 40 years ago, there has never been a comprehensive study made of the unemployment compensation system. H.R. 10210 would establish a 13-member National Commission on Unemployment Compensation to specifically conduct such a study. The commission will undertake a thorough examination and evaluation of the present unemployment compensation system in addition to addressing specific problem areas, such as the triggering mechanism for extended benefits, eligibility requirements and their enforcement, current abuses of the system, and the relationship of the unemployment compensation program to other income maintenance and manpower programs. The final report of the commission's findings and recommendations will be presented to Congress and to the President by January 1, 1978. This report should provide essential data and valuable information for future efforts to improve the unemployment compensation system.

Finally, Mr. Chairman, I would like to applaud the Ways and Means Committee for resisting the temptation to include a Federal benefit standard in H.R. 10210. The inclusion of such a standard would have been the first step toward federalizing unemployment compensation, and would have wrecked havoc with the entire system. In addition to significantly increasing benefit costs, this provision would have violated the important principle that governments closer to home understand the problems and possible solutions better than the Federal bureaucracy. We do far better to leave benefit standards, along with all the other unemployment compensation standards, in the hands of the States.

Let me conclude by saying that there are still many aspects of the unemployment compensation system which need improvement. H.R. 10210 is only a beginning, but it is a very positive one. Therefore, I again stress the urgency of prompt, decisive action on this bill in order to restore the fiscal integrity of the unemployment compensation system, to provide greater equity in the distribution of the financial burden, and to continue to insure adequate coverage for America's unemployed workers.

I strongly urge my colleagues to vote in favor of H.R. 10210.

Mr. Chairman, I hope we will not get any ideas about saving money by voting for a lower tax base or by voting against the bill because there is no way by which we can save any money. The programs are in place, and we are simply talking about whether we are going to finance them by a tax on employers, as was originally contemplated when this legislation was first passed 40 years ago, or whether we should lay the cost back on the general taxpayers, which, in my judgment, reduces the program to that of a general welfare program and removes the incentive and experience feature which most of the people who have worked in this field consider to be one of the strengths of the system.

Mr. Chairman, although this increase in taxable wage base is distasteful, I think it is the only effective way we have to return the Federal-State unemployment account to solvency in 5 years.

Several of the speakers who have appeared before us are supporting a change from the bill's $8,000 tax base to one of only $6,000. I wish we could go ahead and make it $6,000. However, the Department of Labor tells us that their best estimates show that we cannot come out solvent at $6,000; and, in fact, we cannot erase the deficit by using the $6,000 wage base. Also, Mr. Chairman, that is assuming, I think, a relatively optimistic level of employment or of economic activity and relatively optimistic low levels of unemployment for the future.

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

Mr. FRENZEL. I yield to the gentleman from Texas.

Mr. PICKLE. As I understand it, the Department of Labor, in referring to the $6,000 base at the 0.65 rate, said that the fund would be solvent by 1985, and this statement was within the past year.

Mr. FRENZEL. Mr. Chairman, I would say to the gentleman from Texas that his amendment simply reduces the base from $8,000 to $6,000 and, as we know, the bill provides for a 0.7 rate, reverting back to a 0.5, and, under the bill, as amended, if the gentleman's amendment passes, we can never get out of a deficit situation.

Mr. PICKLE. Mr. Chairman, if the gentleman will yield further, actually at the $6,000 base and at the 0.7 rate, we would be raising more money than the Department of Labor and the administration had recommended originally when this bill was introduced. They make the argument, because they have changed their original projection of last fall which said total wages would grow about 12 percent over the next 10 years—1975–85—radically to state now that they forecast a growth of only 49 percent in total wages in the next decade. The Labor Department wipes out $1.7 trillion in wages total from its first prediction. They did that in order to say that we have got to raise more money. But I defy anyone to give me a good, fair figure from anybody to say exactly what the exact base and rate should be.

Mr. FRENZEL. I thank the gentleman

from Texas for his contribution. I agree with the gentleman that none of us can foresee the future. Nevertheless, on the best estimates that we have by the people on whom we rely to make those estimates, the proposed amendment of the gentleman from Texas will leave us in a deficit indefinitely, but the bill, as proposed, will bring us out in the early 1980's and take us into a positive cash position.

Even that, I submit, is dangerous because between now and 1983 or 1985, we could have several swings in the economic cycle. My goodness, trying to pay for this would be extremely difficult, we are going to the ultimate limit of our risktaking ability by only asking that the fund be made solvent in the early 1980's.

Mr. Chairman, one of the previous speakers referred to this tax as a burden on the backs of the employers, and indeed it is. It is a severe burden for employers, it is something that I do not like, and I did not like it when I was an employer. Unfortunately, however, the alternative is to lay the program on the backs of the individual taxpayers of this country because that is how we are financing the system at this time. All of our temporary and possibly emergency programs are being carried by the Federal taxpayers and, worse, we are now asking that this program be financed through borrowings.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEIGER of Wisconsin. Mr. Chairman, given the vigor of debate, I would be delighted to yield 5 additional minutes to the distinguished gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the distinguished gentleman from Wisconsin for yielding me the additional time, and, since I do have additional time now, I will yield to my distinguished colleague, the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, I thank my friend the gentleman from Minnesota (Mr. FRENZEL) for yielding to me. I would simply ask this question: You say the employer should pay this and perhaps the gentleman is right except those are the ones that pay for SUA and the FSB. Would it not be more fair in that even to knock out the FSB and SUA?

Mr. FRENZEL. No question about it. I agree with the gentleman 100 percent. That is the reason I am supporting this bill so strongly. I believe that only when we bring the finances of the current unemployment compensation system into balance, or provide the mechanism by which it can come into balance, then the SUA and FSB should be abandoned. We should restore control of the unemployment compensation system to the wisdom of the individual agencies of the States, where it belongs—although we should reserve the right to intervene, of course, in times of economic adversity, such as those that this country has just now been through.

But, at any rate, to resume, Mr. Chairman, I was talking about borrowing to finance the unemployment compensation program, and that is far more inflationary than placing a tax back on the employer. There is nothing more inflationary than deficit financing and that is what we have been doing with this program for over a year. We have a deficit now of $9.3 billion—and I will not take the time, because I am not smart enough to try to figure out the interest on $9.3 billion in a year, but it is significant.

Mr. Chairman, the next point I want to make is that a previous speaker talked about municipal employers incurring unemployment. If that is the case, Mr. Chairman, we do not have any problem with this bill because the municipal employers will incur no costs if they incur no unemployment, and they do not pay part wage schedules and will not have to pay part wage schedules under this bill, they must simply reimburse the trust fund for the actual unemployment costs incurred. So if there is little risk of unemployment, there is little risk of extra cost and, therefore, this amendment that appears in the bill should not be troublesome.

Mr. Chairman, to conclude, this is an unpleasant thing to have to lay an extra tax on employers. I do not like it. But when I consider the alternative which is in fact to turn our program into an ongoing Federal program, and a welfare program at that, it seems to me preferable to return to the original system which was to let the States run their own programs under an experience rating system. We will get there quicker by passing this bill than by accepting any of the amendments, or by voting it down.

Mr. Chairman, I urge support of the bill, and I yield back the remainder of my time.

Mr. CORMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will not take much time. I note, as did my colleague, the gentleman from California, that there does not seem to be a wave of interest in this bill. My audience is even smaller than his, but perhaps the Members will read the RECORD.

I want to give my explanation of this bill in contrast to that of the gentleman from California. First of all, he contends that it is a welfare bill. Of course, that is precisely what we are trying to prevent. Special unemployment assistance—SUA—is a welfare program. If the amendment of the gentleman from California (Mr. KETCHUM) should carry, there is no question but that in times of high unemployment we will have an SUA program, because the Nation will not stand by and see public employees lose their jobs and go without sustaining income. We will put them on a federally financed program like SUA as we did this time. That does not make any sense.

All wage-earning employees, whether they work for public or private employers, ought to be covered by unemployment compensation. Many States have seen the wisdom of that and have covered all their State and local government employees. The gentleman from California contends that he is going to somehow make it all voluntary. That is the present law, and that is what the States and counties who do not cover their employees would like to continue, because they know when times are hard the Federal Government will put their fired employees on welfare, paid for out of Federal funds.

Presently the public employees do not have to pay the cost of administration or half the costs of extended benefits because that is paid by the employer tax on private employers.

The gentleman from California implied that somehow this bill was going to increase the private employer's obligation for public employees. The truth of the matter is it will decrease private employer subsidy of public employees.

There is some talk about subterfuge, of covering public entities in order to put additional money in the U.C. trust fund. The gentleman knows that the States may authorize their public employers to pay only the cost of unemployment benefits paid to their employees on a retroactive basis, and there will be no increase in the fund if the States use that option—and I assume they all will.

The gentleman from Texas urges us to vote for a $6,000 wage base and says that somehow that is going to be of benefit to small businesses. First of all, under the present law States are going to have to start paying back the money that they borrowed after 2 years. Either we will pass emergency legislation to extend that time, or the present law will go into effect and there will be a substantial increase in the tax rate for all private employers in those States which borrowed money and cannot pay it back. If we keep a $6,000 wage base, it means that the States will be forced to pay a very high tax rate, which will make it much harder on those small employers whose average wage base is generally lower than the large employers.

I would hope we would keep the $8,000 wage base in the bill. It will make it possible for the States to respond to their obligations without increasing unreasonably their own tax rate, and it would be possible for the Federal Government to get back in the black within another 7 or 8 years.

As to public employees, do we think that it is somehow easier for a policeman or fireman or teacher who loses his job to go without funds than it is for a waiter in a restaurant or a man on the assembly line? Remember, unemployed workers in private employment get half or nearly half of their lost wages replaced until they can find another job. Can we legitimately say to the policeman who protects our streets and our lives or to the fireman who risks his life every time he goes out on a call that they are not entitled to the same kind of protection that we offer all kinds of private employees? That is not fair to some of the people who contribute most to our well being.

As has been pointed out a number of times, the administration supports this bill. The Ford administration also had legislation introduced containing a Federal minimum benefits standard. The details of that will be discussed I am sure at some length tomorrow.

I would like to thank the members of the subcommittee and especially the gentleman from Wisconsin (Mr.

STEIGER) and the gentleman from Minnesota (Mr. FRENZEL) for working so hard to put this bill together. I hope we will have a good attendance tomorrow. I hope the Members will pay close attention so that we may send a reasonable bill to the Senate and that they might act on it before the conclusion of this Congress.

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

Mr. CORMAN. I yield to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, apparently I was not able to get the attention of the gentleman in either the small group, or in the committee, or in this larger group, but I said relative to the municipal employees that the options existed. I made no reference to the fact that there was no option.

Mr. CORMAN. I am still confused. I cannot understand why the gentleman believes that covering public employees will increase UC trust fund, where they will not be required to pay into the trust fund.

Mr. KETCHUM. I am sure the gentleman is well aware of the fact that is what it will do.

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

Mr. CORMAN. I yield to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, the gentleman just mentioned that he was in favor of this bill and he said that the administration favors it. One of the amendments to be voted on tomorrow is not in this bill. It is a Federal benefits standard. I do not know whether it is accurate to say that the administration is for the Federal benefits standards. It will be interesting to see how far we can push them into the corner before they will make a good strong statement. Perhaps they will favor it because previous administrations have voted for it. But I would not want for the gentleman just to slide that item in so easily. I want those Members who might read the RECORD to know that the Federal benefits standard is one of the most difficult questions we have to settle tomorrow.

I would remind the gentleman, as I think he knows, that if we estabiish a Federal benefit standard, we will say an employee will be able to draw from 50 percent to 66⅔ percent of his State's average wage. We will, by law, establish a Federal standard which says that rate must be paid by every State.

Once we do that, an attempt to pass a Federal benefit standard for disqualifications and a Federal benefit standard for the duration will follow. We will literally destroy the particular Federal-State relationship we have enjoyed for 41 years.

The gentleman may not agree with that, but in my opinion, that is the net effect of it. I think the debate should show that the amendment up and cost the employers of the country nearly $2 billion.

Does the gentleman have the figure?

Mr. CORMAN. I do not have it off the top of my head.

Mr. PICKLE. But whatever it is, it is a considerable amount and it will go up and up. I think that the Members should be on notice that this Federal benefits standard will be on the floor tomorrow and it was not passed by the committee or in the subcommittee.

Mr. CORMAN. I thank the gentleman for his contribution. I would remind the gentleman of this.

It was in the bill introduced by the gentleman from Wisconsin at the request of the administration.

Now, the gentleman may know better than I do what that means as to whether the President supports it or not, but I am willing to take him at the word of his Secretary of Labor on the cost of the Federal benefit standard. It would be $820 million for fiscal year 1978, $1,015 million for fiscal year 1979, $910 million in 1980, $1,010 million in 1981, and $1,011 million in 1982.

Mr. PICKLE. I assume those are Department of Labor figures.

Mr. CORMAN. Yes, sir.

Mr. PICKLE. I think it would be interesting to see what other experts would estimate this cost to be; but it is astronomical, in whatever amount.

Mr. CORMAN. Yes. The question is how many people in the country ought to get at least half of their salary when they lose their jobs.

Now, remember, nobody gets more than half, that is, there is no Federal requirement that they get more than half. The dilemma is that some States have very low payment standards and, therefore, very low tax rates, which gives them a competitive advantage over other States. The gentleman may be familiar with one of them; they advertise that their unemployment compensation rates are low.

Mr. PICKLE. That is right, and I think in those cases they authorize it so.

Mr. CORMAN. That is right. Many States already pay the benefit that would be required under the amendment, and the amendment will be debated tomorrow. So that the House will not get the idea that that amendment did not have support in Ways and Means, let me point out that the gentleman's amendment limiting the wage base increase to $6,000 was defeated 23 to 12 in committee. The Federal benefit standard was defeated by a vote of 18 to 17. I hope the Members will review the record of today and will give careful thought to what we ought to do.

Let me state that the desire of the committee is, first of all, to make this a financially sound insurance system that covers all the workers of this land who live on a salary. The expanded coverage will prepare us for the next recession, so that we do not have to pass emergency measures appropriating billions of dollars at a time when we are already in economic trouble. Its purpose is to broaden coverage when we hope we are moving into a period of relative employment stability so that all the people will have the protection of unemployment compensation should they need it. The second major objective is to update the unemployment compensation tax system so that we can get back in the black within a reasonable period of time, and make the system self-supporting once again at the State and Federal level.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I have one more request for time.

Mr. Chairman, I want to clarify one issue for the Record. There were two votes on the benefit standard in the Ways and Means Committee. One was the 50-percent-two-thirds proposal, which, if I recall correctly, was rejected by a 15 to 21 vote.

The other proposal was for a 50-percent and 60-percent standard.

Mr. CORMAN. That is correct.

Mr. STEIGER of Wisconsin. That second proposal, the lower one, was defeated 18 to 17. There is a very big difference in the two proposals, I think the gentleman would have to agree.

I think that just for the purpose of clarification the record should reflect that there were the two votes in the Committee on Ways and Means.

Mr. CORMAN. I appreciate the gentleman from Wisconsin refreshing my memory and I am glad the gentleman corrected the record.

Mr. Chairman, I reserve the balance of my time.

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, I rise in opposition to H.R. 10210 and cite to the members of this Committee that this bill will be the major piece of legislation to be considered in this Congress in its adverse impact on small business.

I want to alert all the Members as to the deleterious effect it will have on small business across this Nation.

I would like to refer to a letter that I received recently from the National Federation of Independent Business.

The letter states:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, D.C., June 22, 1976.

Hon. BILL ARCHER,
U.S. House of Representatives,
Washington, D.C.

DEAR BILL: It is my understanding that the House will soon be considering H.R. 10210, a bill that will make major changes in the nation's present unemployment compensation system. An overwhelming majority of NFIB's 460,000 member firms oppose the changes proposed in this legislation.

Last month in Mandate 395 we polled our membership on several major sections of H.R. 10210. The results were: 94 percent against extending unemployment benefits to additional uncovered workers; 97 percent against increasing the taxable wage base to $8,000 and the tax rate to 3.4 percent; and 95 percent against a federally set minimum payment.

These results represent the most lopsided mandate for or against a particular piece of legislation given by our membership in the last several years.

The changes proposed in H.R. 10210 would add significantly to the already heavy burden placed on small, independent business by government. Because of this we strongly urge you to support small business' opposition to this legislation.

Sincerely,

JAMES D. "MIKE" MCKEVITT.

So, when the Members vote on this bill, if it is voted on as written, and should it be amended to include Federal benefit standards, a vote for the bill will be a major vote against the small businessman in all parts of this Nation.

I strongly urge the defeat of this legislation.

Mr. CORMAN. Mr. Chairman, I yield myself 1 minute.

I suggest that if one wants to destroy the small businessman, we should leave the law in its present form, because under existing law most of the States in this country are going to have to start repaying very soon the Federal money they have borrowed. This is going to result in very substantially increased State U.C. tax rates, and some heavy Federal tax penalties if the State cannot repay its Federal debts within the time allowed. This type of a situation could be much worse for the small business community in a State than the changes proposed in H.R. 10210.

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

Mr. CORMAN. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, is it not true that a great percentage of small business employers are paying a greater rate as against their actual payroll than large businesses with higher salaries? Does not this bill in general hit the large business paying higher wages a good deal harder than the small businessman who is not terribly affected by it?

Mr. CORMAN. The gentleman is exactly right.

Mr. FRENZEL. I thank the gentleman.

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

Mr. CORMAN. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, regarding the question of the high-wage employer versus the low-wage employer, I think that the pertinent figure is how much is paid in total wages.

Mr. BIAGGI. Mr. Chairman, I rise to fully support the amendment offered by the distinguished gentleman from California (Mr. SISK), which would prohibit illegal aliens from receiving unemployment compensation benefits. Passage of this amendment is essential if we are to put an end to the abuses in the unemployment benefit system which have allowed illegal aliens to collect millions of dollars in benefits at the expense of the American taxpayers.

This amendment would leave responsibility for enforcement to the States. I would like to offer for the consideration of my colleagues a copy of a letter I received more than 1 year ago from Mr. Harold Kasper, director of the unemployment insurance division of the State of New York. Mr. Kasper was responding to a letter I wrote inquiring about illegal aliens and unemployment in the State of New York. His response shows that New York State has one of the more effective laws on the books relative to eligibility for unemployment benefits. The State employment service will only recommend a person for unemployment insurance if they have seen specific proof of citizenship. If such proof is not shown—then a special form is sent to all unemployment offices across the State—alerting them to the fact that a given individual does not qualify for unemployment benefits. I now insert the full text of Mr. Kasper's letter and relevant materials. I think the example of New York should be followed by other States once this amendment is passed:

STATE OF NEW YORK,
DEPARTMENT OF LABOR,
Albany, N.Y., June 24, 1975.

Re Your letter of June 17, 1975.

Hon. MARIO BIAGGI,
Member of Congress, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN BIAGGI: It is the policy of the Unemployment Insurance Division to refer all unemployment insurance claimants to the New York State Employment Service in accordance with the provisions of Section 596.2 of the Unemployment Insurance Law. The Employment Service, as part of its application-taking process, records the citizenship status of applicants and examines the documentary proof of legal right to work or permanent residence for those applicants who are not United States citizens.

If it is determined that the applicant is a non-immigrant alien who is not authorized to work in the United States, the Employment Service notifies the Unemployment Insurance Division of the disqualifying information on a form entitled, "Information on Possible Disqualifying Conditions." Any such claimant would be held ineligible for unemployment compensation payments.

Copies of Employment Service or Unemployment Insurance Division procedural items dealing with "illegal" aliens are attached for your information. Your attention is called to item II 4165 which lists the acceptable types of proof of right to work which are issued to aliens by the United States Immigration and Naturalization Service.

When anyone is turned down, there is no need to inform other officers in the nation because, in practically every case, entitlement to benefits would be in New York State alone based on his earnings in the state. We do have a control which would prevent payment of benefits should such a claimant, declared ineligible in one office of the state, attempt to file a claim in another office of the state.

Thank you for writing and giving me this opportunity to comment.

Sincerely yours,

HAROLD KASPER.

SELECTION, REFERRAL AND VERIFICATION

REFERRAL OF ALIENS NOT AUTHORIZED TO WORK

The Employment Service must not refer to employment or training those aliens not legally authorized to work in the United States. Generally any person not a citizen of the United States is an alien.

To accept employment in the United States, an alien must be an immigrant (admitted for permanent residence), a nonimmigrant alien admitted for one of several reasons but specifically permitted to work, or a parolee (aliens not otherwise admissible who are sometimes paroled into the United States at the discretion of the Government). It should be noted that *a nonimmigrant alien* specifically admitted for employment must remain in the occupation for which he was admitted and cannot legally accept other employment.

To be eligible for enrollment in a federally financed training program an alien must be a permanent resident of the United States, or its possessions in the Virgin Islands, Guam, Puerto Rico, and trust territories of the Pacific Islands. Cubans paroled into the United States subsequent to January 1, 1959, are to be considered permanent residents and are permitted to work.

To ensure that only aliens legally entitled to accept employment or enroll in training are referred, *application-taking procedures status and the posting of documentary* proof of legal right to work or permanent residence for those applicants who are not U.S. citizens. In order to determine citizenship status, applicants will be asked the following questions:

1. Are you a citizen of the United States? (Accept a "yes" without question or request for proof.)

2. If not a citizen, are you a permanent resident alien; that is have you immigrant status? (Request verification by Alien Registration Receipt Card Form I-151 or Form AR-3a.)

3. If you are not a citizen of the United States or a permanent resident alien, are you an alien permitted to work in the United States by the Immigration and Naturalization Service? (Request verification by Arrival-Departure Record, Form I-94.)

Citizenship status will be recorded in the appropriate section of the application card. When posting legal right to work, the documentation should be identified; for example, I-151. Local office staff should accept any person's word that he is a citizen and not ask for proof of citizenship. If an applicant states that he is not a citizen, then he must show proof of right to work or permanent residence, and the documentation shown must be posted to all application forms, including partial applications. With few exceptions, all aliens legally admitted to the United States are issued some document at time of entry which identifies their status.

Acceptable proof of right to work or permanent residence is generally one of the following:

Form AR-3a—(Alien Registration Receipt Card).

Form I-151—(Alien Registration Receipt Card).

Form I-94—(Arrival-Departure Record) (Parole Edition)—will be stamped "Employment Authorized" if the alien is permitted to work.

If an alien does not have proof with him that he is legally entitled to accept employment in the United States, an application may be completed, but it should be noted that the legal right to work must be verified before referral. The applicant should be advised that he cannot be referred to a job until he presents proof. Local office personnel should not attempt to answer or resolve any technical questions relating to alien status. The applicant should be referred to the nearest office of the Immigration and Naturalization Service (See II 4166).

Admittedly, prohibiting illegal aliens from receiving unemployment benefits is only one answer to an overall problem which is growing in magnitude every day. We must also contend with the fact that more than 3 million illegal aliens are today employed in this Nation in jobs which belong to and are desperately sought by American workers. I and others have introduced legislation which will deal with this problem by imposing sanctions against employers of illegal aliens. The major bill in this area, H.R. 8713, has been pending before the House Rules Committee since September of 1975. The need for action on this legislation or preferably my bill, H.R. 5987, which makes it an immediate Federal crime to hire illegal aliens is urgent.

I congratulate Mr. SISK on his amendment and urge its passage today. The Supreme Court recently ruled it to be within a State's power to pass laws ban-

ning the employment of illegal aliens. What we are attempting to do here today is entirely consistent with the Court's thinking and should be acted on expeditiously by all the States in the Union for the economic protection of its citizens.

Mr. RIEGLE. Mr. Chairman, the passage and enactment of H.R. 10210, the Unemployment Compensation Amendments, is one step toward an improved unemployment insurance program. As a result of these amendments, many people who are not covered by unemployment insurance would gain coverage, but much more needs to be done if the Government is going to help economically depressed States like Michigan.

During the worst years of the 1973–75 recession, the unemployment compensation program was crucial to stabilizing the recession and helping compensate millions of unemployed for part of their income loss. I am convinced that without the economic stimulus of an unemployment compensation program, this past recession would have been a full depression on the scale of the 1930's.

We are constantly reminded that the unemployment insurance system was never designed to handle a nationwide unemployment rate of 9 percent, or almost 10 million unemployed. Unemployment of this magnitude has not been experienced since the Great Depression. Michigan of all the States had the most severe unemployment in the Nation during 1975—an average of 12.5 percent, or 490,000 people unemployed who were willing and able to work.

As a result of this economic setback, 21 States have had to borrow a total of $3.1 billion from the Federal Government to continue their unemployment compensation programs. As of June 15, the State of Michigan has been forced to borrow $571 million. If these loans are not repaid soon, the Federal Government under the present system will fully collect its money by an automatic increase in the Federal tax on businesses in these States.

H.R. 10210 would attempt to deal with this problem by increasing the taxable wage base for unemployment insurance from $4,200 to $8,000. But even with this change, Michigan would still owe hundreds of millions of dollars to the Federal Government for years to come—and Michigan businesses would be forced to pay increased Federal taxes. These taxes would obviously discourage business expansion in the State, and we would soon see a vicious cycle of economic decline, job decline, and tax decline, furthering the recessionary forces already at work.

As I urged in my April 1975 testimony before the House Subcommittee on Unemployment Compensation, we must move toward establishing a system of Federal reinsurance supported by general Treasury funds. Such a system would provide Federal financing whenever the Nation unemployment rate exceeds certain levels and when a State's benefit/expenditure pattern is excessively high. It is grossly unfair and economically unwise for our country's UI system to penalize a State because it has experienced severe economic difficulties—particularly when those difficulties were caused by national economic policies.

I am convinced that the $100 million deficits currently being incurred by a considerable number of States will eventually have to be forgiven—paid off with general revenues. These States will never adequately recover unless these obligations are shared by the Federal Government.

But the ultimate and most practical solution to the problems of our country's UI system must be the adoption of a full employment policy. Over the last few years, America's true economic strength has been crippled by national economic policies designed to shut down a large portion of our economy, and throw millions of people out of work. This policy of planned recession has gravely damaged our country—and among other effects, strained our UI system to the breaking point.

We must reverse this gross economic mismanagement, and develop new strategies that will insure that there will be a job for every American who is able to work. We can move in this direction by supporting monetary policies that keep interest rates at a reasonable level, by stimulating private sector jobs, and by attacking head-on the problem of structural unemployment with job-training programs. Instead of spending $19 billion annually on inadequate unemployment benefits, we could use our resources to put our people back to work. Unemployment compensation could then assume its proper place as a way of tiding people over between jobs.

I believe that balanced economic growth and sustained financial stability is our overwhelming strategic imperative at the national level. A new spirit of cooperation between the Federal Government and States could begin with a more comprehensive and fair reform of our UI system. But this spirit of cooperation must be supplemented by a full employment policy that avoids pitting worker against worker in the struggle for jobs.

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

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

The CHAIRMAN. There being no further requests for time, the Chair wishes to state that pursuant to the rule, no amendments to titles I through III of said bill shall be in order, including any amendment in the nature of a substitute modifying titles I through III, in the Committee of the Whole except the following: amendments recommended by the Committee on Ways and Means; amendments printed on page 16593 of the CONGRESSIONAL RECORD of June 3, 1976, by Representative ULLMAN, which amendments shall be considered en bloc; amendments printed on page 16593 of the CONGRESSIONAL RECORD of June 3, 1976, by Representative KETCHUM, which amendments shall be considered en bloc; an amendment printed on page 16593 of the CONGRESSIONAL RECORD of June 3, 1976, by Representative PICKLE; an amendment adding section 314 to title III printed on page 16592 of the CONGRESSIONAL RECORD of June 3, 1976, by Representative CORMAN; and an amendment printed on page 16593 of the CONGRESSIONAL RECORD of June 3, 1976, by Representative SISK; and said amendments shall not be subject to amendment except for amendments offered by direction of the Committee on Ways and Means and pro forma amendments.

The Clerk will now read the bill by title.

The Clerk read as follows:

H.R. 10210

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 "Unemployment Compensation Amendments of 1975".

Mr. CORMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCFALL) having assumed the chair, Mr. YATES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10210) to require States to extend unemployment compensation coverage to certain previously uncovered workers; to increase the amount of the wages subject to the Federal unemployment tax; to increase the rate of such tax; and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarkes on H.R. 10210, and that I may be permitted to include tables in my remarks.

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

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON AGRICULTURE

The SPEAKER pro tempore (Mr. MCFALL) laid before the House the following communication from the chairman of the Committee on Agriculture, which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations.

WASHINGTON, D.C.,
July 1, 1976.

Hon. CARL ALBERT,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture on June 30, 1976, considered and, by a voice vote, unanimously approved the following work plans for watershed projects, which were referred to the Committee by Executive Communication:

City of Browning, Montana.
Jordan Creek, Indiana.
Manatachie, Bogue Fala, and Bogue Eucuba Creeks, Mississippi.
Mission Hill, South Dakota.
Oak Orchard Creek, New York.
Ozan Creeks, Arkansas.
Pollard Creek, Texas.

Pott-Sem-Turkey, Oklahoma.
Rogue River, Michigan.
Sandy Creek, Texas.
Upper New River, South Carolina.

The attached are Committee resolutions with respect to these projects.

With best regards.

Sincerely,

THOMAS S. FOLEY,
Chairman.

SUBCOMMITTEE ON SOCIAL SECURITY WILL CONTINUE PUBLIC HEARINGS ON SOCIAL SECURITY FINANCING ON FRIDAY, JULY 23, 1976, AND MONDAY, JULY 26, 1976

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

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to take this time to announce that the Subcommittee on Social Security of the Committee on Ways and Means will continue public hearings on Friday, July 23 and Monday, July 26, 1976, beginning at 10 a.m. in room H-208 of the Capitol, on "decoupling," a proposal to reduce the long-term deficit in the social security program. A press release announcing these hearings was sent out just prior to the recess and today is the first opportunity I have had to place this notice in the CONGRESSIONAL RECORD. The text of the press release follows:

CHAIRMAN JAMES A. BURKE, DEMOCRAT OF MASSACHUSETTS, SUBCOMMITTEE ON SOCIAL SECURITY, COMMITTEE ON WAYS AND MEANS, ANNOUNCES PUBLIC HEARINGS ON FRIDAY, JULY 23, 1976 AND MONDAY, JULY 26, 1976 ON LONG-RANGE FINANCING-"DECOUPLING" PROPOSALS

The Honorable James A. Burke (D. Mass.), Chairman of the Subcommittee on Social Security, House Committee on Ways and Means, announced today that the Subcommittee on Social Security will continue its hearings on social security financing on Friday, July 23, and Monday, July 26, 1976 in order to receive testimony from the general public. The Subcommittee's hearings will focus on the Administration's bill and other proposals to modify the automatic cost-of-living benefit increase provisions of the Social Security Act so as to make them less sensitive to future changes in wages and living costs, and to reduce the long-range deficit of the social security system.

These proposals, sometimes referred to as "decoupling" bills, would limit the application of future automatic cost-of-living benefit increases to beneficiaries on the social security rolls at the time any such benefit increase is first payable and establish a new benefit formula for people coming on the rolls in the future. The Subcommittee received testimony from the Secretary of Health, Education, and Welfare and the Commissioner of Social Security on the Administration's bill (H.R. 14430) on June 18th.

The hearings will begin at 10:00 A.M. on each day and be held in Room H-208 of the Capitol. The limited time available to the Committee in which to conduct these hearings requires that all interested persons and organizations designate one spokesman to represent them where they have a common interest. Any individual or organization desiring to do so may file a written statement for the Committee's consideration and for inclusion in the printed record of the hearing instead of appearing in person.

The cutoff date for requests to be heard is the close of business Friday, July 16, 1976. The requests should be addressed to John M. Martin, Jr., Chief Counsel, Committee on Ways and Means, U.S. House of Representatives, Room 1102 Longworth House Office Building, Washington, D.C. 20515 telephone: (202) 225-3625, indicating (1) the name of the witness, address, telephone number and organization the witness is representing; (2) if the person with whom contact should be made with regard to the appearance is not the witness himself, the name, address, and telephone number of this person; and (3) the general position of the organization with respect to this legislation.

Notification to those requesting to be heard will be made at the first opportunity after the cutoff date, probably by telephone, as to the scheduled date for the appearance and providing the witness with other mechanical details relating to the appearance.

It is requested that persons scheduled to appear submit 35 copies of their prepared statement to Room 1102 Longworth House Office Building at least 24 hours in advance of the appearance.

Persons submitting a written statement in lieu of a personal appearance should submit at least three copies of their statement by the close of business Monday, July 26, 1976. If those making personal appearances wish copies of their statement distributed to the press and public additional copies may be furnished for this purpose. If those filing for the record want copies of their statement distributed to the Members of the Subcommittee, the press and public, additional copies may be submitted for this purpose if delivered in time for distribution up until Friday morning, July 23. All statements, whether for a personal appearance or for the record of this hearing, should be delivered or mailed to the Committee on Ways and Means, Room 1102 Longworth House Office Building, Washington, D.C. 20515.

DEMOCRATIC PARTY LOOKS FORWARD TO COMING PRESIDENTIAL CAMPAIGN

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

Mr. BRADEMAS. Mr. Speaker, I take this moment only to say that if there are so many smiles on the majority side of the aisle today, it is because all of us who are proud to call ourselves Democrats came away from New York City confident that we have outstanding nominees for the Presidency and the Vice-Presidency of the United States in Gov. Jimmy Carter and Senator WALTER MONDALE.

We look forward with ill-disguised enthusiasm to the campaign that lies ahead. For we believe that the extraordinary qualities of leadership which won the Presidential nomination for Jimmy Carter will also win him the approval of the American people on November 2, 1976.

That Governor Carter chose as his running mate so distinguished and able a person as Senator MONDALE also speaks eloquently for Jimmy Carter's judgment. WALTER MONDALE will make an outstanding Vice President of the United States.

Mr. Speaker, I think it is clear that not for many years has the Democratic Party been so united, and I am confident that November will bring not only the election of a Democratic President and Vice President but of a Democratic House of Representatives and Senate as well.

The year 1977 and those that follow will thus be characterized by a White House and a Congress able to work constructively with each other on the difficult problems that face our country at home and abroad.

So Mr. Speaker, the Democratic National Convention of 1976—and Jimmy Carter's remarkable achievement in winning the Presidential nomination—mark an historic point in the long years of service of the Democratic Party to the Nation.

I feel sure that, whoever may be chosen by our Republican friends at their convention in Kansas City next month, we Democrats, led by Jimmy Carter and WALTER MONDALE, will win—and so, too, which is far more important, will the American people.

Mr. Speaker, I insert at this point in the RECORD an excellent editorial, "The Democratic Ticket," from the New York Times of July 18, 1976:

THE DEMOCRATIC TICKET

With the nomination of Governor Jimmy Carter of Georgia and Senator Walter F. Mondale of Minnesota, the Democratic Party is now entering the 1976 election campaign full of hope, overflowing with unity and confident in its appeal to the widest possible segment of the American public.

The Carter-Mondale ticket, endorsed virtually by acclamation at the National Convention in Madison Square Garden last week, is surely the strongest that could have been devised; and it presents a formidable challenge to the Republicans, whether the nominee they select at Kansas City next month is named Gerald Ford or Ronald Reagan—or both.

The amazing feat of Jimmy Carter in achieving the Presidential nomination after starting from relative obscurity as a "new breed" of Southern governor a mere 19 months ago—toppling the stalwarts of his party from right to left and elbowing out those who also tried to occupy the center—will go down as an extraordinary accomplishment in the annals of American politics.

An ironic twist was added by Mr. Carter's appointment as his running mate—after probably the most searching examination of this sort in American history—of the one incipient candidate who had dropped out of the Presidential race before he had even begun it because he had decided that he didn't have a chance to win. Nevertheless, Senator Mondale was an excellent choice both because he is one of the most respected members of Congress and also because, despite Mr. Carter's disingenuous intimations to the contrary, he does add great strength to the ticket precisely where Governor Carter needs it most: among the old-fashioned liberals who form an important part of the Democratic Party's core support on the Pacific Coast, in the northern Middle West and in the Northeast.

Aside from his obvious qualities of steely determination, acute intelligence and supreme self-confidence, Governor Carter to considerable degree owes his convention victory to his uncanny ability to gain the confidence of voters on both sides of almost any issue. He thus seized and held the Broad Middle of the Democratic spectrum. But he was perceived up to the time of his nomination as personally leaning to the moderately conservative side, especially in comparison to almost all of his serious contenders in the primaries.

But the Democratic platform, carefully tailored in sufficiently generalized phrases to meet Mr. Carter's requirements, is nevertheless a basically liberal document. The nominee's brilliant choice of Mr. Mondale, and the terms of both acceptance speeches, strongly suggest that the campaign will be waged along the traditional lines of the Democratic Party going all the way back to

the New Freedom of Woodrow Wilson and the New Deal of Franklin D. Roosevelt.

Characteristically, Jimmy Carter hedged a little in both directions in his rather unusual acceptance speech Thursday night. While he—and Senator Mondale even more so—stressed unity of party and country, at the same time he struck a surprisingly harsh note of divisiveness with his populist and somewhat demagogic fulminations against that vague and ill-defined "elite" at whose hands "too many have had to suffer"—that "elite" who "never go without food or clothing," who send their children to "exclusive private schools," who "never had to account for mistakes," etc. etc.

While he called, in the most honored liberal tradition, for "a complete overhaul of our income tax system," a "nationwide comprehensive health program" and other long-needed reforms, he did not fail to stress "the value to our nation of a strong system of free enterprise," "competition [as] better than regulation" and "minimal intrusions of government in our free economic system"—all points as American as apple pie and designed to assuage any fears among conservatives that the party might have swung too far to the left, which it hasn't.

It seems, in fact, to be centering in on its usual mildly liberal course, in opposition to the past Republican record and expected Republican program. But the Democrats in the election year 1976 are Democrats with a difference— far removed from the turmoil that wracked (and nearly wrecked) the party in 1972 and 1968. The Democratic Party today is under the leadership of a remarkable political strategist who, after having gained his victory through the politics of consensus, many now be expected to pursue his and his party's goals with "quiet strength," and with principle and purpose.

KARL BAKKE, CHAIRMAN OF FEDERAL MARITIME COMMISSION, ANNOUNCES SIGNING OF MEMORANDUM AGREEMENT WITH SOVIET UNION

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

Mr. McCLOSKEY. Mr. Speaker, a few minutes ago, Chairman Karl Bakke, of the Federal Maritime Commission, announced the signing of a memorandum agreement with the Soviet Union, which may mean a significant breakthrough in our continuing effort to achieve a stable and peaceful environment for commercial maritime competition in the major U.S. trade routes in the Pacific and North Atlantic.

The agreement commits the Soviets to increase their ocean cargo rates on these routes to a level not lower than the lowest rates for similar cargo carried by independent—not necessarily conference—carriers, and also to seek membership on equitable terms and conditions in the existing ocean steamship conferences in the two major U.S. trade routes.

Chairman Bakke returns today to continue negotiations with the Soviet Ministry of Merchant Marine and major Soviet carriers, but I think both he and the Soviets deserve our congratulations at this point for this significant step toward a more stable condition for improving international commerce, trade and, hopefully, peace.

The agreement also would seem to preclude the need for passage of H.R. 14564, the so-called third-flag bill to protect U.S. ocean carriers from discriminatory rate-cutting practices by foreign nations.

While we must retain a careful vigilance to insure that conference rates are not used as a disguise for unreasonable price fixing, this new agreement seems to represent a significant step toward preservation of free enterprise competition, as well as a fair balance between the growing commercial fleets of the United States and U.S.S.R.

The memorandum agreement reads as follows:

MEMORANDUM AGREEMENT

Having discussed fully and freely matters of mutual interest concerning the liner trades of the Soviet Union and the United States, and

Having agreed upon the importance of a viable liner conference system in maintaining stability in those trades, and

With due regard to the legitimate economic interests of carriers, shippers and consumers that are served by liner conferences in the United States ocean trades, and

With due regard to the long-term benefits to commercial relationships between the Soviet Union and the United States that can be realized from stability of ocean cargo rates in those trades,

The parties hereto have mutually agreed to utilize the good offices of their respective agencies to achieve the following:

1. All ocean cargo rates contained in tariffs of Soviet carriers now engaged as independents in the liner trades of the United States shall, as promptly as it is feasible, be adjusted to a level no less than that of the lowest rate in use for the same commodity of any other independent carriers in those trades,

2. Thereafter, prompt action shall be taken, as necessary, to maintain the foregoing relationship between ocean cargo rates of Soviet carriers engaged as independents in the liner trades of the United States and the ocean cargo rates for the same commodity contained in the tariffs of other independent carriers in those trades,

3. Discussions shall promptly be resumed concerning equitable terms and conditions for conference membership of Soviet carriers in the North Atlantic liner trades of the United States, with particular attention to the principle of temporary rate differentials for Soviet carriers in those trades based upon differences in the services offered by Soviet carriers and by other carriers in those trades, such rate differentials to be (a) reasonably related to the degree of differences in such services, and (b) to be promptly eliminated as the services in question reach a reasonable degree of comparability, and

4. Discussions shall promptly be initiated concerning equitable terms and conditions for conference membership of Soviet carriers in the inbound and outbound conferences serving Pacific liner trades of the United States in which the Soviet carriers are not now conference members, with particular attention to the principle of temporary rate differentials for Soviet carriers as set forth in paragraph 3 above.

The parties hereto have also mutually agreed that henceforth there must be closer working relationships between their respective agencies concerning exchange of factual information and policy questions, and that the necessary steps shall be promptly undertaken.

CLARIFICATION OF MUTUAL AND DEFENSE TREATY WITH REPUBLIC OF CHINA IS NEEDED

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Illinois (Mr. DERWINSKI) is recognized for 5 minutes.

Mr. DERWINSKI. Mr. Speaker, a series of events in the past several months have properly raised grave concerns about America's continued support for our allies in the Republic of China. Rather than any explicit changes in policy being announced by the State Department we have only had a series of incidents that seem to indicate a lack of American resolve to continue our support of the Republic of China.

Just this past December a majority of the Members of the House of Representatives supported a resolution that stated that while we engaged in the normalization of relations with the People's Republic of China we could do nothing to compromise the freedom of the people in the Republic of China. Nonetheless, we have continued to scale down our military forces in Taiwan. Similarly in some recent hearings before a subcommittee of the International Relations Committee, Congressman WOLFF indicated that a movement was afoot in the Kissinger State Department to break relations with the Republic of China.

Quite clearly the United States must not continue to make unilateral concessions under the name of the normalization of relations with People's Republic of China. To continue to move in a direction that appears to abandon the Republic of China courts disaster not only for our loyal allies in Taiwan, but our whole strategic and economic posture in East Asia. In order to quiet the rush of rumors we need some concrete clarification from the White House that our Mutual and Defense Treaty with the Republic of China will remain intact, that we will continue to stand by our allies.

NEW YORK'S FILING PROCEDURES FOR CANDIDATES SEEN AS UNDEMOCRATIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PEYSER) is recognized for 30 minutes.

Mr. PEYSER. Mr. Speaker, I take the floor at this time to address the Members of the House, and due to the lateness of the hour, I will be brief. I do it because I have just successfully concluded going through what I view to be probably one of the most undemocratice procedures that we could provide in the efforts of trying to give to an individual who chooses to run for public office the opportunity to obtain the necessary designation from the public and from the people in his party to appear on the ballot.

This is a matter that pertains to my experience, and I am speaking specifically of my own State of New York. I do not know what the laws of other States may be regarding the filing of petitions or any other type of filing for someone other than as an individual designated by his party to get on the ballot.

It is my belief that our whole democratic program and our whole democratic concept are built around the involvement of the qualified public and its wish to participate in Government. I be-

lieve that we should lay down certain ground rules that are basic and reasonable and then have those complied with so that the individual may participate in the elective process. I am suggesting at this time that in my own State the Republican and Democratic Parties have designed a method through the legislature that is probably one of the most complex, unreasonable, undemocratic procedures that I have ever observed. Having, as I say, just successfully concluded it, I can speak with some authority on this matter. Let me briefly tell my colleagues what has to be done in order for any individual running, in this particular case, for the U.S. Senate to get on the ballot.

I believe that a person running as a Republican or a Democrat should have to get a number of signatures, and in my own State the figure happens to be established at 20,000 signatures from members of a candidate's own party. I think that is perfectly reasonable in order to show a broadbased support and to show a willingness to undertake a major job in getting 20,000 signatures from his party. I think this is a reasonable request.

But that is just the beginning. When a person signs a petition in the State of New York, that person is asked his name and address. He is asked to sign his name and address. I think that is obviously very reasonable.

Then the next question is: "What is your election district?"

Well, I can tell the Members from my experience that there is not one person in 20 or perhaps 50 who has the slightest idea what his election district is.

Then if he knows what his election district is, the next question is: "What is your assembly district?"

Well, I can assure the Members that nobody has the slightest idea of what his assembly district is.

Finally, the question is asked: "What town or city do you live in?" That is a little more reasonable. If one lives in a city, I would expect he would know, even though it is quite surprising that there are some who live in villages who do not know what town they are in. Nevertheless, that is the starting point.

Now, when individuals do not have that information, it then becomes the task of the candidate to acquire local registration lists from all over the State to find out what election districts these particular addresses are located in.

We are talking about 20,000 signatures, so it becomes a monumental task and a highly expensive task because one must purchase these various lists in order to get them to find out where these people who have signed the petition actually live as far as the election and assembly districts are concerned. Therefore, it becomes practically backbreaking to do this kind of job.

Mr. Speaker, if that were all, frankly, that would be too much, but that is not all, because there is a statement called the "Statement of Witness."

The statement of witness, of course, means that if one is a Republican, he must have a Republican witness—this is reasonable—and if one is a Democrat, he would have a Democrat witness it, equally reasonable.

However, the statement of witness of anybody who wants to carry a candidate's petition means that not only does he have to know all of the above things that we have mentioned, the assembly district and the election district, but he also has to know when he last registered and when he last voted.

I assume that that is not too hard, but when people registered last—and maybe everybody remembers when he actually went there and registered—presents a problem. Some people may have registered 5 years ago, but they do not know whether it was 1971 or 1973.

Frankly, Mr. Speaker, I do not know what it has to do, in the least bit, with whether a person is qualified or not as long as he is registered; but that is a requirement.

Further, Mr. Speaker, if a person carrying one's petition has moved within the last year or two, he then not only has to know the assembly and election district of where he is now, but he must know where it was when he formerly lived in some place and when he voted in that particular city or county. Consequently, we end up with an extremely difficult form that is obviously laid out to stop anybody from challenging the organization, be it Republican or Democrat. To me, that is not in keeping with our whole democratic philosophy.

To top that off, if the individual is tenacious enough and has enough money and is willing to put the time in to get all this information, we then come to the putting together of all of this that the regulations require.

First, we must segregate each of these petitions into the congressional district into which they fall, and then we must line up those sheets by whatever county has the greatest number of sheets.

Within that book where one may have a congressional district with four or five counties, he has to go through it and set it forth so that the county with the majority of names on each sheet will be together, and he has to set all this information forth on what they call a cover sheet, which calls for the number of signatures contained in the entire petition, the numbers contained in this particular volume, the starting number of the volume, the final numbers of the volume, all the counties in order that are necessary in that volume, and then what congressional districts are represented.

Therefore, when one finally works his way through this—and incidentally, this is just for 1 volume; one may have 50 volumes of the petitions before he is finished—we then have what is known as a tally sheet. The tally sheet is a highly complex form that says, as an example, that if one has, say, 11 names on a 20-line petition sheet that are from the 23d Congressional District, they fell into the majority because there are only 20 lines; therefore, that gets filed in the 23d District volume, but the other names that are on that signature sheet fall into a different category.

Let us assume that we have somebody on that sheet from the 24th Congressional District. We then have to take that name and enter it on a tally sheet and show the volume number it is in plus the sheet number, because each sheet must be numbered consecutively, and we also must show the line number on that particular sheet where that name appears.

This is not impossible to do. We have just done it, but the time and the complexity of it are such that there is an opportunity for error. For instance, if, by any chance, one puts down a wrong sheet number, the Board of Elections has the right to rule that name out by simply saying that name is not a valid name and that it has the wrong sheet number on it, even though the name is right there.

It just seems to me that we in the Congress—and I hope in the next session of the Congress as well—ought to give some consideration to this particular procedure. I say this because we have established voting rights, and a guarantee of the rights of voters. We have dealt with things like literacy tests and many other things, but we have not dealt with so very basic a thing as how a candidate who wants to run for public office can run unless he has the blessings of the organized party.

It seems to me that this is certainly not what the Founding Fathers of this country had in mind. Certainly it was not their idea to make it impossible or nearly impossible for qualified candidates who want to undertake that responsibility, to have the opportunity to do so.

As far as I am concerned, Mr. Speaker, the more participation in Government the better it is. The more people who want to get involved in Government, the better it is. The more people who are willing to stand up and be counted, the better.

It is my hope, Mr. Speaker, that we can begin to address this subject in a better manner.

Mr. PATTISON of New York. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I will be glad to yield to the gentleman from New York.

Mr. PATTISON of New York. Mr. Speaker, I just wanted to say that I happened to be here tonight because I have to adjourn the House, but I am delighted to have been here to listen to the gentleman's discourse. I wish to say that, although I share all of the gentleman's concerns about this ridiculous process that we have in the State of New York—and I expect that it is not too much different from a lot of the other States—I realize that the gentleman will not be in this body next year under any circumstances, but, if the gentleman happens to get into the other body, and I wish him luck in that regard, I would be happy to join with the gentleman in working out some sort of legislation that would, perhaps, make some sort of sense out of this kind of situation which makes it impossible for good people who do not have the support of their particular party, to run for office, and which keeps good people out of Government, and causes dissatisfaction with the whole process. It is a situation that does not do this country any good at all, especially in our basic political system.

Mr. PEYSER. I thank the gentleman very much for his comments.

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

Mr. PEYSER. I am happy to yield to the gentleman from Idaho.

Mr. HANSEN. Mr. Speaker, I am in complete agreement with what the gentleman from New York (Mr. PEYSER) has just said and with the complaints that are being put in the RECORD today. I think that certainly not only this kind of request or requirement, in order to run for public office, in addition to what we have done insofar as campaign disclosure situations where, actually, the bookkeeping is much more stringent and requires a lot more effort even than the Internal Revenue Service requires, is making it very, very difficult for people to involve themselves in public office and very, very difficult for people to run who would be excellent candidates in either political party. Indeed, it is making it even far more difficult to get people involved in our Government in any fashion because it actually scares them away insofar as the requirements are concerned as well as the penalties involved.

I think it is high time we establish some kind of new procedures at the State and local levels, as well as at the Federal level so as to simplify the process of running for public office, raising contributions, and those types of things so that we can, in fact, encourage people to get involved and not chase them out.

Mr. PEYSER. Mr. Speaker, I thank the gentleman from Idaho for his comments.

Mr. Speaker, at this point I include in the RECORD the material I previously referred to.

1976—REPUBLICAN PARTY DESIGNATING PETITION—1976

Name of Candidate: Peter Peyser.

Public Office: United States Senator, State of New York.

Place of Residence: West Sunnyside Lane, Irvington, New York 10533.

TALLYSHEET OF VARIOUS CONGRESSIONAL DISTRICTS

This petition contains —— signatures from the —— Congressional District.

——of the signatures are contained in Volume ——.

Other signatures for the —— Congressional District are in the following volumes, sheets, and lines.

(Volume, sheet, line.)

(NOTE.—Blanks provided for information.)

1976—REPUBLICAN PARTY DESIGNATING PETITION—1976

Name of Candidate: Peter Peyser.

Public Office: United States Senator, State of New York.

Place of Residence: West Sunnyside Lane, Irvington, New York 10533.

Volume ——.

Total number of pages comprising:

The petition ------.

Total number of signatures contained in the petition ------.

Total number of pages contained in this volume ------.

Total number of signatures contained in this volume ------.

Number of first page contained in this volume ------.

Number of last page contained in this volume ------.

This volume contains signatures from the ——— congressional district and from the following counties, or part thereof.

(NOTE.—Blanks provided for information.)

1976—REPUBLICAN PARTY DESIGNATING PETITION—1976

To the Board of Elections of the State of New York: I, the undersigned, do hereby state that I am a duly enrolled voter of the Republican Party, that my place of residence is truly stated opposite my signature hereto, and I do hereby designate and I intend to support the following named person as candidate for the nomination of such party for public office to be voted for at the primary election to be held on the 14th day of September, 1976.

Name of Candidate: Peter Peyster.

Public Office: United States Senator, State of New York.

Place of Residence: West Sunnyside Lane, Irvington, New York 10533.

I do hereby appoint:

Ms. Constance E. Cook, Coy Glen Road, Ithaca, New York 14850.

Mr. Daniel F. Gagliardi, 2 Lounsbury Road, Croton-on-Hudson, New York 10520.

Mr. Herman S. Geist, 20 Long Pond Road, Armonk, New York 10504.

Mr. Thomas Y. Hobart, Jr., 157 Bassett Road, East Amherst, New York 14221.

Mr. Emanuel Kafka, 727 Bruce Drive, East Meadow, New York 11554.

Mr. John P. Lomenzo, 8 Dorchester Drive, Glenhead, Long Island, New York 11545.

Mr. Owen F. Peagler, 29 Shaw Place, Hartsdale, New York 10530.

All of whom are enrolled voters of the Republican Party, as a Committee to Fill Vacancies in accordance with the provisions of the Election Law.

In witness whereof, I have hereunto set my hand the day and year placed opposite my signature.

(NOTE.—Spaces provided for following information: Date, name of signer, residence, election district, assembly district, town or city (fill in County if in City of New York).)

STATEMENT OF WITNESS

I, (Name of Witness) state: I am a duly qualified voter of the State of New York and am an enrolled voter of the Republican Party. I now reside at (residence address, also post office address if not identical) which is in the (fill in number) election district of the (fill in number) Assembly District, in the Town or City of ——— in the County of ———. I was last registered for the general election in the year ——— from (fill in prior residence address, also post office address if not identical) in the County of ———. The said residence was then in the (fill in number) Assembly District, in the Town or City of ———.

Each of the individuals whose names are subscribed to this petition sheet containing (fill in number) signatures, subscribed the same in my presence and identified himself to be the individual who signed this sheet.

I understand that this statement will be accepted for all purposes as the equivalent of an affidavit and, if it contains a material false statement, shall subject me to the same penalties as if I had been duly sworn.

Date ———, 1976.

(Signature of Witness).

Sheet No. ———.

INSTRUCTIONS FOR WITNESSES AND SIGNERS

For Witness:

1. The witness (person obtaining signatures) must be an enrolled Republican residing in New York State. If you are not, please give this petition to a Republican friend and ask him or her to circulate it.

2. You, the witness, may not sign the body of the petition. You must fill in and sign the witness statement. However, you may sign the body of a petition circulated by someone else.

3. Petitions cannot be signed by anyone before June 16.

4. Petition signers must fill in their signatures, addresses and the date in their own handwriting. (Please write as clearly as possible.) You, the witness, may fill in their election districts and/or assembly districts if they do not know them. You can obtain this information by calling your county Board of Elections or Town Clerk.

5. Do not fill in the sheet number.

6. Petitions are valid even if you have not obtained signatures for all of the spaces provided. Please mail your petitions, properly witnessed, not later than July 1 to: Peyser for Senate, Box 1976, Irvington, N.Y. 10533.

For Petition Signers:

1. Must be enrolled Republicans residing in New York State.

2. Must sign in ink.

3. Must sign their own names in full as they appear on the enrollment register. Examples: John J. Brown—not J. Brown; Mary Jones—not Mrs. David Jones; Peter Smith—not Dr. or Rev. Peter Smith.

4. Must not use ditto marks ('') on petition.

ADDITIONAL LEGISLATIVE PROGRAM

(Mr. McFALL asked and was given permission to address the House for 1 minute.)

Mr. McFALL. Mr. Speaker, I take this time to announce that we are adding to the schedule tomorrow several bills to be called up under suspension and one conference report.

The schedule for tomorrow is as follows:

We will have the Private Calendar.

We will then, under suspensions, take up five bills—and I might add that votes on suspensions will be postponed until the end of all suspensions.

H.R. 14311, Panama Canal Company accounting standards.

H.R. 13961, Communications Act amendments.

H.R. 14291, Lieutenant Governor for Samoa.

H.R. 12224, tax treatment of grantor of certain options, and

S. 2447, congressional tax liability.

The conference report will be on H.R. 14231, Interior appropriations for fiscal year 1977.

We will then return to H.R. 10210, unemployment compensation amendments, votes on amendments and the bill.

Then if there is time we will return to H.R. 6218, the Outer Continental Shelf Act amendments.

Mr. HANSEN. Mr. Speaker, would the distinguished majority whip yield?

Mr. McFALL. I will be delighted to yield to the gentleman from Idaho.

Mr. HANSEN. We have a rather ambitious schedule tomorrow. If everything stays according to the time proposal, would the gentleman have any idea what time the House may adjourn tomorrow evening?

Mr. McFALL. Looking at the program, it would depend mostly on how long the rather controversial H.R. 10210 will take us. I have no way to anticipate how long that might take. There are six suspensions with the votes that everyone asks for, and that will probably take us several hours. The Interior appropriations bill probably should not take too much time, but the unemployment compensation amendments on which we did the general debate today appear to be somewhat controversial, and I would not be able to predict at this time how long it might take us.

Mr. HANSEN. Would new business, for instance, H.R. 6218, begin after 5 o'clock?

Would we take up any new business after 5 o'clock?

Mr. McFALL. I cannot answer the gentleman. I would have to defer to the Speaker, and he is not here at this moment. I do not think so, but I do not have a definite answer for the gentleman.

Mr. HANSEN. I thank the gentleman.

THE EFFECT OF THE SCHOOL LUNCH PROGRAM ON THE FORMATION OF YOUNG CHARACTERS

The SPEAKER pro tempore (Mr. MONTGOMERY). Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 10 minutes.

Mr. MILLER of Ohio. Mr. Speaker, the school lunch and other child nutrition programs have caused a good deal of controversy and discussion in recent years as the Congress has expanded and amended the program. As their cost has increased, serious questions have arisen as to how these programs should be administratively structured, the level of the Federal subsidy and eligibility requirements. We would like to share the following letter from a constituent, a teacher in the elementary school system in southeastern Ohio, who makes some highly interesting observations about the local school lunch program and its affect on the formation of young characters.

CLARENCE E. MILLER,
U.S. House of Representatives,
Washington, D.C.

DEAR SIR: I am writing this letter in regard to the "free lunch" program for lower income families in the public school system.

I am a primary school teacher in this county. In my classroom I have 15 second year students and 14 third year students. None of the second year students receive free lunches, but half of the third year students do. This group of third year students are generally slow achievers, but not necessarily because they do not have the ability, but because the desire is just not there.

After having this group in my room for seven months, I have made some observations that are very disheartening. I have observed the behavior of these children in regard to their school work and school responsibilities. For the most part they are not really concerned about achieving. The small rules of the classroom are disregarded more by these children than any of the others, and if it is pointed out to them they are not the least bit concerned that they have "broken" a rule.

In my entire classroom, these mostly are the children who buy "extras" such as ice cream, potato chips, etc., at lunch (without bothering to eat the school lunch provided for them); one of these boys had a quarter for every basketball game at school plus at least that much or more for concessions; one of these girls took a day off from school to have her hair cut and styled at a beauty salon. How is it fair for working parents to be paying for this type of treatment for other children, when they cannot afford it for their own?

Why can't these families, and children, be made to feel that they "earn" what is provided to them by the government? The children could perform small tasks which would make them feel that they had earned their lunch. Attitudes and behavior are formed in the home. In homes where everything is "given" to the family, things are not valued, because they have not been "earned." This life style is carried into the public school system and elsewhere. We need to start instilling in our youth these values, and especially the ones that come from these homes, because they get no training elsewhere. So where would be a better place than the public school system? Why not let them feel that they earn what they get. Then, through this practice, they may see a different way of life than what they've grown up with and strive to do better.

THE UNITED STATES AND THE ETHIOPIAN CIVIL WAR—A NEW APPROACH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, in recent weeks, public attention has focused on the rapidly developing situation in southern Africa. Following trips to Africa by the Secretary of State and other high administration officials, new policy initiatives with regard to Namibia, South Africa, Rhodesia, Kenya, Zaire and the Sahel have been announced. In light of all this attention to United States policy in Africa, one is struck by the administration's silence on the current situation in Ethiopia, which has very serious implications for the United States.

On the potentially volatile Horn of Africa, a longstanding ally is engaged in a civil war aimed at supressing the secession of its Red Sea province of Eritrea. American military equipment, which had been supplied to Ethiopia for defense against Soviet-armed Somalia, has been diverted for use in this civil war and threatens to embroil the United States. U.S. arms are currently serving to escalate the level of violence and reduce any incentive of the Ethiopian Government to negotiate a settlement. The use of American equipment by the central government against the rebels has already had the effect of identifying the United States with the repressive policies of the central government.

I became interested in the Ethiopian-Eritrea problem because one of my constituents, James Harrell, was kidnaped a year ago and held captive by Eritrean guerrillas. His parents shortly asked for my help in getting their son released.

In the course of my numerous meetings with State Department personnel, it occurred to me that James Harrell's imprisonment could well be the result of an unwise U.S. foreign policy, and an unwillingness on the part of the State Department to do anything very effective to secure my constituent's release.

Accordingly, on December 12, 1975, I wrote Secretary of State Kissinger, questioning our foreign policy approach to Ethiopia, particularly our arms aid to one side of the civil war. I asked for a change in policy for the benefit of our country and my constituent both. My December 12, 1975, letter follows:

HON. HENRY A. KISSINGER,
Secretary,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I write to express to you personally my concern about this country's policies toward Ethiopia, particularly with respect to the support which we are providing for the Ethiopian government's repressive policies in Eritrea.

As you know, one of my constituents, James Harrell, was kidnapped last July from the Kagnew Naval Communications Unit in Asmara, Eritrea, and he is among four Americans now being held hostage by Eritrean Liberation Front (ELF) and Popular Liberation Front (PLF) forces. I have been in close communication with State Department and Defense Department officials, to urge that they use every resource to obtain the safe release of the captives.

The information which I have received from Administration sources is discouraging and insubstantial. To date, there is not the slightest sign of progess.

State Department officials have told me that the Administration is firmly opposed to any negotiations with the Eritrean rebel leaders, and I am aware of the reasons given for that policy. But the no-negotiation-with-terrorists policy should not lead us to a position where the United States refuses to take actions, justified on their own merits, simply because they are also actions demanded by rebel leaders.

I have examined our policies in Ethiopia, and I believe that two of the ELF and PLF demands—prompt closing of the Kagnew base and the termination of U.S. military support for Ethiopia—are justified on their own merits, and should be given active consideration by the Administration.

At a November 14, 1975, meeting in my office, at which Acting Assistant Secretary of State Edward W. Mulcahy spoke for you, I was advised that the Kagnew Communications Unit is merely a back-up facility, the loss of which would cause only a very minor reduction in U.S. military communications capabilities in that region. I was also told that the Kagnew functions are mainly for contingency purposes, and that they will in any case be considerably reduced by the need, forced on us by rebel operations, to locate transmitting and receiving facilities at a single site. Yet I was told that, for strictly technological reasons, it will not be possible to close the Kagnew base until 1978, which is, by no mere coincidence, the year in which our lease agreement expires.

At the same meeting, I was advised that the United States plans to increase the number of American technical personnel at the Kagnew Communications Unit from 35 to nearly 50 men. Such an increase will certainly aggravate the situation there, and expose additional Americans to grave danger. ELF and PLF spokesmen have repeatedly stated their intention to continue the harassment and kidnapping of American personnel from that insecure base. We should be reducing the number of our men there, not increasing it.

To say the least, I am not impressed by the tactical judgment of the U.S. force commander at Kagnew. The outpost from which Mr. Harrell was kidnapped last July appears to have had no security: we didn't want Ethiopian forces guarding the outpost. The July kidnapping did nothing to change the commander's estimate of the military situation, and no guard was posted. As a result, a second kidnapping in September resulted in the loss of two more Americans. Since September, the U.S. commander has apparently discarded the notion that the best security is no security, and has brought in some 100 Ethiopian military guards!

I am also alarmed by the Administration's continuing provision of military support to the Ethiopian central government, including recent sales requests. It is on the public record that, on October 30, 1975, the President asked Congress for a continuation of our security assistance program to Ethiopia,

including $12.5 million in grants and $10 million in credits for the current fiscal year. In view of rebel demands that the United States end its military support for the central government, the new military assistance places the lives of the American hostages in grave jeopardy. Along with the other aid we have provided since 1953—including arms, ammunition, jets, helicopters, and training—the new aid certainly supports the contention that the United States has taken sides in a civil war.

As you know, at the June 1, 1970, hearings before the Senate Subcommittee on United States Security Agreements and Commitments Abroad, then-Assistant Secretary of State George Bader, under questioning by Senator Fulbright, agreed to the statement that the United States was "supplying bombs and ammunition which are being used by the military forces of Ethiopia against an internal insurgency".

The Kagnew base, and the provision of U.S. military aid, have always been related. On March 22, 1953, the United States and Ethiopia signed bilateral agreements providing for the leasing of the base and for the provision of U.S. military support to the central government of Ethiopia. At the same time, the central government was torpedoing the 1952 United Nations settlement which had provided that the former Italian colony would be "an autonomous unit federated with Ethiopia" and possessing "legislative, executive, and judicial powers in the field of domestic affairs." Ethiopia undermined that settlement by jailing labor leaders and journalists, supressing political parties, and preventing free elections. Yet in 1960—as revealed by the 1970 Senate hearings—the United States and Ethiopia made secret agreements in which the United States pledged to continue military and economic aid to the central government, while reaffirming its "continuing interest in the security of Ethiopia and its oppositon to any activities threatening the territorial integrity of Ethiopia". The U.N. settlement itself was abrogated by Ethiopia in 1962, and Eritrea became an Ethiopian province.

Current press dispatches and other reports indicate that Ethiopia is now pursuing a course of extreme brutality in Eritrea, through the assassination of civilians, the destruction of villages, the closing of food distribution centers, and—as confirmed by the Consulate General in Asmara—the use of crop-burning to deny food to Eritreans.

The historical, legal, and moral arguments for Eritrean autonomy are strong. But the arguments for American non-intervention are even stronger. I find no compelling American national interest which justifies our present course of aiding the Ethiopian regime in its suppression of Eritrea, particularly when American lives are and will be at stake.

In light of the facts that the United States has no national security reasons for completing the arms sale and other military assistance, and that the Kagnew base is of marginal importance and likely to be closed within the next two years, I urge you to oppose these sales and assistance and to hasten the phase-out of the Kagnew base. These actions would serve United States interests and end the dangerous and provocative exposure of Americans to the forces involved in a civil conflict.

I am certainly aware of the reports of Soviet installations and aid in neighboring Somalia. Those installations appear to be for the support of the Soviet Indian Ocean fleet. The aid is not a demonstrated threat against Ethiopia; if such a threat materializes, it will be proper to consider whether the arms we have already given to Ethiopia are sufficient to contain it. Moreover, the developing nations which have been aided by the Soviets have not been notable for their gratitude to their patrons. China, of course, is the classic example. Indonesia, heavily aided by the Soviets, expelled them. In Africa, we have Egypt, which summarily expelled Soviet military forces and advisors; Ghana, where Soviet influence evaporated after the overthrow of Nkrumah; Mali, where the Russians were expelled after the coup against President Keita; Guinea, where the Soviets moved in after the French, but where the use of their bases has been restricted and where American commercial interests are increasingly welcomed; Mozambique, where, despite heavy aid to the independence movement, Soviets request for ports have been rejected and where the Soviets have been publicly rebuked for their meddling; Uganda, where despite assistance to Amin, the Soviets are subject to his hostile whims; and Nigeria, where Soviet support for the central government's suppression of the Biafran movement has brought them nothing. In short, we are dealing with new countries which place high value on their independence and which do not want to become client states to the major powers.

I believe our country is on a perilous course in Ethiopia. I hope that you will personally give the recommendations in this letter your most serious consideration. May I hear from you?

Sincerely,

HENRY S. REUSS,
Member of Congress.

On January 6, 1976 the State Department replied to my letter, turning me down, stating that the State Department had decided to continue military assistance to the Ethiopian Government. The January 6 letter follows:

JANUARY 6, 1976.

Hon. HENRY S. REUSS,
House of Representatives,
Washington, D.C.

DEAR MR. REUSS: The Secretary has asked me to thank you for giving us by letter of December 12 your ideas regarding our relations with Ethiopia. The United States faces many difficult choices in its relations with Africa and it is useful to have the considered views of members of Congress when examining the various alternatives.

As you are aware, our relations with Ethiopia are among our longest and deepest in Africa going back to the end of World War II. In the early 1960's Ethiopia began to play a leading role as spokesman for the aspirations of a newly-awakened Africa. In recognition of Ethiopia's special role in African affairs, other African states readily agreed to the establishment of the headquarters of the Organization of African Unity at Addis Ababa.

In recent years the strategic location of Ethiopia, close to the Middle East oil supplies and the Indian Ocean oil routes, has become increasingly important. Protracted instability in this second most populous country in black Africa could have adverse repercussions not only for the Horn of Africa but for a much broader area. Our military relationship with Ethiopia is aimed at maintaining a military balance and peace in this sensitive area. For this reason we decided, after careful deliberation, to continue military assistance to the Ethiopian Government. Our long-standing military assistance relationship has made the U.S. virtually the sole source of military equipment for Ethiopia, and we do not believe that peace in the Horn of Africa would be served if we were totally unresponsive to Ethiopian requests for military equipment.

Moreover, the black African states do not want to see the disintegration of Ethiopia. It has always been one of their most respected principles that the territorial integrity of members of the Organization of African Unity be respected and not changed by force of arms. Many of the African states would be very critical of us if we were to withdraw our support from the Ethiopian Government at this critical time. Some African states have, in fact, already expressed to us in confidence their deep concern for the present situation.

Recognizing, however, that the dispute between the Ethiopian Government and the Eritrean insurgents cannot be settled by military means, we have made clear to the Provisional Military Government our strong hope that the two sides in the Eritrean conflict would soon enter into negotiations in order to achieve a peaceful end to the dispute. President Nimeiri of Sudan has extended his good offices to both sides in the conflict, offering to mediate a peaceful solution. While his efforts have not yet met with any reported success, because the positions of the two sides remain far apart, the peacekeeping effort is still extant. We have consistently encouraged the Sudanese in their efforts to mediate.

While advancing technology has permitted us gradually to phase down significantly the extent of our naval communications facility at Asmara, it has not yet been considered feasible to close it down entirely. This is a matter, however, to which both the State Department and the Defense Department are giving continuing attention.

You are well aware that terrorism and diminished security are worldwide phenomena, and that in the troubled atmosphere of Asmara where determined insurgents are operating, even the most careful security arrangements cannot guarantee absolute protection. Every effort, however, is being made to achieve the maximum security protection of Americans attached to our communications facility at Asmara. This includes a physical consolidation of the facility's operations, the moving of all American civilian employees to quarters where they can be better protected and an increase of security arrangements by the Ethiopian authorities.

Please be assured that the Department of State is taking all appropriate steps to secure the release of James Harrell and the other Americans being held by the insurgents. These steps are directed toward assuring ourselves of the well-being of the detainees and toward persuading the insurgents to release the men unconditionally on humanitarian grounds. You may be sure that this matter is receiving priority attention by all concerned officers of our government.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

With 6 months gone, and my constituent's release nowhere in sight, I tried a number of new approaches. One of them was a letter I wrote on January 27, 1976, to Osman Saleh Sabbe, a representative of the Eritrean Popular Liberation Front in Damascus, Syria, asking for Harrell's release. My letter to Osman Saleh Sabbe follows:

Mr. OSMAN SALEH SABBE,
Popular Liberation Front for Eritrea,
Damascus, Syria.

DEAR MR. OSMAN: One of my constituents is James Harrell, a civilian who was kidnapped by PLF forces last July and who is now being held captive in Eritrea. I have been in close communication with Mr. Harrell's parents, as well as with Len Campbell,

father of Steven Campbell, who was kidnapped at the same time. I am enclosing a copy of the December 16, 1975 letter I received from Mr. and Mrs. Harrell.

These men were civilians performing mechanical and technical jobs. They were complete strangers to world politics, and they had no role whatever in the planning or execution of policy.

It is ironic that, by an accident of fate, these two men were taken. From their families I have learned that both had developed an affection for the Eritrean people and a belief in Eritrean independence. Indeed, both married women of the area, one of whom is an Eritrean.

I have examined my country's policies in Ethiopia, and I am highly critical of them. I believe that there are strong historical, legal, and moral arguments for Eritrean independence, and I am particularly outraged by the press reports I have seen about the Ethiopian government's use of American equipment for repression of the independence movements.

I have urged my views upon Secretary of State Henry Kissinger, and I have suggested that the Kagnew Communications Unit be closed and that American military assistance to Ethiopia be terminated. I have also been expressing that point of view to my colleagues in the U.S. Congress, particularly those who have committee responsibilities in the fields of international relations and military affairs.

Frankly, however, I find considerable resistance among Members of Congress, and it arises from the very fact that American citizens are being held captive. The senseless punishment which has been visited on them and on their families creates resentment and a reluctance to consider any change in U.S. policies as long as these men are being held hostage. From my own experience, I know the hardships which Mr. and Mrs. Harrell have faced. They have worked hard all their lives. They are now getting on in years, and they may never see their son again.

For reasons relating to U.S. National interests, I am going to continue to do everything that I can to change U.S. policies in Ethiopia. But I think that the time has come for a humanitarian and generous action on the part of Eritrean leaders to free the U.S. captives. That action would focus world attention much more favorably on your cause, and it would certainly help me and others who feel as I do in our efforts to terminate misguided policies of military aid to Ethiopia, and to make sure that a fair share of food aid reaches Eritrea.

Sincerely,

HENRY S. REUSS,
Member of Congress.

Osman Saleh Sabbe replied to my letter on February 19, 1976:

MR. HENRY S. REUSS,
Member of Congress,
Congress of the United States,
Washington, D.C.

DEAR HENRY: I have just received today your letter dated January 27, 1976 concerned with the detention of two Americans, Mr. Harrell and Mr. Steven Campbell.

I agree with you in the innocence of these two men who have nothing to do with politics, but unfortunately involved merely for happening to be in Eritrea where war is going on between the Ethiopian occupation forces and the Eritrean Liberation Forces with all the vices of the war. In kidnapping the two Americans and others, our fighters were intending to react against American involvement which exhibits itself daily in the arms the Ethiopians are using to destroy Eritrean lives and properties indiscriminately. However, we disagree with them and we do not consider kidnapping innocent people who have not been involved directly against our people as a correct action. The history of our revolution has a clean record as far as its abiding by laws and regulations of war is concerned. In fact, it has been described by some journalists who visited Eritrea as a classical war with no kidnapping or hijacking.

You may be pleased to know that I have just received today a message from our military command inside Eritrea in which they assured me that they are going to release the two Americans soon and they will hand them over to the Sudanese Government. They have already released this week an Italian and two Chinese from Taiwan and handed them over to the Sudanese Authority. So please get assured of this fact and convey it to their parents who are no doubt worried about the fate of their sons.

We have no malice towards the great American people and have no objection in American presence in our country so far as they are there as friends and not as enemies.

My colleagues and I have been very much pleased with the efforts you made to present our just case before the attention of other American congressmen and also before the Secretary of State Dr. Henry Kissinger. Thank you for this attitude which serves the cause of justice and peace in this area. Our people are longing to live in peace with our big neighbour the Ethiopians once they quit their aggression and accept independent Eritrea. The question of facilities in the Eritrean ports (Massawa and Assab) can be settled by bilateral or international agreement.

Hoping to keep contact with each other, I send my friendly grettings for you and for the families of Harrell and Steven.

Yours sincerely,

OSMAN SALEH SABBE,
Spokesman of ELF/PLF.

Osman Saleh Sabbe's conciliatory reply led to further negotiations, and James Harrell was released on May 3, 1976. He has since rejoined his parents in Milwaukee, who are understandably overjoyed.

Having, as a result of my efforts on behalf of my constituent James Harrell, learned something of Ethiopian-Eritrean affairs, I recommend appropriate changes in U.S. foreign policy.

As a first step toward extricating the United States and thereby creating conditions conducive to negotiations, I urge the administration to end its role as arms supplier to the central government, and to use its influence in establishing an international arms embargo against both sides in the conflict. An American initiative along these lines would be consistent with our long-standing interest in stability in that region, and it is required because of the key role U.S. military aid has been playing in this civil war.

The roots of the present conflict in Eritrea go back at least a century. In the 1880's, the Italians began to occupy portions of Ethiopia's coastline, which, during the previous two centuries, had been controlled by the Ottoman Empire. By 1890, the Italians had penetrated about 150 miles inland, establishing their colonial capital at Asmara, 7,600 feet above the Red Sea. Further expansion was halted, however, when Emperior Memelik's Ethiopian Army annihilated an Italian invasion force at Adowa in 1896. But for the next four decades the Italians retained their coastal enclave, naming it "Eritrea" after the Latin term for the Red Sea, and they used it in 1935 as the staging base for Mussolini's conquest of the Ethiopian Empire.

Long before the Italian occupation, Muslim neighbors were the traditional enemies of the Ethiopian monarchy. Since the fifth century A.D., all Ethiopian emperors have professed the Coptic Christian faith and, in war after war, they have defended their empire against would-be Islamic conquerors. Much of the fighting has occurred near the northern coast in what is now Eritrea—a territory that has changed hands more than a dozen times in the last 12 centuries. Not surprisingly, about half of Eritrea's population of slightly less than 2 million today professes Islam, and the remaining half is Christian.

Most Eritreans, who are physically more Semitic than African, speak Tigrinya, a language derived from the ancient language of northern Abyssinia—with some Arabic borrowings—and not closely related to the traditional language of the Ahamara, who have dominated the central Ethiopian Government under the emperors.

During the Italian occupation, Eritrea developed and fluorished in contrast to the rest of Ethiopia, as modern systems of agriculture, industry, and administration were introduced. The schools built by the Italians produced a class of intelligentsia long before a similar class developed in Ethiopia. Eritrea thus had prospered economically and, although comprising only 8 percent of the population of the Empire, Eritreans have contributed a disproportionate number of businessmen, technicians, and engineers, and possess a literacy rate of three to four times the national average. This legacy of the Italian occupation served to reinforce the religious, ethnic, and culutral distinctions between Eritreans and Ethiopia and to sustain the nation of a separate Eritrean identity for the nearly 1 million Eritrean Muslims who have felt excluded from the mainstream of the militantly Christian Ethiopian culture and political system. The development of political parties and democratic institutions, which were permitted during the postwar British administration of Eritrea, created a political tradition which also served to distinguish Eritreans from Ethiopia.

In 1941, the British occupied the territory after having defeated the Italian forces at Keren, near the Sudan border. From 1941 to 1952, Eritrea remained under British military administration while the United Nations debated the future status of Italy's ex-colonies.

The United Nations solution for the Eritrean problem was the Four-Power Commission of Investigation composed of France, Britain, the United States and the Soviet Union. Regrettably, the Commission was unable to reach a unanimous consensus on the future of Eritrea. Instead, it advanced four alternative proposals: First, full independence for Eritrea; second, union with Ethiopia; third, partition of Eritrea, with the Christian highlands to go to Ethiopia

and the Muslim lowlands to Sudan; and fourth, a U.N. trusteeship. The decision was left to the United Nations General Assembly, which on December 2, 1950, adopted a resolution sponsored by the United States and 13 other countries recommending that Eritrea shall constitute an autonomous unit federated with Ethiopia. In this respect, Eritrea was treated in a different manner than the other Italian colonies. Libya and Somalia, which also came under the auspices of the United Nations after the war, were subsequently granted independence. A likely reason for the different manner in which Eritrea was handled can be found in the wording of the U.N. resolution which took cognizance of Ethiopia's special interest in Eritrea.

The U.N. federation scheme was an uneasy compromise, giving Eritrea local autonomy and its own political institutions while at the same time assuring Ethiopia secure access to the sea and full control over the defense, foreign affairs, currency, and port administration of the maritime territory. Three main Eritrean political parties, organized during the British occupation, contested for parliamentary power in Eritrea's elected assembly and federation government headed by a chief executive. Political parties, however, were not permitted to exist in Ethiopia's 13 Provinces to the south, which continued to be governed by the Emperor in the traditional fashion.

Differences soon developed between the Emperor's viceroys in Asmara and the federation government, and, during the 1950's, complaints were voiced concerning violations of local autonomy, the use of tax funds for Imperial rather than local interests, and suppression of criticism of the Addis government. Muslim and Christian Eritreans resented the imposition of Amharic as the official language and the elimination of Tigrinya. Moreover, Eritreans resented the influx of Amhara officials and the imposition of the Royal Ethiopian administration which imposed restrictions on political activities and the press.

In 1962, the Eritrean Assembly voted to end the federation experiment and to accept full integration into the Ethiopian Empire. This incorporation was carried out against a strong Eritrean opposition which charged that the Assembly vote had been induced by bribery and coercion and, in any case, was illegal since it unilaterally altered a decision of the United Nations in the establishment of Eritrea's autonomous status. The United Nations, however, took no action against the Ethiopian annexation of Eritrea.

It was in this atmosphere that young dissidents moved into the field to form the Eritrean Liberation Front—ELF—in 1961 with the goal of resisting annexation and organizing the fight for independence. The ELF was—and remains—a predominantly, but not exclusively, Muslim movement. Subsequently, in 1965, a new movement—the Popular Liberation Forces—PLF—broke away from the ELF over ideological differences. PLF membership is less heavily dominated by Muslims, and the organization is smaller than the ELF. It appears to espouse a Marxist ideology. Until 1975, when the two movements agreed to cooperate in a common aim, the ELF and PLF remained at loggerheads and on occasions fought each other.

The two groups, whose main source of support is from the Arab countries, have maintained foreign offices in Damascus, Tunis, and Beirut. Estimates of the number of guerrillas under arms range from 10,000 to 25,000. Their weapons from the Arab countries, smuggled into the territory from the Sudan, are believed to be fairly sophisticated though of limited quantity.

The weapons are reported to include Soviet-made rocket launchers and AK-47 rifles. Syria is one of the major supporters of the ELF, and the Syrian military academy reportedly has provided military training for its officers. Libya provides money, but apparently not weapons. In 1974, Kuwait decided to give $30,000 a year to the ELF. Iraq, Southern Yemen, and Saudi Arabia are the other supporters of the ELF. The Arabs see the ELF struggle as a predominately nationalist and Muslim movement whose military success would give them control of the Red Sea coastline.

The ELF and PLF reportedly have now merged their field forces and, in September 1975, began the official political merger of their organizations. They have set up committees for foreign, political, and social affairs, as well as a 12-member coordinating committee to oversee their work. In the field, the apparently well-disciplined, if inadequately equipped, troops use the flexibility and mobility which small guerrilla operations provide, as well as ambush, kidnaping, and harassment techniques, to demoralize the better armed Ethiopian Army and keep it confined to Asmara and a few other population centers.

The Eritrean claim to independence is in conflict with the inviolability of Ethiopian unity, as declared by the current ruling military government in Addis Ababa, which sees the struggle as a crucial test of Ethiopia's national integrity. The central government contends that historically, religiously, and ethnically, Eritrea is an integral part of Ethiopia, and it feels that the Eritrean crisis is a result of Italy's dismemberment of the Empire in the 1890's. It rejects the ELF claim of the right to self-determination and considers national self-determination to be collective in that no ethnic group in Ethiopia can assert a right to secede.

In addition to the territory's strategic coastline, Eritrea possesses considerable but unexploited mineral resources, including potassium, oil, iron, gold, copper, zinc, salt, and lead. About one-third of Ethiopia's industrial activity is located in Eritrea. The only oil refinery in Ethiopia is in Eritrea, and a large proportion of Ethiopia's exports pass through the ports of Assab and Massawa. Accordingly, the Ethiopian Government is convinced that the loss of Eritrea would be an economic disaster, leaving Ethiopia landlocked with access only via the French Territory of Afars and Issas port of Djibouti, whose reliability is open to question after the prospective French withdrawal later this year. The loss of Eritrea, it is felt, would also encourage other ethnic groups, such as the Galla and Somalis, to make similar moves. In addition, the government's determination to hold on to Eritrea is influenced by the way it sees the political and strategic significance of the Red Sea area. With the reopening of the Suez Canal in 1975, the Eritrean ports have become of even greater economic and commercial significance to Ethiopia. The concept of an independent Eritrea would change the entire Red Sea region into one of Arab predominance and thus would become a recurring historical nightmare for Ethiopia.

Eritrean insurgency began in late 1962 and has carried on sporadically since that time, until 1975. During initial years, the guerrillas relied on ambushes, train hijackings, and bombings of strategic communications and power stations. Some of their most spectacular acts occurred outside Eritrea as, beginning in 1969, the ELF carried out a number of hijackings and bomb attacks against Ethiopian Air Lines passenger planes in transit to foreign countries. The central government continued to downplay the significance of the guerrilla activities and attributed most of the violence to non-political "shifta"—the traditional bandits found in Eritrea.

In 1974, when the military gradually took control of Ethiopia following a coup against Emperor Hailie Selassie, there seemed to be a good chance that a political settlement could be reached for the Eritrean problem. An Eritrean, General Michael Andom, became Prime Minister of Ethiopia, and his government appeared disposed to take steps to ease Eritrean grievances. However, Andom who reportedly had gained the confidence of the Eritrean people, was killed by members of the Dergue, and therefore what opportunity for improved relations existing at that time was lost.

The other side of the picture is that Ethiopia has changed drastically since the military takeover in 1974. Under the Emperor's long rule the country was Western- and American-oriented. Under the present government, it has been critical of so-called "imperialists" and "reactionaries" and voiced admiration for Cuba, China, North Vietnam and other Communist countries.

Close relations with the United States are now regarded as a minimal importance, and within Ethiopia authoritarian edicts have rapidly eroded civil liberties and what few democratic institutions had arisen.

The current government is headed by a mysterious ruling military council or "Dergue"—an Amharic word for committee. Estimates of the number of Dergue members range from 40 to 70, and its actual operation is highly secret. According to some reports, effective power is now concentrated in the hands of a 12-man executive committee that is dominated by three officers—Major Mengistu Mariam, Lt. Col. Atnafu Abate, and Gen.

Teferi Bante, who is regarded as a figurehead.

When the coup against Emperor Haile Selassie began in 1974, most Ethiopians welcomed the promise for social and political reform which it represented. Observers agreed that reform of the corrupt, quasi-feudal political system which had flourished under the Emperor and which had been largely indifferent to the severe poverty of the country was long overdue. The coverup of the 1973 famine, in which it has been reported that as many as 100,000 peasants died, was the final catalyst which generated the coup. Recent press accounts however, describe Ethiopia today as being torn by social and economic chaos and governed by an increasingly repressive military regime that is facing growing opposition from the middle class, trade unions, and students, many of which had formerly been backers of the military.

In 1975, the world was shocked by the mass executions of more than 60 prominent Ethiopians who had served in the former government, as well as several members of the Dergue itself. Just last week an additional series of executions was reported. Recently, the Dergue has embarked on a program aimed at a radical transformation of Ethiopian society by breaking the power of the old feudal landowning classes as well as the middle class. In its first 6 months, the ruling council has nationalized all land and abolished landlord-tenant relationships. While the land reform has been somewhat successful in the southern part of the country, it has been viewed with hostility in the north, where most land units are owned by families vehemently opposed to the communal farms planned by the Dergue. About 100 rural leaders reportedly have been executed for opposing the land reform, while the poor planning which accompanied nationalization has made it difficult for the peasants to make proper use of the land relegated to them. The resultant economic chaos has created severe inflation, food shortages, and widespread urban unemployment. It also has been reported that the military government has imprisoned or exiled most of its qualified civil servants, and in another step, the Dergue has confiscated without compensation all urban land, thereby leaving each family with possession of only its own home and further alienating the middle class. The Dergue has also come into open conflict with the student and labor movements, both of which had been close allies in the overthrow of the Emperor. The universities, high schools, and labor union headquarters have been closed. The press is rigidly censored.

Finally, there have been reports of sporadic minor revolts and the formation of liberation groups in Tigre, Bagemder, and Gojjam provinces, in addition to the larger Eritrean revolt. These rebellions have been led by traditional chiefs and landowners who feel threatened by the economic pronouncements of the military government and its disregard for the traditional arrangements by which the late Emperor kept a tenuous peace among the various ethnic, linquistic, and religious groups.

Thus, within a year of its coming to power, the Dergue had instituted a repressive system of internal government that is opposed not only by the old feudal aristocracy, landowners, and nationalized businessmen but also by the usually progressive forces such as labor unions, students, and teachers who, over the years, had prepared the ground for the revolution against the Emperor.

The current situation in Eritrea creates a serious policy dilemma for the United States. Ethiopia has occupied a special place in U.S. relations with Africa for many years. As an historic land and as one of the two independent black African nations prior to World War II, Ethiopia has been of particular interest to the U.S. Government and to black Americans. Diplomatic relations between the two countries was established in 1903, and American respect for Ethiopia increased when Emperor Haile Selassie appeared dramatically before the League of Nations in 1936 to protest the Italian invasion of his country. The Emporer was one of the first and most eloquent advocates of collective security. After World War II, as a gesture of gratitude for the support which the United States had given to Ethiopia's struggle for freedom the Emporer provided a plot of land adjacent to a royal palace for the U.S. Embassy.

Official relations became somewhat closer in 1952, when the possibility of American use of a particularly desirable communications site at Asmara was proposed. Earlier, in response to the North Korean invasion of South Korea in 1950 and stemming from the Emperor's consciousness of collective security responsibilities, Ethiopia provided troops for the United Nations operation, and Ethiopian soldiers fought alongside U.S. forces in one of the most significant contributions from any Afro-Asian country.

The close cooperation between the two countries was further signaled on May 22, 1953, when two agreements were signed between the United States and Ethiopia. One permitted the use by the United States until 1978 of the communications facilities at Kagnew Station in Asmara. The second governed the provision of grant military assistance and training to Ethiopian forces.

Pursuant to this military assistance agreement with Ethiopia, the Ethiopian Army and Air Force have been equipped and trained almost entirely along American lines. From 1946 to 1974, U.S. military loans and grants have amounted to more than $220 million. During fiscal year 1974, the United States supplied $11.3 million in grant military assistance and $11 million in military purchase credits. In fiscal year 1975, the figures were $11.3 million in grant aid and $25 million in credits. The Ethiopians also purchased additional U.S. military equipment for cash in 1975 and 1976. The United States has supplied economic assistance amounting to over $350 million over the years—thus making Ethiopia the largest U.S. aid recipient in Africa.

Washington's justification for supplying military assistance to Ethiopia has been to maintain a military balance with neighboring and occasionally hostile Somalia, whose military hardware and training have been supplied by the Soviet Union. This American-supplied equipment is now being used in Eritrea.

Following the death of General Andom, the Ethiopian military launched a major offensive against the Eritrean dissedents. Committing half of its 40,000-man army to that territory, the government managed to repulse an ELF attack on Asmara and to hold the port cities, together with some small population centers. Government forces still have access to the major roads, but traffic can only move in convoys and even then is subject to frequent ambush. The Eritrean rebels are reported to control the entire countryside, and they have been successful in effectively tying down two Ethiopian divisions. The brutal warfare waged by the Ethiopian military since 1975 has reportedly had the effect of alienating most Eritreans in favor of the ELF, and traditional Eritrean Christian reticence toward the rebel movement has reportedly vanished. In recent months, Eritrean Christians have been reported as numerous as Muslins among rebel recruits.

According to press accounts, the military has taken to massive retaliation against the civilian population, and there are reports of wholesale razing and burning of villages from which insurgents were suspected of having given aid or shelter to rebels. American-built planes reportedly have been used to bomb Eritrean villages and food crops in indiscriminate reprisals. During this 1975 offensive, most foreign nationals were evacuated from Asmara, and American personnel at Kagnew Station were scaled down to a staff of 40. Some reports indicate that nearly 400,000 Eritreans have become refugees, many having crossed the border into Sudan. Reports of central government interference with food and medical relief operations for the refugees last year have led to charges by the Eritreans that the Dergue was employing measures verging on genocide.

More recently, in May 1976, in an effort to break the stalemated military situation, the Dergue launched a major offensive against the Eritrean rebels, using tens of thousands of peasant "volunteers" armed with obsolete equipment left over from World War II. It was reported that some 30,000 to 40,000 peasants had been moved to the Eritrean frontier, urged on by a promise of land grants and a call for support for a Christian holy war against Muslim Eritreans. While one reason put forth for the human wave offensive was to bolster the low morale of the Ethiopian army in Eritrea, the Dergue also wanted to free the army to face a potential threat from Somalia. The central government is determined to prevent a Somalia move of taking over the French Territory of Afars and Issas after the scheduled French withdrawal, because of Ethiopia's dependency on the port of Djibouti as an outlet to the sea. In addition, there have been reports of skirmishes along the Somali Ethiopian border, where Somalia has long-standing irridentist claims.

The peasant march into Eritrea was abruptly postponed in mid-June, reportedly as a result of logistical problems and some successful Eritrean attacks on the force. According to news reports, how-

ever, the principal reason for the postponement was because of United States and Sudanese pressure on the Ethiopian Government. If these reports are accurate, I believe such pressure represents a first step in the right direction toward a more constructive approach that the United States should be pursuing with respect to the Eritrean issue.

At the time of the postponement of the peasant march, the military sent officials to South Yemen and the Sudan to convey Ethiopia's intention of seeking a peaceful solution to the Eritrean problem and of suspending military action while new peace efforts were underway. It thus appears that the war has reached an important juncture. It offers the United States the opportunity to launch a new policy.

The military regime has announced a nine-point peace initiative, including an offer of talks, a partial amnesty for people imprisoned as a result of the fighting, and an offer of some form of regional autonomy for Eritrea. While there has been no official ELF response to this offer, some news reports indicate that certain Arab nations have responded favorably to the Ethiopian peace initiative. In addition, Sudan's President Jaafer Nimeri has put forth a plan for negotiations which includes a cease-fire, release of all political prisoners, and no further preconditions.

The ELF has insisted publicly that acceptance of independence is a precondition to negotiations although they have stated that Ethiopian access to the Red Sea ports would be assured. Officials of the PLF reportedly are more intransigent and have demanded as a precondition for talks with the Ethiopian Government the evacuation of all Ethiopian Armed Forces and full recognition of Eritrean independence.

Admittedly, both sides appear far apart at this point. Yet the United States, which has consistently urged a peaceful settlement of the Eritrean dispute, could take two very constructive steps at this time in order to encourage negotiations.

First, the United States must make clear to the central Government that further shipments of U.S. arms, which Ethiopia clearly wants for defense against Somalia, would be embargoed in the absence of a cease-fire and negotiations.

Second, the United States should support the peace efforts of the Sudan and any other Arab Government, while at the same time making clear to all Arab supporters of the ELF that the United States would take seriously their failure to withhold arms and to exert whatever influence they have on the ELF to encourage the latter to begin negotiations.

Under the changed atmosphere of an arms embargo, both sides might well feel the necessity to consider serious negotiations. And while on the surface any political resolution of the Eritrean problem appears difficult, the elements of a solution are present.

The Eritreans, although their forces have grown stronger, have been unable to defeat the Ethiopian Army over the past 15 years. At best they can probably produce a long stalemate while the military still maintains the capacity to inflict heavy civilian damage. For its part, the front must know, and we must help them understand, that there is a difference between its announced minimum and maximum claims, and that it will have to recognize the security requirement of any Ethiopian government to conduct its commerce through secure ports.

With respect to the Arab supporters of the ELF, while control of the Red Sea may appear interesting or desirable, it is still a marginal interest to them, while they must recognize that it is a vital interest to Ethiopia. Given the major Arab concern for problems closer to home, and the general African opposition to dismemberment of an African state, the Arab states would probably be receptive to a negotiated settlement which would provide some assurances to Ethiopia. The Arab States could probably be prevailed upon to limit their military aid while negotiations are pursued.

For Ethiopia, beset by massive economic and political problems and the threat of war with Somalia, the continuing war in Ethiopia is a prescription for disaster. Most analysts believe that Ethiopia is in a no-win situation militarily and the country could collapse as a result of the economic and political drain its total victory approach demands. A settlement which would assure it access to ports would free its resources and allow it to deal with its serious internal problems. A more politically stable Ethiopia which could emerge following a settlement of the Eritrean problem would probably also be better able to defend its interests against Somalia. The United States must make it clear that this course of action is in the best long-term interests of Ethiopia, and must indicate a willingness to aid in a post-war reconstruction of that country.

Such an American initiative toward a negotiated settlement is also clearly in the best interests of the United States. Ethiopia, with its proximity to Middle Eastern oil supplies and the Indian Ocean routes, has strategic values. Protracted instability in this second most populous black African nation could have adverse repercussions beyond its borders. Continuation of the war threatens to involve other outside nations, and continued use of American equipment against the rebels could lead to the creation of violently anti-American Eritrea.

Over the years, the Eritreans have maintained a very friendly attitude toward Americans despite the provocative use of U.S. equipment against them. Until recently, the ELF had avoided attacks on Americans at Kagnew, and the release this spring of the American hostages is an additional sign of good will. We must not let an irresponsible Ethiopian policy turn Eritrea against us.

Certainly there is no guarantee that any U.S. initiative along these lines will succeed, but there are grounds for some optimism, in that the current suspension of major military offensives offers the possibility for fruitful negotiations. Given the pivotal role of U.S. equipment in this dispute and the importance of Ethiopia to U.S. interests, the United States has a clear responsibility to use its influence to create the best possible conditions for a negotiated settlement. The administration could well launch its most constructive new Africa policy in Ethiopia.

THE BICENTENNIAL SALUTE TO THE CAPTIVE NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, fittingly between our July 4 celebration and the July 18–24 Captive Nations Week, a Bicentennial salute to the captive nations was given on July 11 at the Statue of Liberty in New York. Thousands assembled to hear Lt. Gov. Mary Anne Krupsak of New York, Senator JAMES L. BUCKLEY, Mayors Abe Beame of New York and Richard J. Daley of Chicago, Representatives EDWARD I. KOCH and MARIO BIAGGI, and addresses of AFL–CIO President George Meany and others. The significance of this event goes beyond the 18th observance of Captive Nations Week and will be reflected in our forthcoming national discussion and debate.

As pointed out strongly in this salute, America must reestablish its foreign policy on basic principles of freedom, national independence, and human rights. "Peace through strength" is not America; "Peace and freedom through strength" is America. On this and the Bicentennial significance of the captive nations, I commend the analysis given by Dr. Lev E. Dobriansky of Georgetown University, who authored the Captive Nations Week Resolution and whose organization, the National Captive Nations Committee joined with the AFL–CIO to support the Bicentennial salute to the captive nations:

THE BICENTENNIAL SALUTE TO THE CAPTIVE NATIONS

(By Lev E. Dobriansky)

On July 4th we celebrated our 200th Birthday of National Independence. One week later, on July 11th, American leaders assembled at the Statue of Liberty in New York harbor to offer a bicentennial salute of hope and determination to the captive nations who have lost their independence to communist totalitarianism and Soviet Russian and Red Chinese imperio-colonialism. The meaning of the two events will reverberate in our national thinking for the rest of this year and beyond, and hopefully will dissolve the present confusion, contradictions and cosmetics in our current leadership.

Clearly indicative of the confusion in our national leadership is the deletion of the nomer "detente" and yet the announced retention of the type of self-defeating policy the term characterized. Substituting for detente the new, nominal designation, "a policy of peace through strength," is tantamount to declaring the absence of any comprehensive, well-defined and realistic foreign policy. One that is firmly grounded in values, principles and the sustaining traditions of our nation; that is conceptually and precisely geared to the dominant historical forces of Eurasia, where the prime and only real threat to our national security exists; one that holistically views the total assault of our chief Soviet Russian enemy; and certainly one that infuses purpose, mission, vision and

courage into the consciousness of our people. It is no wonder that the very personification of detente, Secretary of State Kissinger, has been retained, for with the same type of policy we can expect the same medley of so-called pragmatic makeshifts, accommodating compromises, and cosmetic diplomacy that have only served to devaluate these indispensable criteria of a realistic policy and to guarantee the further erosion of our guiding power in the world. As the writer emphasized a year ago, "Apart from the blunderous Moscow Agreement of '72 and grave shortcomings in understanding the U.S.S.R., the debacle in Southeast Asia in itself is sufficient cause for the removal of the Secretary of State and his motion diplomacy."

Each Captive Nations Week Observance has proven to be an excellent national forum for a constructive reexamination of our foreign policy, and the 18th observance, this July 18-24, should be no exception. As a matter of fact, it promises to be a fitting continuation of the '75 Captive Nations Week forum, highlighting the confusion and contradictions in our national leadership, the blatant defects of the deleted detente policy, now called "peace through strength," and the practical alternatives to the perilous course we have been pursuing. Examples of the prevailing confusion abound. For one, regarding Helsinki and the President's Captive Nations Week proclamation last year, one writer, Fred Barnes, accurately observed, "Ironically, Ford recently proclaimed the third week in July as 'Captive Nations Week, 1975.' Though the proclamation made no specific mention of East European nations, they are the ones at whom the annual observance is aimed."

To this day millions of Americans are virtually convinced that the Kissinger policy has written off the captive nations to permanent Soviet Russian domination. The Sonnenfeldt doctrine revealed this year has served to confirm this conviction.

Another, even more fundamental, example of confusion is seen in another top aide to Kissinger (Winston Lord) interpreting the USSR as a nation/state while Vice President Rockefeller imputes an imperial structure to what is actually an empire/state. For the former, the USSR and the U.S. "have competing national interests," and as director of the policy planning staff in the Department of State, he doubtlessly must wield considerable influence with such misconceptions. How deficient and backward Kissinger's department is with regard to basic fundamentals is further revealed in a current publication of the department which under the caption of "Relations With the Soviet Union" states that, "for the first time in history, two nations have the capacity to destroy mankind," i.e. the USSR and the U.S. With such ruling misconcepts on the USSR, Moscow need scarcely fear any imaginative and winning diplomacy on our part.

In "just telling it like it is," Vice President Rockefeller has added to our national leadership confusion with some fundamental truths that have consistently been embodied in the Captive Nations Week Resolution but have been buried by the policy of deleted detente. During his goodwill tour to West Germany, he frankly stated, "The era of old world imperialism has gone, and yet we find ourselves faced with a new and far more complex form of imperialism, a mixture of Czarism and Marxism with colonial appendages." Actually, there is nothing new about traditional Russian imperialism, whether Czarist or Marxist, and its projections into Asia, the Mideast and the New World have able precedents in the past. The span of the Czarist Russian Empire roughly coincided with that of the USSR today, but the Soviet Russian Empire includes not only the USSR but areas beyond, in Central Europe, Asia and the Caribbean.

The important aspect about the Rockefeller statement is that basically it supports the method and content of genetical captive nations analysis, and distinguishes itself from the gross misconceptions shared by Kissinger and his aides. The paramount significance of this is that the former allows for a new ethnographic dimension in our foreign policy whereas the latter conceptually precludes it and falsely makes out of the empire-state of the USSR a nation/state, which is one of the many illusions in the policy of deleted detente. This point on a new ethnographic dimension cannot be too strongly emphasized because it is the foundation of an alternative policy to that pursued now. Also, it entered into the vital discussion on undeleted detente in the period of the '75 Captive Nations Week and will undoubtedly be discussed further in the period ahead.

THE FIRST EPISODE IN THE DEMISE OF DETENTE

As the printed record unmistakably shows, the period of the '75 Captive Nations Week was veritably the first episode in the demise of the Kissinger brand of detente. The '76 Week should appropriately occasion the second episode. To this day it remains a mystery as to how much of our media overlooked, no less understood, the interrelated events of the '75 Week. In tune with deleted detente the President's proclamation of the Week was ambiguous and weak, and surely without accident in timing. On Monday, American astronauts and Russian cosmonauts shook hands in an orbital detente. But on the following day Solzhenitsyn addressed Congressional legislators on oppressed peoples and the shortcomings of detente, while the White House implicitly admitted its blunder in not inviting the Russian writer on the inept advice of the Secretary of State, who by now took to a grassroot defense of his policy. In the course of all this, speeches in Congress observed the continuing reality of the captive nations, proclamations by Governors and Mayors emphasized all the captive nations, particularly those in the USSR, and assemblies here and abroad precipitated a mounting criticism of detente. Significantly, on Friday of the Week and much to the surprise of most analysts the official announcement was made of the forthcoming Helsinki Conference on Security and Cooperation in Europe.

The cumulative effect of these successive events was clearly witnessed in the over-spill of debate, colloquy and discussion the following week. The interrelated nature of the events was perceived by many legislators and observers. For example, with reference to the Week and the SSCE, Congresswoman Holt of Maryland pointed out, "While seemingly unconnected, these two events have a strong inner affinity. In a fast-moving, cynical world this point can be lost all too easily." Or, to take the analyst James Burnham who sees history "providing transparent symbols," he observed: "Take, in addition to the Solzhenitsyn display, an eloquent feature of the Apollo-Soyuz linkup: its date. It somehow happened that the week selected for this 'historic event,' as all official comment hailed it, was the same as that designated by an act of our legislature as 'Captive Nations Week': a yearly reiteration—so it was conceived to be—of our dismay at the subjection of the nations of Eastern Europe to Moscow's tyranny . . ." He added further, "The juxtaposition could not have been more exquisite." The outstanding fact is that since 1959, when the Captive Nations Week Resolution was passed by Congress, Moscow has used every possible strategem to overshadow the Week, including negro liberation, the Moscow-New York flight run, the 1965 Suslov barrage in Vilnius, Lithuania, ratifying the Consular Convention, signing the non-proliferation pact and the like—all more or less timed with the Week. Regrettably, our people don't believe in history's transparent symbols.

So overwhelming was this cumulative effect of the '75 Week that the President in an unprecedented move summoned leaders concerned with Eastern Europe to a meeting in the White House to explain his reasons for participating in the Helsinki conference. In his statement the President explicitly declared, "It is the policy of the United States, and it has been my policy ever since I entered public life, to support the aspirations for freedom and national independence of the peoples of Eastern Europe—with whom we have close ties of culture and blood—by every proper and peaceful means." This was addressed to many of those present who view the captive nations in the USSR, such as Ukraine, Lithuania, Byelorussia, Armenia, Georgia and others, as being of basic, critical importance to our foreign policy. It is significant to note that, in sharp contrast, the President's Captive Nations Week proclamation issued before this first episode spoke only in meaningless generality about "rededication to the aspirations of all peoples for self-determination and liberty." When the Sonnenfeldt doctrine on "organic relationship" flared up this spring, the President issued a Milwaukee statement to some ethnic leaders in the area, rejecting the notion of organic relationship, though not Sonnenfeldt himself and his boss Kissinger, and even more strongly affirming the pre-Helsinki point above.

What is the importance of this development for the '76 Week and a realistic alternative to the substance of deleted detente? Namely, on the basis of the President's pre-Helsinki meeting and the confirming Milwaukee statement, Americans are looking forward to a Presidential proclamation of the '76 Week that will honestly translate the Congressional resolution upon which Public Law 86-90 is predicated, and to which his own Vice President has recently given part expression to, and that will convey with equal, pointed force the essence of the two mentioned statements. Not only would this clear up much of the existing confusion in our national leadership, but it would also clearly certify to the credibility of the President's own declarations to ethnic leaders and others in the country. More, in truth the proclamation should realistically—or as the Vice President says, "just telling it like it is"—specify for the continued benefit of our citizenry and its memory the now long list of captive nations under communist domination.

THE UNFORGETTABLE LIST

One of the contributing factors to our mental block regarding the primary, empire nature of the USSR is the general unfamiliarity of our people, including notably those in the national leadership, with the long list of captive nations which commenced with the first thrusts of Soviet Russian imperialism at the close of World War I. Some know the record and the genetical analysis underlying it, but find it too disturbing to remember. Others mistakenly believe that differences between the totalitarian communist regimes alter the captive nation status of the peoples involved. The power center in the so-called communist world is without sensible question the USSR, and this would not have been possible without the earliest victims of Soviet Russian imperio-colonialism shown on this list.

As the historical record well shows, Moscow's systematic exploitation of non-Russian resources in the USSR has enabled it to expand its empire far beyond the dreams of the old Czars. Since World War II its expanded empire has provided for an even more intensified exploitation of non-Russian resources both within and without the Soviet Union for a global expansionism felt by way of threat and influence on every continent of the world. Despite Kissinger's typically belated warnings to Moscow's forays in the Free

World, the dynamics of Soviet Russian imperialism, as in part indicated by the list of its victims, will surely not be arrested by empty verbal threats or even our own type of sabre-rattling.

Considering present trends and the confused character and defects of our foreign policy, it would be worth your while to study this unforgettable list carefully, for it is inevitable by sheer historical process that more entities will be added in our time:

The Captive Nations—Who's Next?

Country, people, and year of Communist domination:

Country	Year
Armenia	1920
Azerbaijan	1920
Byelorussia	1920
Cossackia	1920
Georgia	1920
Idel-Ural	1920
North Caucasia	1920
Ukraine	1920
Far Eastern Republic	1922
Turkestan	1922
Mongolia	1924
Estonia	1940
Latvia	1940
Lithuania	1940
Albania	1946
Bulgaria	1946
Yugoslavia (Serbs, Croats, Slovenians, etc.)	1946
Poland	1947
Romania	1947
Czecho-Slovakia	1948
North Korea	1948
Hungary	1949
East Germany	1949
Mainland China	1949
Tibet	1951
North Vietnam	1954
Cuba	1960
Cambodia	1975
South Vietnam	1975
Laos	1975

Who's next? Angola? Thailand? Republic of China? South Korea? Rhodesia? So. Africa?

To the tune of an historical domino effect, the extension of this list within the short span of scarcely 60 years is phenomenal in itself. With perspective and sober reasoning, it would seem that by now a full understanding and analytic grasp of its mainsprings have been achieved in our national leadership. But as the few, selected examples cited earlier indicate, this is far from being the case. There is little appreciative knowledge of the very foundation of this captive cumulation, namely the numerous non-Russian nations within the USSR, and, as a consequence, no thought and attention are devoted to it in our active policy. Yet it is in this direction that a realistic alternative exists to our present self-defeating course of being confronted by one crisis situation after another on our side of the fifty yard line and deluding ourselves that this is the course of world peace.

Angola is the latest example of the endless-crisis course. Developments there are rapidly qualifying this highly resourceful and strategic area as another legitimate addition to the captive nations list. Employing traditional Russian techniques, Moscow has been at work in Angola for about ten years and with its Cuban proxy seized the opportunity to plant its power and influence in the region. Despite the promised and misleading withdrawal of Cuban troops, Angola stands to become the "Cuba of Africa," a base for all types of warfare in southern Africa. By all estimates, it could easily have been saved with foresight and preparations long before the two branches of our government began blaming each other for this critical loss. It should not be overlooked that our rapproachment movement toward Cuba did not deter Havana from playing its role for Moscow. The South African Minister of Foreign Affairs, Dr. Hilgard Muller, accurately interpreted this latest success of Soviet Russian global play in these words: "The Angolan crisis was a struggle of both white and black Africans against Russian and Cuban imperialists. . . . If the people of Angola elected a Marxist or Communist government, it was their right. It was, however, a totally different matter if a foreign power intervened with force." Again, the typically belated Kissinger tour to Africa and his idealized expressions will add only further fuel for Moscow's political warfare operations in the area, directed in time at South Africa itself.

Throughout the Far East an overhanging apprehension exists as to our national will to resist communist imperialism and our sense of morality to meet commitments. Evincing the same apprehension, CENTO members meeting in London were recently assured by the Secretary of State that ""The United States will stand by its friends." Our friends and some of our best allies in South Korea, the Republic of China, Thailand, the Philippines and elsewhere are not so sure. They all recognize that our defeat in Southeast Asia was a political and not a military one, and they rightly wonder whether more political blunders will be committed. Critical to this question of general confidence in the entire region is our future relationship with Taiwan. Aside from the strategic values of the Republic of China to our national interest and in spite of all the pro and con arguments bearing on "further normalizing our relations with Peking," the basic truth is that a severance of diplomatic relations with Taipei would be a prime and dishonorable example of how not to stand by one of our most loyal friends.

At a time when Free World confidence in our leadership and word is at a low ebb, there is every reason to reinforce it by plainly upholding principle and our close bond with the Republic of China. An unprincipled and imprudent severance in diplomatic relations with it would only deepen this lack of full confidence. Literally to sacrifice Taiwan in order to appease Peiping's arbitrary demand would not only not normalize our relations with a basically unstable regime but also abnormalize our relations with every friend in Asia. Such a rupture in diplomatic ties would mean a psychological blow to the free Chinese with damaging reverberations not only on the island but also throughout Asia, including the forces of anti-communism on mainland China. Proponents for the recognition of Peiping have yet to offer a sound case rebutting these fundamental considerations. Contrary to prevailing myth, it was not former President Nixon or Dr. Kissinger who opened the way for our relations with Peiping but rather the Red Chinese themselves. Efforts along these lines were known in the intelligence community in the summer of 1968. Plainly, in view of this and if the Peiping regime dreads so deeply the threat of Soviet Russian imperalism, to which it constantly refers as "social imperialism," these constitute additional, substantial reasons for us not to accede to its arbitrary demand. In the case of one divided nation we blundered badly, and three once-free entities joined the list of captive nations. Similar blunders on the basis of speculation and political miscalculation concerning the divided Chinese nation will result in the extension of the list.

SOUTH AFRICA: WHERE ARE YOU GOING?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, a concerned constituent of mine in the 13th Congressional District of Michigan recently sent me an article which he felt should be shared with every Member of Congress. It is a timely article, written by the world renowned novelist Alan Paton, on the situation in South Africa, where institutionalized racism, in the form of apartheid, still fluorishes.

My constituent, Mr. Frank Coleman, felt it was an article that "dares to tell it like it is." In accordance with his request, and because I feel the material is of special value to my colleagues, I would like to include in the RECORD this article, which appeared in the June 24, 1976, Detroit Free Press:

SOUTH AFRICANS IN CRISIS: IMMORAL SYSTEM TO BLAME

(By Alan Paton)

JOHANNESBURG.—South Africa: Where are you going? This question is not original. It was first used, if I remember rightly, by Prof. B. B. Keet of the Stellenbosch Seminary, more than 20 years ago.

The flood of racial legislation of the new National Party government appalled him, and he wrote it down.

The laws were to him a denial of the Christian religion, which he took seriously. This did not make him popular, but he did not write for popularity. He wrote for justice and righteousness, and he wrote for us too, us, all the people of South Africa.

I am not writing for all the people of South Africa. I am writing for its white people. White people cannot write for black people any more. Yet in a way, I too am writing for us all.

What do we, the white people of South Africa, after that week of desolation, do first?

The first thing we do is to repent of our wickedness, of our arrogance, of our complacency, of our blindness.

There has been much evil in Soweto. The killing of Dr. Melville Edelstein, friend and servant of Soweto, was evil, the killing of Hector Peterson, 13-year-old schoolboy, was evil. The burning of schools, creches (nurseries), clinics, shops, universities was evil. The hatred, for whatever the cause, was evil.

And behind all this evil stand we, the white people of South Africa. The tsotsis (thugs) are evil, but we made them. They are the outcasts of our affluent society. And unless we can understand our guilt, we shall never understand anything at all.

The compulsory teaching through the medium of Africans (the language of the white descendants of Dutch settlers) is the immediate cause. But the deeper cause is the whole pattern of discriminatory laws.

Who are the agitators? They are the discriminatory laws.

Who are the polarizing forces? They are the discriminatory laws.

It is fantastic that a minister should accuse anonymous polarizing forces. They are not anonymous, they can all be given names.

They are the Group Areas Act, the separate universities, the Mixed Marriages Act, the abolition of parliamentary representation for African and colored people and a dozen other laws.

That there are human agitators as well, no one can doubt. But their weapons are the discriminatory laws, the laws of apartheid.

Do you think that our immutable doctrine of the separation of the races has brought peace and concord to South Africa?

Do you as Christians believe that the poor should pay for the poor, that you should spend between 400 and 500 rands a year on the education of each white child, and between 30 and 40 rands on each black child?

Do you as Christians believe that white industry should be maintained at the cost of the integrity of black family life?

Do you believe that your separate universities have encouraged the growth of wholesome national identities, co-operating gladly with others in a multinational country?

Do you believe that you can move away from racial discrimination until you repeal discriminatory laws?

There are other questions, but these are enough.

The blame does not lie wholly with the Nationalist government. It lies with us all. The English-speaking people are also responsible.

But the greater portion of the blame, and the greater portion of the responsibility, lies with the National Party. They have the power. They are the ones who have exalted law and order above justice. And by law and order they mean that kind of law and order that keeps them in power.

I am not going to suggest what our rulers should do now. They are intelligent enough to know, even if they are at the moment psychologically incapacitated. I shall ask one question instead.

Right Honorable the Prime Minister, a great responsibility lies on you. But if you regard yourself as first and last an Afrikaner, you will not save our country. You will not even save Afrikanerdom.

You must be able to transcend your racial origins in a time of crisis, such as this undoubtedly is. Instead of declaring that you are determined to maintain law and order, could you not assure us that you are determined to find out—without pre-judgment—why law and order have broken down, and to put the wrong things right?

After repentance comes amendment of life.

QUINCY COMMEMORATES THE BICENTENNIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, Americans throughout this country celebrated our Nation's Bicentennial in many different places and in many different ways. Yet everywhere there was a sense of exuberance and joy, as we both honored the Nation's founders and looked eagerly ahead to our future.

I spent the July Fourth holiday with my friends in Massachusetts 11th Congressional District. While the many events I attended all joined together to form a truly memorable weekend, I would like to share one event, in particular, with my colleagues.

On Sunday evening, July Fourth, I joined with over 400 of my Quincy neighbors for a Bicentennial ecumenical service. Held on the steps of the Church of Presidents in Quincy, the day marked the Bicentennial and the 150th anniversary of the death of President John Adams, who is buried beneath the portico of the church. The service was sponsored by Quincy Heritage and the Quincy Clerical Association and was conducted by city leaders and clergymen representing the many denominations of the city.

The service was both a solemn and joyous occasion, following the advice of John Adams who wrote:

This day of July, 1776, will be the most memorable epoch in the history of America. I am apt to believe that it will be celebrated by succeeding generations as the great anniversary festival. It ought to be commemorated as the day of deliverance, by solemn acts of devotion to God Almighty. It ought to be solemnized with pomp and parade, with shows, games, sports, guns, bells, bonfires and illuminations, from one end of this continent to the other, from this time forward forevermore.

It was indeed an evening I will long remember.

A brief history of religion in the city of Quincy appeared in the program book for the Bicentennial ecumenical service. Mr. Speaker, I would like to share this history with you, along with the Patriot Ledger newspaper article detailing the events of the day:

RELIGION IN QUINCY

The religious history of Quincy has been a record of peace and tolerance since the controversy which accompanied the early settlement here. For almost a century a single church served the needs of the community. That church, now the First Parish Church, Unitarian, still lives. Its present and fourth house of worship, dedicated November 12, 1828, is a national shrine; for here lie the mortal remains of Quincy's two famous sons, Presidents of the United States, John Adams and John Quincy Adams, and their wives, Abigail (Smith) Adams and Louisa Catherine (Johnson) Adams.

As early as 1689, there was in Old Braintree a little body of Church of England communicants. The Reverend John Hancock noted in his Century Sermons of 1739: "The Church of England in this place, within the compass of forty years, have had several missionaries from the society in London for propagating the Gospel, besides occasional preaching, but they soon returned." In 1727, the Church of England established what is now Christ Church, in a location on School Street adjacent to the old Episcopal Cemetery, not far from the site of its present house of worship. Christ Church is the oldest Episcopal parish in Massachusetts, and, with the exception of Trinity Church in Newport, Rhode Island, is the oldest in all New England.

One hundred and five years later, in 1832, another church was organized in Quincy, the Evangelical, now Bethany Congregational Church. Its first house of worship, dedicated August 20, 1834, stood at the corner of the present Revere Road and Hancock Street. The present edifice of the Bethany Congregational Church is located at the junction of Coddington and Spear Streets, Quincy Center.

The opening of the granite quarries brought many Catholics to West Quincy. In 1826, Father Pendergast called at the Adams Old House upon the President of the United States to inquire concerning the Catholics of Quincy. President Adams through John Kirk (an Irishman in his employ for many years) spread the news that "the Priest had come." Confessions were heard that night. Early the following morning the first Mass in Quincy was celebrated in the so called "Long House," which then stood near the brook on Adams Street at the junction of the present Furnace Brook Parkway. (Quincy Monitor, May 1886.)

For almost forty years the Catholics of Quincy were obliged to walk to Boston on Sunday to hear Mass, unless a Missionary priest visited the town. During the years of 1839 to 1842, occasional Masses were celebrated in the old West District schoolhouse by Father T. Fitzsimmons of South Boston.

The first Catholic parish in Quincy, Saint Mary's in West Quincy, the Mother Church of the South Shore, consecrated by the Right Reverend Bishop Fenwick, September 18, 1842, included the towns of Milton, Braintree, Randolph, Stoughton, Weymouth, Hingham, Cohasset, Scituate, Abington, and along the South Shore to Plymouth.

The first Jewish people in Quincy settled in South Quincy in 1888. Soon they banded together and founded a small Synagogue on Water Street. In 1903, Ahavath Achim (Brotherly Love) Synagogue was dedicated.

As immigrants came to Quincy to work in the granite industry and later in the shipyard, they brought with them the liturgies of their forebears. Thus were founded the Evangelical and Lutheran churches of the Swedish and Finnish people, and two Presbyterian congregations which retained the traditions of the Free and Established churches of Scotland.

When Quincy grew rapidly in the early part of this century, Roman Catholic and Protestant churches multiplied. Seven Congregational churches and nine Roman Catholic parishes found themselves side by side with Baptists, Methodists, the Salvation Army, a second Episcopal church, and other religious groups.

The founding of Eastern Nazarene College brought not only the church associated with the college, but two smaller congregations in Germantown and South Quincy.

Synagogues also increased to three in number.

Founded in 1961, St. Catherine's Greek Orthodox Church in Wollaston serves Eastern Orthodox constituents in a large area south of Boston.

The Islamic Center of New England, located on South Street, was founded in 1964 by members of the Moslem community, many of whom had come to the South Shore area at the turn of the century from Lebanon, Syria and other Near Eastern lands. As its name implies, the Center brings together people from the Greater Boston area—and beyond.

The "establishment" of some of the early churches, which gave them a special relationship to town and state government, was ended in Massachusetts in 1824. Since then, all religious groups have shared alike the blessing and encouragement of government through tax exemption and the free opportunity to propagate their faith. In turn, these "families of faith" have nurtured young and old in the moral basis for a cooperative society, and have provided most of the leadership for the founding and support of private and public institutions serving the poor, the ill and the aged. Friendly attitudes and a unity of social ideals have marked their cooperation with each other.

Uniting in the South Shore Council of Churches and in the Quincy Clerical Association, the churches and their leaders have engaged in ecumenical activities which have brought people together to share their varied insights and religious experience.

Today, two hundred years after the founding of America, the religious groups in Quincy continue to open their doors to the inquiring and aspiring, the needy and lonely, and to all who would join with their neighbors in making this "nation under God" a mighty force for good in His hands.

FOUR HUNDRED AT ECUMENICAL SERVICE IN CHURCH OF PRESIDENTS

QUINCY.—About 400 persons attended an ecumenical service at the Church of the Presidents Sunday marking the bicentennial and the 150th anniversary of the death of President John Adams.

Mayor Joseph J. LaRaia opened the service reading from a letter John Adams wrote to his wife, saying, "This day of July 1776, . . . ought to be solemnized with pomp and parade, with shows, games, sports, guns, bells, bonfires, and illuminations, from one end of this continent to the other, from this time forward forevermore."

Congressman James A. Burke read a message from President Gerald Ford, in remem-

brance of the 150th anniversary of the death of John Adams.

A wreath, given by the city was placed on the tomb of John Adams under the portico of the church, by Mayor LaRaia and Rev. Keith Munson, pastor of the church.

Clergymen representing many denominations in the city, including Rabbi David J. Jacobs, of Temple Beth El; Rev. William R. Heinrich, pastor of First Church of Squantum; Dr. Mazammil Si-diqi of the Imam Islamic Center of New England; Rev. Cornelius J. Heery, pastor of Sacred Heart Church, North Quincy, Rev. John Banks, pastor of Bethany Congregational Church; and Rev. Kallisto Samaras, pastor of St. Catherine's Greek Orthodox Church, Wollaston, participated.

A choir, directed by Gale Harrison, and composed of people from various congregations, sang religious and patriotic hymns.

REPORT ON EARNED INCOME CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, In March 1975 the Tax Reduction Act established the earned income credit, a valuable tax benefit for millions of low-income taxpayers. Under the law, anyone who had adjusted gross income less than $8,000, was head of household, and claimed a dependent, was eligible to claim a credit of up to $400.

This credit was available not only as a credit against taxes, but, in cases where no taxes were owed, as a refund or bonus. In a very real way, the earned income credit is a "negative income tax" experiment which, if successful, could form a basis for a major revision and simplification of the Nation's welfare mess. If the earned income credit can successfully provide funds on a graduated basis to the working poor, it could eventually be expanded to eliminate billions of dollars in welfare administrative costs, duplicative welfare programs, and areas of potential fraud and erroneous payments inherent in present programs.

If, on the other hand, the IRS is unable to administer adequately the earned income credit and if low-income individuals are unable to understand the program or are unaware of its availability, then we will have to reconsider the eventual feasibility of negative income tax programs as a replacement for our current chaotic quiltwork of degrading welfare programs.

Therefore, it is very important to know how successful the IRS and other Government agencies were in making known the earned income credit.

To obtain the credit, the individuals have to file a tax return. The Internal Revenue Service estimated that at least 3 million taxpayers who fell below the withholding tax scale and were not required to file tax returns were eligible for the earned income credit in 1976. Moreover, a countless number of other low-income taxpayers who have been entitled to tax refunds in past years regularly have not filed tax returns. As we approached the 1976 tax filing season, I became concerned that many low-income nonfiling taxpayers would fail to claim this credit, and thereby lose up to $400 of this "work bonus" from the Government.

We are faced with a similar problem this year. The earned income credit has been retained in the Tax Reform Act as passed by the House and as reported by the Senate Finance Committee and currently pending before the Senate. It is my hope that this year, through a combined effort of the Internal Revenue Service, Federal and State agencies, community organizations and the Congress, we can develop a truly effective publicity program to reach the millions of taxpayers who might be eligible for the credit.

Last November, the Oversight Subcommittee, of which I am chairman, reviewed the IRS publicity materials that had been prepared to date to alert taxpayers about the earned income credit. I was dismayed to discover that IRS had planned few, if any, promotional materials that were aimed directly at low-income taxpayers. Other Federal and State agencies who do regularly provide services and benefits to indigent families were expecting the IRS to publicize and administer the credit, and had initiated no publicity programs. The Government had created an important, unique tax benefit but had failed to inform taxpayers about its existence.

On November 20, 1975, we scheduled the first of a series of meetings on publicity of the earned income credit. Our goal was to provide input to IRS to enable them to develop an effective outreach program. Participants were representatives from interested community organizations who already had experience in working with low-income individuals and families and who overwhelmingly supported the need for a special publicity effort to reach the target population. The following list of recommendations for publicity were proposed and submitted to the IRS for consideration:

First. News releases, stuffers, fliers and publicity materials should be made available in Spanish and possibly other languages;

Second. Stuffers, fliers and other publicity items, whenever possible, should be very simply worded and uncluttered in appearance. Organizations and service groups who were working with low-income individuals in communities could be helpful in drafting appropriate language;

Third. Volunteer agencies and organizations should be approached for their support and assistance in distributing publicity materials and disseminating information;

Fourth. It was recommended that there be established in each district office, regional office, and/or service center a specialist in earned income credit whose function would be publicized and to whom all questions and problems with earned income credit could be referred;

Fifth. IRS should publicize the earned income credit in publications that were regularly used by organizations which worked with low-income families;

Sixth. IRS could notify and enlist the aid of 501(c)(3) organizations which were organized for charitable purposes;

Seventh. In direct mailings to target groups, the IRS letterhead should be omitted from all stuffers and other mailings, as well as from envelopes containing these mailings, so as not to alarm those taxpayers who were already in some degree frightened by taxes and tax collectors;

Eighth. There should be a warning against unscrupulous tax preparers who could, unknown to the taxpayer, charge a percentage of a large refund;

Ninth. It was essential that the Commissioner's office formulate a policy before the advent of the filing season outlining the manner in which IRS proposed to handle those taxpayers who had been entitled to tax refunds in past years but who had failed to file tax returns. Low-income taxpayers needed to be reassured that they could claim the earned income credit without prosecution; and

Tenth. Finally, it was proposed that there be included with benefit payments that were mailed out by Federal agencies an informational stuffer explaining the earned income credit.

Several of these proposals were self-evident and could be implemented easily; others were innovative and unique. On December 11, 1975, we again invited the IRS to come before the subcommittee, this time to describe what kind of projects and programs had been planned as a result of our earlier meeting.

In the 3 weeks that had lapsed since that meeting, IRS had developed publication 884, entitled the "Earned Income Credit Kit," which provided information on the credit to enable interested groups and organizations to assist in the publicity campaign. The publication included promotional materials—a one-page detachable and reproducible flier, a short informational stuffer that organizations could insert into their own mailings, copies of sample press releases and radio/television spots and a copy of a poster that could be obtained free of charge from the IRS. In addition, the kit contained a sample earned income credit lesson with practice exercises, designed for staffs of social service organizations who assist low-income taxpayers in preparation of tax returns.

The "Earned Income Credit Kit" was a fine effort by the IRS in responding promptly and efficiently to an immediate problem. The Commissioner's attention to the matter demonstrated a concern for low-income taxpayers, as well as a sincere attempt to implement many of the proposals generated by the public and the Congress. We in turn assisted the IRS in distribution of publicity materials by contacting hundreds of community and public service organizations, Federal agencies, and congressional offices to enlist their assistance with publicity of the credit. Although this eleventh-hour mass publicity effort managed to reach millions of low-income taxpayers to alert them about the existence of the earned income credit, it is my hope that we can learn from last year's experience and attempt to jointly develop an even more far-reaching publicity program this year.

At the meeting of December 11, we also invited representatives from Federal agencies which administer Aid to Families With Dependent Children—AFDC—

food stamp, medicaid, veterans, supplemental security income—SSI—and social security benefits. We theorized that these agencies, who are in the business of providing services to low-income individuals and families, already had access to, and were working with, a substantial segment of the target population which the earned income credit was designed to assist. At that meeting, these large Federal agencies pledged their support and assistance in publicizing the earned income credit; more specifically, the Departments of HEW, Agriculture, and Labor promised to include an informational "stuffer" in regular benefit mailings of AFDC, food stamp, and unemployment security checks.

I am pleased to report that, by the end of the 1976 filing season, the IRS had distributed 1,517,000 "stuffer" notices to HEW for use in AFDC payments, 3,808,000 notices for use in food stamp mailings, and 6,776,000 notices for inclusion in unemployment security checks. In addition, the Federal agencies which were contacted were helpful in displaying IRS earned income credit posters, distributing the kits to State and local offices, and providing information about the credit in in-house publications. Problems remained: agencies complained about unexplainable delays in receiving orders of IRS publicity materials, and Oversight Subcommittee staff discovered communication breakdowns between Federal and State agency offices. However, the agencies are to be congratulated in rallying enthusiasm and assistance for this most worthwhile project. With earlier and more thorough planning, I hope that we can expect a better system for disseminating IRS publicity materials as well as continued agency cooperation.

We have received data from the Internal Revenue Service which indicates that as of May 28, 1976, a total of 5,533,032 earned income credits, totaling $1,128,953,512.31 and averaging $204, had been issued. This represents 7 percent of the 77,067,000 returns processed as of that date. However, in the President's 1977 budget, a total of $1,500 million was estimated for payment of the earned income credit—this breaks down into two components: The earned income credit was estimated to reduce taxes owed because of this credit by $300 million, and to increase payments in excess of tax liabilities otherwise owed by $1,200 million. Furthermore, as of May 29, 1976, the IRS reported that it had received returns from 346,691 new filers—defined as those who had no tax liability and would not have filed but for the earned income credit—although 3 million new filers had been projected.

Based on this data, my fear is that despite our efforts last winter, we have failed to alert millions of low-income taxpayers about the availability of the credit and the need to file a tax return to qualify for it. This fear has been partially substantiated by IRS's experience with "CP-32 EIC Notices." These notices were sent by the IRS Service Centers to taxpayers who appeared to qualify for an earned income credit but had not claimed it on their return, in order to request certain information which did not appear on the face of the return but was necessary to determine EIC eligibility. The IRS computed the earned income credit for the taxpayer on the basis of this information. The IRS initiated this procedure to insure that all filing taxpayers who qualified for the earned income credit did in fact receive it.

Data available at the end of May 1976 reveals that as of that date, 2,276,000 or 3 percent of the returns processed appeared eligible for the earned income credit and were sent CP-32 notices. As of May 28, a total of 1,185 million earned income credits had been issued as a result of information contained in the CP-32 notices; these credits, representing 21 percent of the 5,533 million earned income credits issued by the end of May 1976 were not originally claimed on the tax returns filed by the taxpayers. If 21 percent of the taxpayers that filed tax returns were not aware of the existence of the credit, we can assume that as many, if not more, taxpayers who did not file tax returns were likewise eligible. It is clear that we must make a concerted effort to provide better and more far-reaching publicity to contact this forgotten group.

It also seems appropriate to raise the issue of government costs incurred in processing CP-32 notices. The most recent data available indicates that of the 2.2 million CP-32's sent to taxpayers by the end of May, the IRS was receiving a response rate of 64 percent, or 1,493,000. Of this amount, 1.2 million CP-32's have been accepted and processed. At the end of January, the IRS reported that it was costing $3.67 to make an earned income credit adjustment. Later it was able to reduce this enormous cost to $0.70 by developing computer program refinements as the tax season progressed. It is now estimated that, to date, the total CP-32 project cost is $988,729, computed as follows: An average of 21 cents for each of 2.2 million CP-32 computer notices generated and mailed, or $433,288, plus an average of 36 cents for each of 1.5 million CP-32 responses processed by IRS, or 545,411.

It is my hope and belief that this $1 million administrative expense can be substantially reduced with more effective publicity. It seems evident that if taxpayers are notified about the availability of the credit and claim the credit directly on their tax returns, then most of the CP-32 costs can be eliminated.

This year, we are again faced with a formidable task—to develop an outreach program that will make the earned income credit available to millions of low-income taxpayers who have earned it. It is essential that we begin early to contact public service groups and governmental agencies to draw on their experience and expertise in working with the target population. The Oversight Subcommittee has recently mailed a questionnaire to State welfare administrators and to a sample of community organizations to gather information concerning the administration of the earned income credit during the 1976 filing season. I hope that this feedback will allow us to make significant improvements and to correct past mistakes.

The Oversight Subcommittee has scheduled a hearing on July 28, 1976, at 1 p.m. in B-316 of the Rayburn House Office Building with representatives from the Internal Revenue Service, other Federal agencies and public service organizations. Our objective will be to begin to develop an effective multiagency outreach effort for notifying taxpayers about the availability of the earned income credit during the 1977 filing season. All those interested in this important project are most welcome to attend.

MEXICO, ZIONISM, AND THE FREE PRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 15 minutes.

Ms. ABZUG. Mr. Speaker, many Americans and others throughout the world were shocked and dismayed last year when Mexico voted in favor of a United Nations resolution equating Zionism with racism. Inside Mexico, one of the strongest voices raised in opposition to the vote was that of the newspaper Excelsior.

As the result of this and other antigovernment positions, Excelsior has been the subject of government-inspired harassment and sabotage that has brought the paper to its knees and destroyed its status as a major independent voice. A day or so ago, I received a most moving letter from Armando Vargas, announcing his resignation as chief correspondent of Excelsior, explaining his reasons, and enclosing various newsclippings about the fall of Excelsior.

The actions of the Mexican Government in this case, like its actions in the related case of the U.N. resolution on Zionism, deserve the condemnation of free people everywhere and bode ill for Mexico's future as a democracy.

I include at this point Señor Vargas' letter and the attachments thereto:

EXCELSIOR,
Washington, D.C., July 13, 1976.

Hon. BELLA S. ABZUG,
House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR MS. ABZUG: This letter has the purpose of informing you that as of this date I have resigned from my position as Chief Correspondent of Mexico's daily newspaper, *Excelsior*. The attached clippings speak for themselves.

On July 8, 1976, the freedom of the press as well as the dignity and integrity of hundreds of professional journalists suffered a devastating blow when the strongest, most prominent, and most influential newspaper of the country was stabbed in the back by the Government of Mexico.

The liberal editors, who for the last eight years have been trying to expand both the freedom of information and of opinion, were betrayed by a minority of conservative workers who succeeded in manipulating a number of the workers on the production staff. This minority, encouraged and supported by the Government of Mexico, the official political party of Mexico, and with the undeniable blessing of the President of Mexico, were only the perpetrators of a crime which implies enormous and terrible consequences for the Mexican social and political systems.

The eminent poet, Octavio Paz, who until that ill-fated day was the editor of *Plural*,

the monthly literary magazine published by *Excelsior*, told me—"The transformation of *Excelsior* into a loudspeaker for the applause and eulogies to the powerful is a signal that the authoritarian shadow of darkness, already covering most of our Latin America, is advancing upon Mexico."

I was in Mexico from Wednesday, July 8, through Sunday, July 11. I lived through those tragic events. I remained with my colleagues and friends, witnessing the murder of a newspaper which up until then had been a proud example of what a free journalistic institution should be.

I refuse to be used as a legitimizer of this crime against freedom. I have a family. I am in a foreign country. I have no fortune. But dignity, integrity, and solidarity are concepts in which I believe as strongly as I despise their perversions.

Today I proudly join the ranks of the millions of unemployed, along with hundreds of my dear colleagues—editors, reporters, foreign correspondents, columnists, and photographers—who live and abide by the same principles and values which are cherished by any person who truly believes in freedom and democracy.

Sincerely,

ARMANDO A. VARGAS.

[From the Washington Post, July 14, 1976]

THE MAN WHO KILLED EXCELSIOR

President Luis Echeverria Alvarez of Mexico has chosen a strange way to call attention to his final months in power. He has just managed to liquidate his country's one important independent center of political criticism, the newspaper Excelsior. According to reports from Mexico City, he is personally behind the crude economic pressures and the nasty strongarm tactics which resulted in the ouster of Excelsior's editor, Julio Scherer, and some 200 of his leading staffers. About the only major question still in dispute in this episode is whether President Echeverria acted out of hostility to the newspaper's tangy criticism of some, not all, of his policies, or whether he acted—equally squalidly—to advance his new financial interest in a competing newspaper group.

This is not just another Third World situation in which a tinpot dictator seeks to close out alternative institutions and ideas. For Mexico is no ordinary Third World state. It is a country which, for all its economic disparities, has sustained a sophisticated "Western" intellectual and political life. The plain proof lies in the publication of a newspaper like Excelsior—the old Excelsior—and in the stability of a system which allows for the orderly rotation of political power. At the top, at least, Mexico has benefitted enormously in terms of political dialogue and self-image alike, from cultivating this tradition: It has been a valuable substitute for a two-party system. Mexico has only one party and it has been a source of cultural vitality. In the past, Mr. Echeverria himself has contributed importantly to it. As he prepares to step down, does he really want to be remembered as the man who killed Ecelsior?

[From the New York Times, July 13, 1976]

MEXICO'S NEW PRESIDENT

José López Portillo has, as expected, been elected overwhelmingly as the new President of Mexico to succeed Luis Echeverría Alvarez next Dec. 1. It would miss the point to emphasize the obvious: Mr. López Portillo was the only official candidate and his triumph was a foregone conclusion.

More important, in Mexico's unique circumstances, is the fact that he spent many months campaigning throughout the country, selling himself as though he had immediate opposition and seeking to get a feeling for the nation's problems as seen from the grass roots. One result of his intensive effort may have been his success in reversing the hitherto rising trend of abstention from voting, which had previously suggested a growing alienation of the citizenry from Mexico's ruling Institutional Revolutionary Party.

Mexico's basic long-term problem, with which Mr. López Portillo will have to struggle, is the population explosion. Here is a classic case of a nation whose death rate has been reduced sharply by modern advances in public health and medicine while its birth rate continues extraordinarily high. The result is a rate of natural increase sufficient to double the population every 20 to 25 years.

The corollary of that rapid population growth is a nation that has an extraordinarily large percentage of children and adolescents, as well as increasing numbers of young people coming of age annually and requiring jobs whose availability cannot be increased as rapidly as the growth in population. The result is a huge rate of unemployment and grinding poverty in much of the nation's rural areas as well as in the extensive and rapidly increasing urban slums.

In these conditions the surprise is not that there have been signs of political dissidence, as in the student explosion of 1968, but that the ruling party has been able to retain as much stability as it has.

President Echeverría rode the stormy waves of Mexican political life the past few years by appropriating as his own the symbols of radicalism, loudly proclaiming his devotion to the third world and his advocacy of a basic redistribution of the world's wealth between the haves and the have-nots.

Useful as this political rhetoric may have been to him, its negative result was to scare off potential foreign investors as well as to frighten Mexican entrepreneurs. Yet large-scale and rapidly increasing capital investment is badly needed if Mexico is to have the jobs, the housing, the public utilities and the other essentials required to give its growing population even a minimally satisfactory standard of living.

The challenge facing Mr. López Portillo when he takes over the presidency is to exhibit the political skill essential to contain the nation's internal tensions, while making possible the more rapid economic development required to meet the Mexican people's material needs.

. . . LOSES A FREE PRESS

President Echeverría's term has only a few more months to go; but his Government has just taken a fateful step whose consequences could be felt long after he is out of office. That step is the silencing of the most important independent journalistic voice of Mexico, the newspaper Excelsior. The paper itself continues to appear; but all that made it fresh, interesting and valuable in a democratic society has vanished to be replaced by conformist attitudes that would never have had a chance in the previous, genuine Excelsior.

The manner in which this journalistic coup d'état was carried out is particularly disturbing. For months a propaganda campaign was directed against Excelsior. Government-tolerated—and almost certainly Government-encouraged—squatters were permitted to seize a large and valuable tract of land the newspaper owned. Then, almost immediately after the presidential election, a well-financed rebellion was organized within the paper's staff to create a situation in which the editors risked armed conflict if they sought to carry out their normal duties.

The editors bowed to the threat of force and quit their employment. The bully boys of Lenin in 1917 or of Hitler in 1933 could not have done a more efficient job of enslaving a once proud and free newspaper. But this act of totalitarian suppression discredits those who now boast of Mexico's stability and democracy; while it presents a moral challenge of the first magnitude to President Echeverría's elected successor.

[From the Washington Post, July 11, 1976]

COUP AT MEXICAN PAPER SMOTHERS PROMINENT VOICE OF DISSENT

(By Marlise Simons)

MEXICO CITY, July 10.—The dramatic conservative palace in Mexico's leading independent newspaper, Excelsior, has stunned the country's political and intellectual circles since it has, in effect, smothered Mexico's main critical forum.

The surprise is all the greater since there is overwhelming evidence that the reform-minded government of President Luis Echeverria itself engineered the removal of Excelsior's liberal editor and his senior assistants.

The move came only four days after Mexico's voters approved Jose Lopez Portillo as their new president in an uncontested election July 4. Lopez Portillo, Echeverria's hand-picked successor, takes office Dec. 1.

Over the past five years, Echeverria has frequently encouraged "constructive criticism" by the press and just last week he noted that greater freedom of expression was one of his administration's main accomplishments.

Only Excelsior and its three magazines, however, took full advantage of the relaxation of traditional controls and constantly sought to extend the boundaries of press freedom.

Not only did its younger reporters delve into previously ignored social problems, but its editorial writers and independent columnists also began criticizing the government's economic policies often with a directness unknown here for more than five decades.

Under the leadership of the now-deposed editor, Julio Scherer, 50, the newspaper gained a reputation as one of the most prestigious publications in Latin America as it attracted the country's leading intellectuals to write on its pages and even poet Octavio Paz to edit its literary magazine.

Its daring liberal view of domestic affairs and its frequent anti-Americanism also angered local and foreign businessmen and bankers to the point that they organized an advertising boycott against the newspaper in 1972. Among supporters of the boycott, which was abandoned as unsuccessful in changing Excelsior's policies after four months, were such U.S. companies as General Motors and Sears Roebuck.

For most of the past five years, Excelsior's Christian Democrat policies concurred with the government's own rhetoric on the abuses of over-concentrated wealth and the need for drastic social change.

On many issues considered taboo, however, Excelsior also attacked the government, noting for example that it had repressed independent union activity, that it was unwisely sustaining an over-valued currency and that it had failed to produce a much-promised report explaining the violent deaths of 30 students in June 1971.

Last fall, the administration became angered by Excelsior's criticism of its handling of foreign policy, particularly on the issues of Spain's execution of several Basque terrorists, which the administration condemned, and of Mexico's support for a U.N. resolution equating Zionism with racism. The resignation of Foreign Minister Emilio Rabasa last December was directly related by observers to Excelsior's attack.

Since then, a broad propaganda offensive has been launched against Excelsior in the country's media, with growing evidence of government involvement in the campaign. One official was even quoted as complaining that "we gave you press freedom and now look what you do."

At first, Excelsior did not recognize the attacks as the first skirmishes of a battle for its editorial independence. Even after a 215-acre property owned by the newspaper was invaded by a group led by a government politican June 10, Excelsior withheld an

open denunciation of the campaign for fear of exacerbating the situation on the eve of the general elections.

Then, a small group of conservative reporters, led by the editor of Excelsior's afternoon edition, Regino Diaz Redondo, began agitating among printers and arguing that Scherer and his group were threatening the survival of the newspaper.

This week, when it became known privately that Diaz Redondo was coordinating his campaign with senior officials of the Interior Ministry and that he had ample funds with which to assure cooperative members' votes, Excelsior executives finally realized that the government was fully determined to oust Scherer and his group.

The night before the decisive meeting of the paper's members on Thursday, the right-wing group took over the presses and forcibly prevented publication of a full-page advertisement signed by 50 leading intellectuals giving their support to Scherer and denouncing the campaign against freedom of expression.

After the dissidents held their minority assembly and voted the suspension of the editor and six other senior staff members, more than 200 reporters and photographers joined Scherer in walking out rather than face a violent battle for physical control of the editor's office. The rebels, so the management said, had brought in outside aid for the takeover.

Excelsior executives are linking the government's efforts to weaken the paper's political strength to the formation of a massive new newspaper group three months ago. At that time the daily El Sol was bought from the government and the El Universal group was bought from its previous owners. Industry sources maintain that one of the principal shareholders of the new group—known as the Mexican Editorial Organization—is President Echeverria.

[From the New York Times, July 11, 1976]

MEXICAN EDITORS ARE DEPOSED

The editor and senior staff members of Excelsior, Mexico's most liberal and independent newspaper, have been abruptly removed by conservative employees, possibly with tacit Government support. The editors fled the paper's offices rather than risk a confrontation with the other group, some of whom were said to be armed.

Under the deposed editor, Julio Scherer Garcia, Excelsior had pursued an editorial policy urging social reforms at home and a more independent policy abroad. That was generally in line with the policies of the outgoing Mexican President, Luis Echeverria Alvarez, but in recent months the paper and the Government have been in conflict over such matters as Mexico's support for a United Nations resolution equating Zionism with racism.

Most analysts suggested that it was to curb this independence that last week's action was taken. But others linked the action to the growth of a newspaper group, the Mexican Editorial Organization, which is partly owned by Mr. Echeverria and close aides. The weakening of Excelsior would presumably improve the competitive position of the new press empire's 37 papers.

[From the New York Times, July 10, 1976]

PAPER IN MEXICO ENDS LIBERAL TONE—CONSERVATIVE VIEW APPEARS FOLLOWING EDITOR'S OUSTER

(By Allen Riding)

MEXICO CITY, July 9.—Excelsior, the independent newspaper that was seized yesterday by its conservative employees, appeared today with its traditionally liberal view of Mexican affairs replaced by a conservative outlook.

The conservative dissidents, who last night ousted the editor of the newspaper cooperative, Julio Scherer Garcia, and some 200 of his top staff, were apparently encouraged and assisted in their move by the Government of President Luis Echevarria Alvarez.

In a long editorial today, the new leaders of Excelsior said they would continue to inform the people of Mexico "with truth and independence." They added that "the decision taken by the editorial policies we should adopt."

Nevertheless, the ousting of Mr. Scherer and his liberal associates is equivalent to the silencing of independent opinion in Mexico since Excelsior offered the only forum for serious analysis of the country's problems and for criticism of the Government's performance.

It is now expected that none of the intellectuals and political commentators who have written regularly in Excelsior over the past eight years will be published by the conservatists.

Octavio Paz, the poet, has resigned as editor of Excelsior's literary monthly, Plural, in protest of Mr. Scherer's removal.

The columnists who wrote on today's editorial page were either unknown or using pseudonyms, but all reflected a more conservative position. One writer called for a truce between Excelsior and the huge television empire, Televisa, that had joined the campaign against the former editor.

NO CLEAR EXPLANATION

The dramatic events of yesterday afternoon, when Mr. Scherer and his aides abandoned the Excelsior building for fear of a violent confrontation with the rebels, came as a shock to many Mexicans. They seemed unaware of the seriousness of the six-month propaganda campaign against Excelsior in newspapers and on radio and television.

Many Government officials expressed dismay at the silencing of the newspaper's liberal editors, saying that Excelsior was the only daily that brought life and interest to Mexican journalism. Most newspapers here are run by conservative families that use their publications to promote their business interests. They are therefore careful to avoid clashes with the Government.

The reasons behind the ousting of Mr. Scherer are still not entirely clear, although evidence of the Government's involvement appears to be overwhelming.

In Mexico, a propaganda campaign of the kind directed against Excelsior generally takes place only with the approval of the Government.

The campaign was accompanied by the occupation of property owned by Excelsior by a group of squatters led by Humberto Serrano, a recently elected member of Parliament representing the governing Institutional Revolutionary Party. He said the occupation would end only on Mr. Scherer's removal

In addition, the Attorney General, Pedro Ojeda Paullada, was quoted as having said that he could order the eviction of the occupiers only on what turned out to be the day after the rebellion at Excelsior.

POLICE FAIL TO ARRIVE

During yesterday's events, when the dissidents decided to take the editor's office by force and a gun-battle was feared, Mr. Scherer called for police protection. After one hour, the police protection had not arrived and the editor was forced to leave the building.

President Echeverria, who is due to hand over power to former Finance Minister Jose Lopez Portillo on Dec. 1, has frequently stated that one of the principal achievements of his Government has been to strengthen freedom of expression.

However some Mexican analysts who formerly wrote for Excelsior have suggested that Mr. Echeverria simply became irritated with Excelsior's frequent questioning and criticism of his Administration's economic and foreign policies. They also felt that, by encouraging a change in Excelsior's editorial policy, he might be forestalling further attacks on his performance after he leaves office.

But other Mexican analysts believe yesterday's events are linked to the recent acquisition of a 37-member newspaper chain by a new group which includes Mr. Echeverria among its principal shareholders.

These analysts said that the newspaper group, which is called the Mexican Editorial Organization, and includes the Mexico City dailies El Sol and El Universal, will provide Mr. Echeverria with his principal power base after December.

By weakening Excelsior both politically and economically—its current circulation of 170,000 per day is expected to drop sharply in coming weeks—industry sources believe the new group should assume a relatively greater role in Mexican politics.

[From the Washington Post, July 10, 1976]

MEXICAN EDITORS DRIVEN OUT

MEXICO CITY.—A mutiny in Mexico's leading, independent newspaper appeared to have succeeded yesterday as liberal editors and managers were ousted and conservative rebels produced their own version of Excelsior.

The conservative leader of the rebellion, now acting editor, Regino Diaz Redondo, said the newspaper would remain independent, and critical "for the benefit of the country, but in a human and elegant way."

The editor, Julio Scherer Garcia, and top staff of the newspaper abandoned the Excelsior building Thursday night in face of strong threats of violence provoked by the rebels. Staff members have accused the government of supporting the takeover in order to silence its criticism.

The editors said that even if they had stayed in the building, the paralysis of the presses by the rebels would have made their work impossible.

Excelsior is a cooperative and the ousted majority called for a new assembly July 21. But the Diaz Redondo group said it will refuse to participate, claiming the take over was supported by two thirds of the membership.

UNWISE VETO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, recently the President saw fit to veto the widely acclaimed $3.95 billion public works employment bill. With good reason, newspapers all across the Nation have editorialized in favor of a veto override. Particularly persuasive is an editorial which appeared in the July 8 edition of the New York Times. I commend it to my colleagues:

UNWISE VETO

Though urged by Republican mayors around the country to sign it, President Ford has vetoed the $3.95 billion public works employment bill and denounced it as an effort by the Democratic majority in Congress to enact "empty promises and give-away programs." The bill would lead, Mr. Ford asserts, to "larger deficits, higher taxes, higher inflation and, ultimately, higher unemployment."

This is a heavy load of denunciation to be laid on this legislation aimed at creating

more jobs, when the unemployment rate has gone back up to 7.5 percent, with more than seven million Americans out of work. The bill is not a massive boondoggle; it represents less than 1 percent of the total Federal budget and less than one-fourth of one percent of anticipated gross national product in 1977.

Mr. Ford says the bill's scaled-down size from the $6 billion public works jobs bill he vetoed in February is irrelevant, contending that "bad policy is bad whether the inflation price tag is $4 billion or $6 billion."

Obviously—indeed, simplistically—any appropriation can be denounced as inflationary, including the $101 billion defense outlay (an $8 billion increase over fiscal 1976) that the President has proposed for the current fiscal year. The real question, however, is whether the budget as a whole, in terms of outlays, taxes and deficit, is inflationary—or insufficiently stimulative—and whether particular outlays represent a constructive use of the public's money.

Congress has not acted irresponsibly on the budget as a whole or on this particular public works employment bill. The proposed $4 billion public works bill falls within the Congressional budget resolution of $413 billion for fiscal 1977. That spending total, given anticipated revenues of $363 billion, would result in a $50 billion budget deficit. This is a more realistic budget than President Ford has proposed and would bring down unemployment sooner without worsening inflation.

The President wants to limit outlays to $394 billion—a figure that would involve real slashes in virtually every social program, while only defense and energy outlays would rise. Such a budget ceiling would in fact be deflationary or depressive; Mr. Ford has sought to ward off that danger by proposing a further $10 billion tax cut. He still recommends a $43 billion budget deficit, with higher Social Security and unemployment taxes making up some of the difference.

The President has thus sought to further his right-wing philosophy—and his campaign not only against the Democrats but against Governor Reagan—by this unwise veto.

The $4 billion public works bill would help the hard-pressed cities. It would create jobs for the unemployed; even if the President were right and Congress wrong in predicting that the bill would create only 160,000 rather than 300,000 jobs, these would help absorb many laid-off construction workers, and the counter-cyclical revenue-sharing to cities and states would save the threatened jobs of many policemen, firemen and other municipal workers. The bill would also provide needed funds for facilities to prevent water pollution.

The targeting of public expenditures to help the cities, the construction industry and the unemployed makes sense during this period of slow recovery from the serious 1973-75 recession. Congress ought to pass the public works jobs bill over the President's veto.

MAKING PUBLIC NAMES OF PURCHASERS OF GOLD HELD BY INTERNATIONAL MONETARY FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, last week I sent a letter to Secretary of the Treasury William Simon asking him to make public the names of the purchasers of gold held by the International Monetary Fund. The text of that letter is printed below.

The first gold auction was held on June 2 and the second on July 14 of this year. At each auction 780,000 ounces of gold were sold to buyers whose identities have been scrupulously concealed by the International Monetary Fund. Now, information has reached my office that would indicate that some of the purchasers of the gold are central banks, which are legally barred from making such purchases. But the blackout on the names of the purchasers prohibits any investigation of these allegations. Only the insiders of the IMF know who purchased the gold, and they are not telling.

As a Governor of the International Monetary Fund, Secretary Simon is privy to the information on the identity of the gold purchasers. I certainly hope that he will make known the list of the gold purchasers in the near future. If there is no illegality involved I see no reason why the names of the purchasers should not be released at the earliest possible moment. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 12, 1976.

Secretary WILLIAM E. SIMON,
Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: When the International Monetary Fund Trust Fund offered 780,000 ounces of gold for sale on June 2, it was decided that the identity of the purchasers of the gold would be kept secret.

Recently, however, disturbing news reports have reached my office that certain central banks—which are legally barred from purchasing the I.M.F. gold—did actually purchase some gold in the June 2 auction. In most cases, the purchases were laundered, according to the information I have received, but the transactions could still be traced.

Before I make my list public I would like you to clarify this matter. I would appreciate it very much if you, as a Governor of the International Monetary Fund, could send me a complete list of the gold purchasers as soon as possible. The possibility that there was some illegal trading done cannot be investigated unless the names of the purchasers are made public. When transactions of this magnitude occur involving public funds, it is essential that the public be aware of the identity of the parties to the transactions.

Sincerely,

RON PAUL,
Member of Congress.

MARIO GALLUZZO: ONE PROUD AMERICAN

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, appreciation is often dulled by familiarity. We often fail to see the wonders around us because we see them too often and take them for granted. It is only when they are brought to our attention through undulled eyes that we pause to think, to consider.

The eyes of Mario Galluzzo are not dull. The eyes of Mario Galluzzo have never been dull. They are as bright today as they were 53 years ago in his native Tuscany when he ran away to sea at the age of 11.

I mention Mr. Galluzzo today because in this Bicentennial Year, his eyes can help the rest of us see the wonders around us.

Mario Galluzzo is the proprietor of a fine restaurant in Syracuse, N.Y. His unabashed patriotism and enthusiasm are as infectious and as stirring and natural as the feelings of neighborliness which were evident in our national birthday celebration 2 weeks ago.

Let me mention briefly some background of this citizen who symbolizes so well the spirit of America in 1976.

At an early age, Mario learned quickly that running away to sea was not all romantic. He worked for years on a transatlantic steamship, 17 hours a day for $10 per month.

On his first trip to New York, a shipmate said to him, "Mario, this is the greatest country in the world!" "I'll never forget that moment steaming into New York Harbor," says Mario today.

In 1931 he met his future wife Ann on board ship and decided immediately to leave the ship and marry her, settling in her home town of Buffalo, N.Y.

His first job in America was as a bus boy in Lorenzo's Buffalo Restaurant. The hardwork and training of the cruise ship resulted in rapid promotion to waiter, maitre d' and finally general manager. When Lorenzo's opened in Syracuse, Mario was sent to be the manager. Ten years ago Mario's own "Piccolo Bistro" opened to the public and is today a thriving restaurant.

On June 27 of this year, Mario Galluzzo held an open house for many public officials and office holders in his area to express his thanks to America for all it had done for him.

Last week, Mr. Speaker, this Nation marked its 200th birthday with a kind of openeyed sincerity and plain gratitude which cut through layers of sophistication to surprise us all.

That has always been Mario Galluzzo's attitude. Since coming here in the mid-thirties, there has been a patriotic glow in Mario's heart which has survived all the slick cynicism of recent years. It is a simple trust in the system as Mario refers to the Constitution and its implementation in our Federal and State governments. A trust based on 40 years of working within the system and seeing it, at first hand, protect the rights of a young immigrant allowing him to grasp the opportunity which the system had promised.

That is what Mario has seen. And it is through his eyes that we are able to see beneath the superficiality and negativism surrounding us, to the essentials of our heritage—maximum individual freedom and the right to make the most of it—with hard work and faith in the system, we can see what Mario sees.

EAST SYRACUSE BANDSMEN SERENADE WASHINGTON

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, amid the flow and fury of activities at the Capital during this busy Bicentennial Year many events take place without fanfare and wide attention. One of the most noticed visitations to our side of the Capital, however, is the shiny brass and waving flags which mark the arrival of a band from one or another city or village somewhere across America.

Some come from nearby towns and have had the experience of a visit to the splendor of Washington many times. For some—probably many more young people—this is their first trip to their Nation's Capital; their first thrill at the sights which many here take for granted much of the time. For some this may well be the only time they will ever be able to come to the seat of their national Government, to see its institutions and the work they do, to admire the grandeur of the marble and glass buildings which house the agencies and arms of government which touch the lives of every citizen.

It is likewise our brief opportunity to share the exuberance of youth as the excitement of adventuresome travel blends with the awe of our Capital's beauty. It is our pleasure, too, to hear the polished performances which many days and weeks of rehearsal have shaped into a memorable concert for Washington's residents and visitors.

Mr. Speaker, it is just such an occasion and experience which we had the pleasure to recognize when the East Syracuse Middle School Fife and Drum Corps came to Washington for 2 wonderful days in May.

As with so many groups of young bandmen, the story behind their trip would make even the most callous heart twinge with admiration at the resolution and determination of the fundraising efforts and arrangements that had to be made for such an event.

Led by the corps director, Jim De Luca, who has been for some time the guiding force behind the projects associated with the band, the 110 young people who comprise the corps decided they wanted to come to Washington to take part in the Bicentennial. They knew that such a wish could only be fulfilled if they made it come true and their own hard work, and they did.

A candy cane sale, spaghetti supper, and personal donations from many parents and public-spirited citizens raised much of the money needed to pay the passage of the band and its instruments and chaperones to Washington.

The enthusiasm and determination of the bandsmen was infectious. Once the plan became widely known in East Syracuse, the community responded with an open heart. The American Legion, the Lions Club, the Rotary Club, the Knights of Columbus, the Kiwanis Club—all pitched in to help make this trip possible. In all, over $6,000 was raised through gifts and work projects to allow those sixth, seventh, and eighth graders to play in Washington.

But the story is not just that of the trip here. It is the story of providing activity for young people on a year round basis. An activity which is wholesome and educational and character building. For the creative child who can express himself or herself through music and through group activity is on the way to realizing a well-rounded personal development. For each student who involves him- or herself in such a program the rewards of personal satisfaction and group activity are life-long remembrances. For many young people such an activity, over and above the opportunity to travel, is a turning point in their lives.

The East Syracuse Fife and Drum Corps has graduated almost 450 bandsmen in its brief existence. There is no real way to tell who and how the experiences of being a part of that band made a better and more secure individual. But, like the band in the hit Broadway play and smash movie, the Music Man, the fife and drum corps from East Syracuse follows the lure of Prof. Harold Hill's magic call to musical excellence and personal fulfillment.

As I noted earlier, Mr. Speaker, the story behind the presence of these bandsmen often goes unnoticed by those who see and hear them. What to many here in Washington is a kaleidoscope of sound and color, for those who are a part of the pageantry is the single most exciting event of their young lives.

It is a proudful moment when the teachers and parents of these youngsters, those who had the concern and determination to see that the corps did get to make this trip, when these adults who wished them well and safe journey gathered back at the school parking lot to pick up the bandsmen. They could not help but notice the added maturity and wiser gleam in the eyes of youngsters back from a supreme adventure. The look of children who are really growing up.

Thank you for this time, Mr. Speaker, to share with our colleagues some observations about this great musical group. I wish them continued good luck in all their future plans as fife and drum corps members and as the future generation of leaders for our country.

DR. MANOLO REYES WELCOMES NEW CITIZENS AT JULY 4TH CEREMONY IN MIAMI BEACH

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, 1 year ago, on July 4, 1975, Dr. Manolo Reyes, a refugee of Castro's Communist Cuba and an outspoken newscaster at WTVJ-TV, Miami, Fla., attained his American citizenship. Dr. Reyes is a staunch defender of American ideals and principles and a vigorous critic of the Castro regime. His expert knowledge on affairs within Cuba have led me to invite him to testify on several occasions before the Subcommittee on International Political and Military Affairs on Soviet military activities in Cuba.

On the occasion of our Nation's Bicentennial celebration, more than 7,000 individuals were sworn in as new Americans in naturalization ceremonies held at the Miami Beach Convention Hall. The occasion also marked Dr. Reyes' first anniversary as a citizen and he gave a most moving and inspiring speech to the assembly. I call Dr. Reyes' remarks to the attention of our colleagues and feel certain that they will be as moved as I was when I heard it.

THANK YOU AMERICA

(By Dr. Manolo Reyes)

One year ago . . . after being sworn in as a new citizen of the United States . . . I came to this podium and delivered the Acceptance Speech for all those who—like me—were beginning a new road toward the fulfillment of our ideals.—Today I welcome YOU to a new life. A new life that has been possible for all of you because in a day like today . . . 200 years ago . . . a group of idealists faced an impossible dream at that time: To forge a new Nation! . . . But a firm will always wins when it is put to serve a true cause. Today that impossible dream is a reality, basically in all and each one of you.—You are going to be part . . . an essential part . . . of this country, leader of the world, starting today when you are making history! And you can do it—thanks to those who . . . through the years—since the arrival of the Pilgrims . . . came from all parts of the globe settling here to begin a new life.

Many of you who are going to be sworn in today . . . know what it is to have your own country—and lose it.—Many of you know what it is to have freedom and become enslaved. . . . God and the American people have given you today a new opportunity.—I am sure that in many of you, there is a big fervor in your heart . . . flames in your soul like it was felt by the forefathers of this country in 1776, in their quest for freedom.

Look back and see how many lives, sorrow and suffering has been invested in this nation . . . so today you can officialy become citizens of the United States.

Let us be worthy of their sacrifices!

Let us hope that the generations that are not yet born, and for which we are working now . . . in fifty or a hundred years . . . will be as proud as we are today from those that 200 years ago . . . forged ahead . . . an impossible dream!

Let us be the new blood of America!

Let us work . . . all together . . . to maintain and defend our heritage of freedom . . . in this nation . . . and throughout the world!

And to America . . . watching today this historical renewal and rebirth . . . our blessings . . . our prayers . . . our everlasting efforts . . . and from the bottom of our hearts—OUR THANKS!

EXPLANATION OF RULE ON H.R. 8911

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, I take this occasion to advise my Democratic colleagues that the Committee on Ways and Means has requested a hearing before the Committee on Rules for a modified open rule on H.R. 8911, a bill to amend title XVI of the Social Security Act to make needed improvements in the program of supplemental security income benefits.

Under the rule which will be requested, amendments would have to be germane, and would have to be printed in the CONGRESSIONAL RECORD at least 48 hours

prior to the time the bill is scheduled to be considered on the floor of the House. For example, if the bill should be scheduled for consideration on a Tuesday, all amendments would have to be placed in the RECORD not later than the preceding Friday night. It will be further requested that the rule provide for 2 hours of general debate, to be equally divided, and for the usual motion to recommit.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. VANDER JAGT (at the request of Mr. RHODES), for today, on account of illness.

Mr. FOUNTAIN (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. HELSTOSKI (at the request of Mr. O'NEILL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HANSEN) and to revise and extend their remarks and include extraneous matter:)

Mr. DERWINSKI, for 5 minutes, today.
Mr. PEYSER, for 30 minutes, today.
Mr. MILLER of Ohio, for 10 minutes, today.
Mr. PAUL, for 5 minutes, today.

(The following Members (at the request of Mr. PATTISON of New York) to revise and extend their remarks and to include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. REUSS, for 30 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. DIGGS, for 5 minutes, today.
Mr. BURKE of Massachusetts, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Ms. ABZUG, for 15 minutes, today.
Mr. O'NEILL, for 10 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HANSEN) and to include extraneous matter:)

Mr. FORSYTHE.
Mr. MCKINNEY.
Mr. YOUNG of Florida in five instances.
Mr. RINALDO in two instances.
Mr. CONABLE.
Mr. KETCHUM.
Mr. CONTE.
Mr. DERWINSKI in seven instances.
Mr. GILMAN.
Mr. HEINZ.
Mr. WHITEHURST.
Mr. ABDNOR.
Mr. RHODES.
Mr. MILLER of Ohio in three instances.

(The following Members (at the request of Mr. PATTISON of New York) and to include extraneous matter:)

Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. SISK.
Mrs. LLOYD of Tennessee in five instances.
Mr. BROWN of California in 10 instances.
Mr. JOHN L. BURTON in two instances.
Mr. KRUEGER.
Mr. EDWARDS of California in two instances.
Mr. CARNEY.
Mr. DE LA GARZA in 10 instances.
Mr. ROSENTHAL in 10 instances.
Mr. DANIELSON in five instances.
Mr. BYRON.
Mr. MOTTL.
Mr. BURKE of Massachusetts.
Mr. SIMON.
Mr. MILLER of California.
Mr. DOWNEY of New York.
Mrs. CHISHOLM.
Mr. ROBERTS.
Mrs. SCHROEDER.
Mr. GREEN in 10 instances.
Ms. ABZUG in five instances.
Mr. BINGHAM in 10 instances.
Mr. YATRON.
Mr. WAXMAN in two instances.
Mr. VANIK.
Mr. RANGEL in two instances.
Mr. MATSUNAGA.
Mr. ASPIN in 10 instances.
Mr. HAWKINS.
Mr. VANDER VEEN.
Mr. FISHER in 10 instances.
Mr. O'NEILL.
Mr. ROSTENKOWSKI.
Mr. CHARLES WILSON of Texas in five instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 800. An act to amend chapter 7, title 5, United States Code, with respect to procedure for judicial review of certain administrative agency action, and for other purposes; to the Committee on the Judiciary.

S. 2125. An act to provide for the issuance and administration of permits for commercial outdoor recreation facilities and services on public domain national forest lands, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1404. An act to authorize the Secretary of the Interior to convey certain lands in Madera County, Calif., to Mrs. Lucille Jones, and for other purposes;

H.R. 4829. An act for the relief of Leah Maureen Anderson;

H.R. 6066. An act for the relief of Won, Hyo-Yun;

H.R. 10572. An act to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments;

H.R. 10930. An act to repeal section 610 of the Agricultural Act of 1970 pertaining to the use of Commodity Credit Corporation funds for research and promotion and to amend section 7(e) of the Cotton Research and Promotion Act to provide for an additional assessment and for reimbursement of certain expenses incurred by the Secretary of Agriculture;

H.R. 13069. An act to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands;

H.R. 13501. An act to extend or remove certain time limitations and make other administrative improvements in the medicare program under title XVIII of the Social Security Act;

H.R. 14235. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1977, and for other purposes; and

H.R. 14484. An act to make permanent the existing temporary authority for reimbursement of States for interim assistance payments under title XVI of the Social Security Act, to extend for one year the eligibility of supplemental security income recipients for food stamps, and to extend for one year the period during which payments may be made to States for child support collection services under part D of title IV of such act.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to authorize appropriations, to require the establishment of a special motor vehicle diagnostic inspection demonstration project, to provide additional authority for enforcing prohibitions against motor vehicle odometer tampering, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following title:

On July 2, 1976:

H.R. 10451. An act to amend title 37, United States Code, relating to special pay for nuclear qualified officers, and for other purposes;

H.R. 12438. An act to authorize appropriations during the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve of each component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

H.R. 13899. An act to delay the effective date of certain proposed amendments to the Federal Rules of Criminal Procedure and certain other rules promulgated by the U.S. Supreme Court;

H.R. 14239. An act making appropriations for the Department of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending September 30, 1977, and for other purposes; and

H.R. 14261. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 20, 1977, and for other purposes.

On July 6, 1976:

H.R. 1404. An act to authorize the Secretary of the Interior to convey certain lands in Madera County, Calif., to Mrs. Lucille Jones, and for other purposes;

H.R. 4829. An act for the relief of Leah Maureen Anderson;

H.R. 5666. An act for the relief of Won, Hyo-Yun;

H.R. 10672. An act to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments;

H.R. 10930. An act to repeal section 610 of the Agricultural Act of 1970 pertaining to the use of Commodity Credit Corporation funds for research and promotion and to amend section 7(e) of the Cotton Research and Promotion Act to provide for an additional assessment and for reimbursement of certain expenses incurred by the Secretary of Agriculture;

H.R. 13069. An act to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands;

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H.R. 14484. An act to make permanent the existing temporary authority for reimbursement of States for interim assistance payments under title XVI of the Social Security Act, to extend for one year the eligibility of supplemental security incomes recipients for food stamps, and to extend for one year the period for child support collection services under part D of title IV of such Act.

ADJOURNMENT

Mr. PATTISON of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 20, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3591. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles and services to Kenya (transmittal No. 76-56), pursuant to section 36 (b) of the Arms Export Control Act, to the Committee on International Relations.

3592. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Iran (transmittal No. 76-59), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

3593. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense services to Iran (transmittal No. 76-60), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

3594. A letter from the President of the United States, transmitting notice of his intention to exercise his authority under section 614(a) of the Foreign Assistance Act of 1961, as amended, to waive the restriction of section 620(m) of the act as it applies to security assistance to Spain for fiscal year 1976, pursuant to section 652 of the act (H. Doc. No. 94-549); to the Committee on International Relations and ordered to be printed.

3595. A letter from the President of the United States, transmitting proposed substitute language to correct constitutional and practical problems contained in S. 495, the Watergate Reorganization and Reform Act of 1976, currently pending before the Senate (H. Doc No 94-550); jointly, to the Committees on the Judiciary, Rules, and Standards of Office Conduct and ordered to be printed.

3596. A letter from the Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 309 of the Consolidated Farm and Rural Development Act to remove the dollar limitation imposed on the amount of unsold loans which may be held in the Agricultural Credit Insurance Fund at any one time; to the Committee on Agriculture.

3597. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of July 1, 1976, pursuant to section 1014(e) of Public Law 93-344 (H. Doc. No. 94-551); to the Committee on Appropriations and ordered to be printed.

3598. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a supplemental summary of the fiscal year 1977 budget, pursuant to section 201 of the Budget and Accounting Act of 1921, as amended [31 U.S.C. 11(b)] (H. Doc. No. 94-552); to the Committee on Appropriations and ordered to be printed.

3599. A letter from the Secretary of Defense, transmitting reports of 10 violations of the Anti-Deficiency Act, pursuant to section 3679(i)(2) of the Revised Statutes; to the Committee on Appropriations.

3600. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report covering the third quarter for fiscal year 1976 on the disposal of surplus military supplies, equipment, material, and the production of lumber and timber products, pursuant to section 712 of Public Law 94-212; to the Committee on Appropriations.

3601. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 5 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury; to the Committee on Banking, Currency and Housing.

3602. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to repeal the requirements that the amount of U.S. notes outstanding at any time remain fixed; to the Committee on Banking, Currency and Housing.

3603. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 1-137, to provide a period of 20 days in which to eliminate deficiencies in vehicles rejected at inspection by the Department of Transportation, pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

3604. A letter from the District of Columbia Auditors, transmitting a report on the publication of the D.C. Register, pursuant to section 455 of Public Law 93-198; to the Committee on the District of Columbia.

3605. A letter from the Assistant Secretary of Agriculture, transmitting the final reports on the evaluation of the special supplemental food program for women, infants, and children, required by section 17(e) of the Child Nutrition Act of 1966, as amended; to the Committee on Education and Labor.

3606. A letter from the Assistant Secretary of Agriculture, transmitting the fifth annual report of the National Advisory Council on Child Nutrition, pursuant to 84 Stat. 213; to the Committee on Education and Labor.

3607. A letter from the Secretary of Labor, transmitting the second annual report on the Department of Labor's administration of the black lung program under section 415 (part B) and part C, title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, pursuant to section 426(b) of the act; to the Committee on Education and Labor.

3608. A letter from the National Director, Federal Mediation and Conciliation Service, transmitting the annual report of the Service for fiscal year 1974, pursuant to section 202(c) of the Labor Management Relations Act, 1947 [29 U.S.C. 172(c)]; to the Committee on Education and Labor.

3609. A letter from the Director, National Commission for Manpower Policy, transmitting the eighth special report of the Commission, entitled "The Quest for a National Manpower Policy Framework"; to the Committee on Education and Labor.

3610. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final regulations for Domestic Mining and Mineral and Mineral Fuel Conservation Fellowships, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3611. A letter from the Acting Director, Office of Regulatory Review, Department of Health, Education, and Welfare, transmitting proposed final regulations for special community service and continuing education projects—fiscal year 1976 funding priorities, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

3612. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations contained in the 1975 annual report of the National Advisory Council on the Education of Disadvantaged Children, dated March 31, 1975, and actions taken thereon, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

3613. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed change in the system of records of the Department, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3614. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed change in the Department of the Army's system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3615. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of September 5, 1962, to authorize the acquisition of land for the Edison National Historic Site in the State of New Jersey, and for other purposes; to the Committee on Interior and Insular Affairs.

3616. A letter from the Chairman, Indian Claims Commission, transmitting the final

determination of the Commission in docket No. 249, *The Choctaw Nation, Plaintiff*, v. *The United States of America, Defendant*, pursuant to 60 Stat. 1055, 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

3617. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 76-18, waiving the regional ceiling on foreign military assistance for African countries for fiscal year 1976, pursuant to section 33(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

3618. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112(b) of Public Law 92-403; to the Committee on International Relations.

3619. A letter from the Chairman, Development Coordination Committee, transmitting the 1976 annual report of the committee on U.S. actions affecting the development of low-income countries and on the impact of those undertakings upon the national income, employment, wages, and working conditions in the United States, pursuant to section 640B of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

3620. A letter from the Administrator, Federal Energy Administration, transmitting a report on market shares of distillate fuel oil and residual fuel oil in 1975 by refiner-marketers and independent marketers, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

3621. A letter from the Administrator, Federal Energy Administration, transmitting a report on changes in market shares of retail gasoline marketers during February and March 1976, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973, to the Committee on Interstate and Foreign Commerce.

3622. A letter from the President, Communications Satellite Corporation, transmitting the corporation's 13th annual report, pursuant to section 404(b) of the Communications Satellite Act of 1962; to the Committee on Interstate and Foreign Commerce.

3623. A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 215, title 18, United States Code, receipt of commissions or gifts for procuring loans, to expand the institutions covered; to encompass indirect payments to bank officials; to make violation of the section a felony; and to specifically include offerors and givers of the proscribed payments; and for other purposes; to the Committee on the Judiciary.

3624. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third- and sixth-preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

3625. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.
partment of Justice, transmitting copies of orders suspending deportation under the au-

3626. A letter from the Commissioner, Immigration and Naturalization Service, De-thority of section 244(a)(1) of the Immigration and Nationality Act, together with a list of the persons involved, pursuant to section 244(c) of the act [8 U.S. 1254(c)]; to the Committee on the Judiciary.

3627. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(2) of the Immigration and Nationality Act, as amended, together with a list of the persons involved, pursuant to section 244(c) of the act [8 U.S.C. 1254(c)]; to the Committee on the Judiciary.

3628. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255b(c)] to the Committee on the Judiciary.

3629. A letter from the executive director, Reserve Officers Association of the United States, transmitting a report of the audit of the association for the year ended March 31, 1976, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

3630. A letter from the Secretary of Commerce, transmitting the annual report of the Maritime Administration for fiscal year 1975; to the Committee on Merchant Marine and Fisheries.

3631. A letter from the Secretary of Transportation, transmitting the second annual report on administrative adjudication of traffic infractions, pursuant to section 222 of the Highway Safety Act of 1973; to the Committee on Public Works and Transportation.

3632. A letter from the Secretary of Transportation, transmitting the second annual report on the driver education evaluation program, pursuant to section 226(a) of Public Law 93-87; to the Committee on Public Works and Transportation.

3633. A letter from the Assistant Secretary of the Treasury (Enforcement, Operations, and Tariff Affairs), transmitting a determination waiving the imposition of countervailing duties on imports of cheese from Norway for a temporary period not to extend beyond January 3, 1979, pursuant to section 303(e) of the Tariff Act of 1930, as amended (88 Stat. 2051) (H. Doc. No. 94-553); to the Committee on Ways and Means and ordered to be printed.

3634. A letter from the Assistant Secretary of the Treasury (Enforcement, Operation, and Tariff Affairs), transmitting a determination waiving the imposition of countervailing duties on imports of cheese from Finland for a temporary period not to extend beyond January 3, 1979, pursuant to section 303(e) of the Tariff Act of 1930, as amended (88 Stat. 2051) (H. Doc. No. 90-554); to the Committee on Ways and Means and ordered to be printed.

3635. A letter from the Assistant Secretary of the Treasury (Enforcement, Operations, and Tariff Affairs), transmitting a determination waiving the imposition of countervailing duties on imports of cheese from Sweden for a temporary period not to extend beyond January 3, 1979, pursuant to section 303(e) of the Tariff Act of 1930, as amended (88 Stat. 2051) (H. Doc. No. 94-555); to the Committee on Ways and Means and ordered to be printed.

3636. A letter from the Secretary of the Interior, transmitting a report on extending to onshore Federal energy leases the prohibition which now exists on joint bidding for Outer Continental Shelf oil and gas leases, pursuant to section 105(e) of Public Law 94-163; jointly, to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs.

3637. A letter from the Secretary of Health, Education, and Welfare, transmitting his annual report on public advisory committees operating under the Social Security Act, pursuant to section 1114(f) of the act; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

3638. A letter from the Chairman, Commission on Federal Paperwork, transmitting an interim report on paperwork involved in the occupational safety and health program; jointly, to the Committees on Government Operations, and Education and Labor.

RECEIVED FROM THE COMPTROLLER GENERAL

3639. A letter from the Comptroller General of the United States, transmitting his review of the proposed rescission of budget authority for the Office of Drug Abuse Policy contained in the message from the President dated July 1, 1976 (H. Doc. No. 94-452), pursuant to section 1014(b) of Public Law 94-344 (H. Doc. No. 94-556); to the Committee on Appropriations and ordered to be printed.

3640. A letter from the Comptroller General of the United States, transmitting notice of his intention to bring civil action to require the release of funds for the Health Services Administration's home health service projects which were proposed to be rescinded, on which Congress did not complete action during the statutory 45 days of continuous session which expired on March 19, 1976, and which have not been released by the Department of Health, Education, and Welfare, pursuant to section 1016 of Public Law 93-344 (H. Doc. No. 94-557); to the Committee on Appropriations and ordered to be printed.

3641. A letter from the Comptroller General of the United States, transmitting notice of his intention to bring civil action to require the release of funds for the operating subsidies program under section 212 of the Housing and Community Development Act of 1974, the de facto rescission of which he reported to Congress (H. Doc. No. 94-466), on which Congress did not complete action during the statutory 45 days of continuous session which expired on June 16, 1976, and which have not been released by the Department of Housing and Urban Development, pursuant to section 1016 of Public Law 93-344 (H. Doc. No. 94-558); to the Committee on Appropriations and ordered to be printed.

3642. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during June 1976, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

3643. A letter from the Comptroller General of the United States, transmitting a report on the potential for further cutbacks in Department of Defense top-management headquarters; jointly, to the Committees on Government Operations, and Armed Services.

3644. A letter from the Comptroller General of the United States, transmitting a report on the need for the Department of the Interior to develop a national nonfuel mineral policy; jointly, to the Committees on Government Operations, and Interior and Insular Affairs.

3645. A letter from the Comptroller General of the United States, transmitting a report on Federal control over new drug testing; jointly to the Committees on Government Operations, and Interstate and Foreign Commerce.

3646. A letter from the Comptroller General of the United States, transmitting a report on the emergency medical services system program; jointly to the Committees on Government Operations and Interstate and Foreign Commerce.

3647. A letter from the Comptroller General of the United States, transmitting a report on the economies available through consolidating or collecting Government land-based high-frequency communications facilities; jointly, to the Committees on Government

Operations, Interstate and Foreign Commerce, and Armed Services.

3648. A letter from the Comptroller General of the United States, transmitting a report on actions that can be taken to help improve the Nation's uranium picture; jointly, to the Committees on Government Operations, and the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, report of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on July 2, 1976 the following report was filed July 8, 1976*]

Mr. RODINO: Committee on the Judiciary. H.R. 9182. A bill to require the Federal Trade Commission, the Department of Justice, and the Department of Agriculture, to compile information and annually report to the Congress with respect to antitrust enforcement, market structure, and state of competition in the food industry, and for other purposes, with amendment (Rept. No. 94-1338). Referred to the Committee on the Whole House on the State of the Union.

[*Pursuant to the order of the House on June 29, 1976, the following reports were filed on July 13, 1976.*]

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 13218. A bill to permit the SS *United States* to be used as a floating hotel, and for other purposes; (Rept. No. 94-1339). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 13326. A bill to extend until November 1, 1983, the existing exemption of the steamboat *Delta Queen* from certain vessel laws; (Rept. No. 94-1340). Referred to the House Calendar.

[*Pursuant to the order of the House on June 29, 1976, the following report was filed on July 14, 1976.*]

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 14311. A bill establishing certain accounting standards relating to the Panama Canal Company; with an amendment (Rept. No. 94-1342). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on July 1, 1976, the following report was filed on July 14, 1976.*]

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14032. A bill to regulate commerce and protect health and the environment by requiring testing and necessary restrictions on certain chemical substances and mixtures, and for other purposes; with an amendment (Rept. No. 94-1341). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on July 2, 1976, the following report was filed on July 15, 1976.*]

Mr. SEIBERLING: Committee on the Judiciary. H.R. 13489. A bill to amend the Antitrust Civil Process Act to increase the effectiveness of discovery in civil antitrust investigations, and for other purposes; with an amendment (Rept. No. 94-1343). Referred to the Committee of the Whole House on the State of the Union.

[*Filed July 19, 1976*]

Mr. RODINO: Committee on the Judiciary. Supplemental report on H.R. 9182 with amendment (Rept. No. 94-1338, Pt. II). Referred to the Committee on the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 1142. A bill to amend the Internal Revenue Code of 1954 to provide for a distribution deduction for certain cemetery perpetual care fund trusts (Rept. No. 94-1344). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 7929. A bill relating to the deduction of interest on certain corporate indebtedness to acquire stock or assets of another corporation; with an amendment (Rept. No. 94-1345). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 3605. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); with an amendment (Rept. No. 94-1346). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Joint Committee on Atomic Energy. Report on Development, Use, and Control of Nuclear Energy for the Common Defense and Security and for Peaceful Purposes (Rept. No. 94-1347). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 13676. A bill to establish in the Energy Research and Development Administration an Energy Extension Service to oversee the development and administration of State plans for the development, demonstration, and analysis of energy conservation opportunities, and the development of programs to encourage the acceptance and adoption of energy conservation opportunities by energy consumers (Rept. No. 94-1348). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO (for himself, Mr. BADILLO, Mr. CARTER, Mr. DAVIS, Mr. FARY, Mr. GAYDOS, Mr. GRASSLEY, Mr. HAMMERSCHMIDT, Mr. MCFALL, Mr. MADDEN, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. MURPHY of Illinois, Mr. NOLAN, Mr. NIX, Mr. RINALDO, Mr. RODINO, and Mr. J. WILLIAM STANTON):

H.R. 14703. A bill to increase for a 5-year period the duty on certain hand tools, and for other purposes; to the Committee on Ways and Means.

By Mr. ARCHER (for himself, Mr. BURGENER, Mr. FRENZEL, Mr. KETCHUM, Mr. MCCOLLISTER, and Mr. MOORHEAD of California):

H.R. 14704. A bill to amend the Third Supplemental Appropriations Act, 1957, to provide that unexpended funds subject to disbursement by the Clerk of the House of Representatives shall be returned to the Treasury of the United States 4 months after the close of the fiscal year for which such funds are appropriated; to the Committee on Appropriations.

By Mr. ARCHER (for himself, Mr. BEVILL, Mr. BURGENER, Mr. CLEVELAND, Mr. CONTE, Mr. DAN DANIEL, Mr. DICKINSON, Mr. EDGAR, Mr. GRASSLEY, Mr. HYDE, Mr. KEMP, Mr. KETCHUM, Mr. LOTT, Mr. MOORHEAD of California, Mr. ROE, Mr. STEIGER of Arizona, Mr. TREEN, and Mr. ZEFERETTI):

H.R. 14705. A bill to amend title 5, United States Code, to exclude individuals who are not citizens of the United States from appointment in the competitive service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ASHLEY:

H.R. 14706. A bill to amend section 302 of the Communications Act of 1934 to authorize the Federal Communications Commission to prescribe regulations with respect to certain electronic equipment that is susceptible to radiofrequency energy interference; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN:

H.R. 14707. A bill to amend the Federal Power Act to provide for the reform of electric utility regulation by the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Massachusetts (for himself and Mr. CONTE):

H.R. 14708. A bill to amend the Social Security Act to authorize international agreements with respect to social security benefits; to the Committee on Ways and Means.

By Mr. PHILLIP BURTON (by request):

H.R. 14709. A bill to amend the Age Discrimination in Employment Act of 1967 to change the age limitation, and for other purposes; to the Committee on Education and Labor.

By Mr. PHILLIP BURTON:

H.R. 14710. A bill to amend title XX of the Social Security Act to provide for annual cost-of-living increases in the existing dollar limitation on the amount of Federal funds available for social services programs thereunder; to the Committee on Ways and Means.

H.R. 14711. A bill to amend title XX of the Social Security Act to provide that Federal funds for social services programs which are available for allotment but not used in any fiscal year shall be reallotted to States whose regular allotments of funds for such programs are insufficient to meet their needs; to the Committee on Ways and Means.

By Mr. DICKINSON:

H.R. 14712. A bill to authorize the Secretary of the Interior to assist in the preservation of the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the State of Alabama, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. EVANS of Colorado:

H.R. 14713. A bill to direct the Secretary of the Interior to amend the legal description of certain land conveyed by the United States in a land patent; to the Committee on Interior and Insular Affairs.

By Mr. FINDLEY (for himself, Mr. BOWEN, Mr. BRECKINRIDGE, Mr. FLOOD, Mr. GAYDOS, Mr. HAGEDORN, Mr. HUNGATE, Mr. MELCHER, Mr. RAILSBACK, Mr. SHIPLEY, and Mrs. SULLIVAN):

H.R. 14714. A bill to authorize the construction of a lock and dam project on the Mississippi River near Alton, Ill., to revoke authority for 12-foot channel studies on the upper Mississippi River and its tributaries, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FLORIO:

H.R. 14715. A bill to amend section 901(a) of the Education Amendments of 1972 to provide that such section shall not apply to events in which participation is limited to parents of either sex and their children of either sex; to the Committee on Education and Labor.

By Mr. HAMILTON:

H.R. 14716. A bill to establish a series of six regional Presidential primaries at which the public may express its preference for the nomination of an individual for election to the office of President of the United States; to the Committee on House Administration.

By Mr. JONES of Oklahoma:

H.R. 14717. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to allow a participant in a qualified employee savings

plan to use the nonforfeitable benefit accrued in such plan as security for a loan from a bank or insured credit union; jointly to the Committees on Education and Labor and Ways and Means.

By Ms. KEYS:

H.R. 14718. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself and Mr. FASCELL):

H.R. 14719. A bill to amend the Internal Revenue Code of 1954 to require the establishment of formal procedures and criteria for the selection of individual income tax returns for audit, to inform individuals of the reasons why their returns were selected for audit, and for other purposes; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 14720. A bill to modify the project for flood protection on the North Branch of the Susquehanna River, N.Y., and Pa., to authorize and direct the Secretary of the Army to relocate the village of Nelson, Pa.; to the Committee on Public Works and Transportation.

By Mr. MATSUNAGA (for himself and Mr. GILMAN):

H.R. 14721. A bill to amend the Social Security Act to provide for inclusion of the services of licensed (registered) nurses under medicare and medicaid; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself, Mr. ANDERSON of California, Ms. ABZUG, Mr. BEDELL, Mr. BINGHAM, Mr. PHILLIP BURTON, Mr. CARNEY, Mr. CORMAN, Mr. DOMINICK V. DANIELS, Mr. DELLUMS, Mr. DRINAN, Mr. EDGAR, Mr. HARRINGTON, Mr. HELSTOSKI, Ms. KEYS, Mr. KOCH, Mr. MOFFETT, Mr. MOORHEAD of Pennsylvania, Mr. OTTINGER, Mr. PEYSER, Mr. RIEGLE, Mr. SCHEUER, Mr. STARK, Mr. WEAVER, and Mr. ZEFERETTI):

H.R. 14722. A bill to amend the Older American Act of 1965 to provide a national meals-on-wheels program for the elderly, and for other purposes; to the Committee on Education and Labor.

By Mr. MOAKLEY:

H.R. 14723. A bill to amend title 18 of the United States Code to provide for the mandatory imprisonment of persons convicted of certain offenses relating to stolen automobiles; to the Committee on the Judiciary.

By Mr. MYERS of Indiana:

H.R. 14724. A bill to amend title 18, United States Code, to prohibit the transportation of stolen hogs and the sale or receipts of such hogs; to the Committee on the Judiciary.

By Mr. PEYSER:

H.R. 14725. A bill to amend the Antihijacking Act of 1974 to extend the protections afforded by that act to common carriers of passengers for hire, and for other purposes; jointly to the Committees on Public Works and Transportation, and Interstate and Foreign Commerce.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 14726. A bill to amend the Act of August 10, 1956, as amended; section 716 of title 10, United States Code; section 1006 of title 37 United States Code; and, sections 8501(1)(B) and 8521(1) of title 5, United States Code; jointly to the Committees on Armed Services, Merchant Marine and Fisheries, and Ways and Means.

By Mr. QUIE (by request):

H.R. 14727. A bill to amend and extend the program authorized by the Child Abuse Prevention and Treatment Act; to the Committee on Education and Labor.

By Mr. SIKES:

H.R. 14728. A bill to direct the Secretary of the Interior to convey certain real property of the United States to the city of Niceville, Fla., for use as a cemetery; to the Committee on Armed Services.

By Mr. SLACK:

H.R. 14729. A bill to amend the Federal Crop Insurance Act to extend crop insurance coverage under such act to all areas of the United States and to all agricultural commodities, and for other purposes; to the Committee on Agriculture.

By Mr. SIKES:

H.R. 14730. A bill to authorize the Secretary of the Army to place beach quality sand dredged as part of a navigation project on the adjacent beaches; to the Committee on Public Works and Transportation.

By Mrs. SULLIVAN (for herself, Mr. LEGGETT, Mr. FORSYTHE, Mr. DINGELL, Mr. ANDERSON of California, Mr. DE LA GARZA, Mr. BREAUX, and Mr. STUDDS):

H.R. 14731. A bill to amend the Marine Mammal Protection Act of 1972 to extend the authorization of appropriations for the continuation of administration and implementation; to the Committee on Merchant Marine and Fisheries.

By Mr. SIMON:

H.R. 14732. A bill to authorize and direct the Secretary of Agriculture to study the Shawnee Hills in the State of Illinois for possible designation as a national recreation area; to the Committee on Interior and Insular Affairs.

By Mrs. SPELLMAN (for herself, Mr. BADILLO, Mr. DOWNEY of New York, Mr. GUDE, Mr. HARKIN, Ms. HECKLER of Massachusetts, Mr. LA FALCE, Mr. MAGUIRE, Mr. MCHUGH, Mr. MCKINNEY, Mr. MIKVA, Mr. PATTERSON of California, Mr. RODINO, Mr. ROSE, Mr. STARK, Mr. WAXMAN, and Mr. WIRTH):

H.R. 14733. A bill to amend the Public Health Service Act to provide health care services for pregnant adolescents before and after childbirth; to the Committee on Interstate and Foreign Commerce.

By Mr. BRODHEAD:

H.J. Res. 1022. A resolution providing for the designation of the week beginning October 3, 1976, and ending October 9, 1976, as "National Gifted Children Week"; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON:

H.J. Res. 1023. A resolution to designate January 13, 1977 as "Religious Freedom Day"; to the Committee on Post Office and Civil Service.

By Mr. WHALEN (for himself, Mr. CARNEY, Mrs. CHISHOLM, Mr. CLEVELAND, Mr. CORNELL, Mr. DU PONT, Mr. GAYDOS, Mr. HELSTOSKI, Mrs. MEYNER, Mr. MURPHY of Illinois, Mr. MURPHY of New York, Mr. SCHEUER, Mr. SISK, Mr. STARK, Mr. STRATTON, Mr. TRAXLER, Mr. WAXMAN, and Mr. YOUNG of Florida):

H. Con. Res. 679. A resolution expressing the sense of the Congress in favor of eliminating the reduction in other Federal benefits which results when cost-of-living increases in social security benefits occur; to the Committee on Ways and Means.

By Mr. ARCHER (for himself, Mr. BROWN of Ohio, Mr. BURGENER, Mr. FRENZEL, Mr. KETCHUM, Mr. MCCOLLISTER, and Mr. MOORHEAD of California):

H. Res. 1404. A resolution to provide that expenditures from the contingent fund of the House of Representatives may be made only upon approval by the House of Representatives; to the Committee on House Administration.

By Mr. ARCHER (for himself, Mr. BROWN of Ohio, Mr. BURGENER, Mr. FRENZEL, Mr. KETCHUM, Mr. MCCOLLISTER, Mr. MANN, Mr. MOORHEAD of California, Mr. RINALDO, and Mr. TRAXLER):

H. Res. 1405. A resolution to provide that information provided to Members of the House of Representatives by the Clerk of the House of Representatives relating to certain expenses incurred by such Members shall be available for public inspection; to the Committee on House Administration.

By Mr. ARCHER (for himself, Mr. BURGENER, Mr. FRENZEL, Mr. MANN, Mr. MCCOLLISTER, and Mr. MOORHEAD of California):

H. Res. 1406. A resolution to provide that unexpended balances of the stationery allowances of Members of the House of Representatives shall be transferred to the contingent fund of the House of Representatives at the close of each Congress; to the Committee on House Administration.

By Mr. RINALDO:

H. Res. 1407. A resolution expressing the sense of the House of Representatives that Israel be commended for its rescue operation in Uganda; to the Committee on International Relations.

By Mr. SISK (for himself and Mr. HORTON):

H. Res. 1408. A resolution to provide for the further expenses of the investigations and studies to be conducted by the Select Committee on Professional Sports; to the Committee on House Administration.

By Mrs. SPELLMAN:

H. Res. 1409. A resolution relative to committee hearings on the Nation's future telecommunication policy; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

417. By the SPEAKER: A memorial of the House of Representatives of the State of Iowa, relative to Federal soil conservation funds; to the Committee on Agriculture.

418. Also, a memorial of the Legislature of the State of Michigan, relative to restoring the Congressional Medal of Honor to Doctor Mary Edwards Walker; to the Committee on Armed Services.

419. Also, a memorial of the Senate of the State of New York, relative to creation of a national commission to study the presidential nominating process; to the Committee on House Administration.

420. Also, a memorial of the Senate of the State of New York, relative to a national regional presidential primary system; to the Committee on House Administration.

421. Also, a memorial of the Senate of the State of New York, relative to creation of a northeast regional presidential primary; to the Committee on House Administration.

422. Also, a memorial of the Legislature of the State of California, relative to mining in the Los Padres National Forest; to the Committee on Interior and Insular Affairs.

423. Also, a memorial of the Legislature of the State of Arizona, relative to U.S. relations with the Republic of China; to the Committee on International Relations.

424. Also, a memorial of the Legislature of the State of California, relative to holding an international exposition at Ontario, Calif., in 1981; to the Committee on International Relations.

425. Also, a memorial of the Legislature of the State of California, relative to a presidential pardon for Iva Toguri d'Aqino; to the Committee on the Judiciary.

426. Also, a memorial of the Legislature of the State of Arizona, relative to postal service at Jerome, Ariz.; to the Committee on Post Office and Civil Service.

427. Also, a memorial of the Legislature of the State of Michigan, relative to amending section 404 of the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

428. Also, a memorial of the Senate of the State of New York, relative to the tariff treatment of certain imported clothing; to the Committee on Ways and Means.

429. Also, a memorial of the Legislature of the territory of Virgin Islands, relative to the Tax Reduction Act of 1975 and the Revenue Adjustment Act of 1975; to the Committee on Ways and Means.

430. Also, a memorial of the House of Representatives of the State of Florida, relative to condominium and cooperative housing laws; jointly, to the Committees on Banking, Currency and Housing, and the Judiciary.

431. Also, a memorial of the Legislature of the State of California, relative to whales; to the Committee on International Relations, and Ways and Means.

432. Also, a memorial of the Legislature of the State of California, relative to simplification of eligibility for welfare; jointly, to the Committees on Ways and Means, and Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H.R. 14734. A bill for the relief of Hea Chu Lobeck; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 14735. A bill for the relief of Luz A Ruiz de Vargas; to the Committee on the Judiciary.

H.R. 14736. A bill for the relief of Raul Domingo Santiago; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 14737. A bill for the relief of Mrs. Arlene S. Miller; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

510. By the SPEAKER: Petition of members of the Campus Federal Credit Union, Baton Rouge, La., relative to amending the Federal Credit Union Act; to the Committee on Banking, Currency and Housing.

511. Also, petition of Halliburton Services Employees' Federal Credit Union, Duncan, Okla., relative to amending the Federal Union Act; to the Committee on Banking, Currency and Housing.

512. Also, petition of the Fourth Northern Mariana Islands Legislature, Susupe, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to commemorative ceremonies of the signing of the Northern Marianas Covenant from April 21 and 22, 1976; to the Committee on Interior and Insular Affairs.

513. Also, petition of Fort Wadsworth Committee for a "Living National Park Memorial", Little Neck, N.Y., relative to establishing Fort Wadsworth as a Living National Park Memorial; to the Committee on Interior and Insular Affairs.

514. Also, petition of Gina Graham, Kentfield, Calif., and others, relative to South Africa; to the Committee on International Relations.

515. Also, petition of the Fourth Northern Mariana Islands Legislature, Susupe, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to amending the Immigration and Naturalization Act of the United States; to the Committee on the Judiciary.

516. Also, petition of Annemarie Renger, President, German Bundestag, Bonn, Germany, relative to commemorating U.S. independence; to the Committee on Post Office and Civil Service.

517. Also, petition of the National League of Families of American Prisoners and Missing in Southeast Asia, Washington, D.C., relative to extending the House Select Committee on Missing Persons in Southeast Asia; to the Committee on Rules.

518. Also, petition of the Armenian National Committee, Chicago Chapter, Bellwood, Ill., relative to censuring Congressmen Wayne Hays and Herbert Burke; to the Committee on Standards of Official Conduct.

519. Also, petition of the New Jersey Federation of Women's Clubs, Runnemede, N.J., relative to unemployment compensation; to the Committee on Ways and Means.

520. Also, petition of the Central Conference of American Rabbis, New York, N.Y., relative to health care and unemployment legislation; jointly, to the Committee on Ways and Means, Education and Labor, and Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 6218

By Mr. BELL:

On page 79, lines 3 through 11, strike all of subsection (g).

H.R. 10210

By Mr. BURLISON of Missouri:

Page 39, insert after line 24 the following:

(5) examination of (A) the problems of claimant fraud and abuse in the unemployment compensation programs and (B) the adequacy of present statutory requirements and administrative procedures designed to protect the programs against such fraud and abuse;

Page 39, line 25, strike out "(5)" and insert in lieu thereof "(6)".

Page 40, line 3, strike out "(6)" and insert in lieu thereof "(7)".

Page 4, line 7, strike out "(7)" and insert in lieu thereof "(8)".

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of July 2, 1976, page 22157.

HOUSE BILLS

H.R. 14261. June 8, 1976. Appropriates for fiscal year 1977 specified sums for the Department of the Treasury, the United States Postal Service, the Executive Office of the President, and specified independent agencies. Prohibits the use of appropriated funds to influence legislation before Congress.

H.R. 14262. June 8, 1976. Makes appropriations for the Department of Defense for fiscal year 1977.

H.R. 14263. June 9, 1976. Ways and Means. Amends the program of Grants to States for Services of the Social Security Act to require an increase in the amount of the fund from which payments are made to the States pursuant to such program each time benefit amounts are increased under the Old-Age, Survivors, and Disability Insurance Program because of increases in the cost-of-living.

H.R. 14264. June 9, 1976. Ways and Means. Amends the program of Grants to States for Services of the Social Security Act to allot funds not used by some of the States to States which have a need for additional funds for social services.

H.R. 14265. June 9, 1976. Veterans' Affairs. Provides for the payment of pensions to certain veterans of World War I and their surviving spouses.

H.R. 14266. June 9, 1976. Public Works and Transportation. Modifies the project for Mobile Harbor in Alabama in accordance with the recommendations of the Corps of Engineers.

H.R. 14267. June 9, 1976. Veterans' Affairs. Requires the Administrator of Veterans' Affairs, if he withdraws approval of course or institutions of education, to notify affected veterans in advance and to restore specified benefits to such veterans.

H.R. 14268. June 9, 1976. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act to establish a catastrophic health insurance benefits program under which residents of the United States shall receive benefits in case of catastrophic illness. Replaces the Medicaid program with a medical assistance plan for low-income people. Establishes a system of Federal certification of basic health insurance provided by private insurance carriers which meets certain specifications. Requires the Secretary of Health, Education, and Welfare to offer basic Federal health insurance to individuals residing in States in which no private health insurance program has received Federal certification.

H.R. 14269. June 9, 1976. Education and Labor. Directs the President, through the Secretary of Labor, to carry out a program of demonstration projects designed to increase economic productivity and expand employment opportunities. Establishes an Advisory Committee on Human Resources and Employment Opportunities to furnish advice and assistance in the administration of the demonstration projects program.

H.R. 14270. June 9, 1976. Education and Labor. Establishes a congressional scholarship program in order to provide five qualifying students in each congressional district with a stipend to attend an institution of higher education or a private vocational training institute.

H.R. 14271. June 9, 1976. Armed Services. States that if any individual dies, disappears, or is seriously injured under circumstances which require an investigation pursuant to regulations prescribed by the Secretary of the Navy, such investigation shall be conducted by the Judge Advocate General of the Navy in accordance with specified regulations.

H.R. 14272. June 9, 1976. Ways and Means. Amends the Tariff Act of 1930 to require that when any imported article, the container of which is required to be marked under such Act, is removed from the container and offered for sale in a new package, such new package shall be marked to indicate the country of origin. Directs the seizure and forfeiture of articles offered for sale in violation of this Act. Makes such requirements inapplicable to cases in which the Secretary of the Treasury finds that com-

pliance would necessitate substantial changes in customary trade practices.

H.R. 14273. June 9, 1976. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance program of the Social Security Act to require that benefits under such program be paid for that portion of the month of a beneficiary's death during which the beneficiary was alive.

H.R. 14274. June 9, 1976. Government Operations. Provides that in the administration of any Federal assistance program under which such assistance is made available with reference to whether the geographic location of a recipient is within or outside a standard metropolitan statistical area, the head of the agency carrying out such program may modify the geographic boundaries of such area in order to specify the portions of such area which are or are not essentially metropolitan.

H.R. 14275. June 9, 1976. Government Operations. Amends the Budget and Accounting Act, 1921, to require that all departmental budget requests made to the Office of Management and Budget with respect to any fiscal year be submitted to the Congress along with the President's budget for such year. Requires officials requested by the appropriate committees of the Congress to testify before such committees on the President's budget and on such departmental budget requests.

H.R. 14276. June 9, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 14277. June 9, 1976. Post Office and Civil Service. Requires that personnel actions with respect to Federal competitive service employees be taken without regard to any recommendation by any elected official, political official, or other individual or by any organization. Prohibits individuals and organizations from making recommendations with respect to civil service personnel actions and prohibits employees from soliciting any such statements. Excepts from such prohibitions statements requested or required by the agency involved and statements related solely to character.

H.R. 14278. June 9, 1976. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to provide that the marriage of a disabled individual receiving child's insurance benefits shall not operate to terminate his or her entitlement to such benefits if the marriage is to a civil service retirement or survivor annuitant.

H.R. 14279. June 9, 1976. Ways and Means. Amends the Supplemental Security Income program of the Social Security Act to increase the guaranteed annual income under such Act, to exclude certain assets and forms of income from consideration in the determination of eligibility and benefit amounts under such program, and to require the establishment of an outreach program to inform all individuals who may become eligible for such benefits of the availability of such benefits and the steps to be taken in obtaining them.

H.R. 14280. June 9, 1976. Rules. Establishes a Joint Committee on Intelligence Operations to conduct continuing oversight of, and to exercise exclusive legislative jurisdiction over, the foreign intelligence activities of the United States.

H.R. 14281. June 9, 1976. Veterans' Affairs. Provides that decisions of the Administrator of Veterans' Affairs on questions of law and fact under any law administered by the Veterans' Administration shall be subject to judicial review.

Repeals the authority of the Administrator to pay fees to agents or attorneys in allowed claims for monetary benefits.

H.R. 14282. June 9, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 14283. June 9, 1976. Veterans' Affairs. Extends the delimiting period in the case of any eligible veteran who is pursuing, during his or her tenth year of eligibility, a program of education.

H.R. 14284. June 9, 1976. Judiciary. Prohibits any United States entity or representative from obtaining copies of, or access to, information contained in the financial records, toll records, or credit records of any customer of a financial institution, communication common carrier, credit card issuer, or consumer reporting agency. Lifts such prohibition if the records are described with sufficient particularity, the customer has authorized disclosure is obtained in response to administrative subpoena, search warrant, or judicial subpoena.

Restricts the use of mail covers and the interception of wire and oral communications for purposes of supervisory observing or service observing by communication common carriers and others.

H.R. 14285. June 9, 1976. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress.

H.R. 14286. June 9, 1976. Ways and Means. Allows a limited tax credit, under the Internal Revenue Code, in an amount equal to 50 percent of the amount which would otherwise be allowed as a charitable contributions deduction.

H.R. 14287. June 9, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 14288. June 9, 1976. Education and Labor. Establishes a nonprofit corporation to be known as the National Student Loan Bank to extend loans to students at eligible institutions. Authorizes the Bank to issue and have outstanding obligations and authorizes the Secretary of the Treasury to guarantee such obligations. Authorizes the Secretary to reimburse the bank for the nonpayment of loans issued under this Act.

H.R. 14289. June 9, 1976. Interstate and Foreign Commerce. Provides for additional regulation of drug labeling and drug-related recordkeeping under the Federal Food, Drug, and Cosmetic Act.

H.R. 14290. June 10, 1976. Science and Technology; Public Works and Transportation. Directs the Administrator of the Energy Research and Development Administration to establish a program of research, development, and demonstration in order to promote utilization of energy conservation technologies in residential, commercial, and industrial buildings.

Directs the Administrator of General Services to establish standards to promote energy efficiency in the construction and renovation of Federal buildings.

H.R. 14291. June 10, 1976. Interior and Insular Affairs. Requires the appointment of an election commissioner in American Samoa to conduct a plebiscite on the issue of whether there should be a popular election for Governor and Lieutenant Governor of that country.

Provides that a gubernatorial election be held within one year of such plebiscite if there is a majority of affirmative responses.

H.R. 14292. June 10, 1976. Interior and Insular Affairs. Requires the appointment of an election commissioner in American Samoa to conduct a plebiscite on the issue of whether there should be a popular election for Governor and Lieutenant Governor of that country.

Provides that a gubernatorial election be held within one year of such plebiscite if there is a majority of affirmative responses.

H.R. 14293. June 10, 1976. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to initiate and carry out a program for the treatment of Vietnam era veterans and their dependents who are experiencing psychological readjustment problems as a result of military service or as a result of problems evolving from readjustment from such service.

H.R. 14294. June 10, 1976. Agriculture. Prohibits the importation of honey into the United States unless such honey meets minimum standards of sanitation comparable to those for domestically produced honey. Provides for the inspection of imported honey. Requires that the labeling of imported honey specify the country of origin and that any food product made in whole or in part of any imported honey be labeled as "imported" or "imported in part," as the case may be.

H.R. 14295. June 10, 1976. Judiciary. Amends the Bankruptcy Act to include among debts which have priority specified debts to consumers of deposits of money made in connection with the purchase of goods or services for personal or household use not delivered on the date of bankruptcy.

H.R. 14296. June 10, 1976. Judiciary. Establishes specified mandatory prison sentences for using or carrying a firearm in the commission of a violent crime.

H.R. 14297. June 10, 1976. Ways and Means. Amends the Tariff Schedules of the United States to increase for a five-year period the customs duty on specified hand tools.

H.R. 14298. June 10, 1976. Veterans' Affairs. Increases the amount of various veterans pensions and disability allowances. Makes permanent certain prior increases in veterans pensions and allowances.

H.R. 14299. June 10, 1976. Veterans' Affairs. Provides for increases in the rates of disability compensation paid by the Veterans' Administration to disabled eligible veterans. Increases the rates of dependency and indemnity compensation for the survivors of disabled veterans.

Directs the Administrator of Veterans' Affairs to conduct a study of the relationship between amputations and cardiovascular disorders.

H.R. 14300. June 10, 1976. Agriculture. Amends the Federal Crop Insurance Act to extend crop insurance coverage under such Act to all areas of the United States and to all agricultural commodities.

Repeals the present ceiling on the amount authorized to be appropriated annually to the Federal Crop Insurance Corporation.

H.R. 14301. June 10, 1976. Public Works and Transportation. Modifies the project for water quality control in the Arkansas-Red River Basin in Kansas, Oklahoma, and Texas, to authorize the Secretray of the Army, acting through the Chief of Engineers, to initiate construction of remaining project features designed to reduce natural salt pollution within the Wichita River Basin.

H.R. 14302. June 10, 1976. Public Works and Transportation. Authorizes the Chief of Engineers to initiate construction of the project for water quality control in the Arkansas-Red River Basin in Kansas, Oklahoma, and Texas.

H.R. 14303. June 10, 1976. Public Works and Transportation. Modifies the project for water quality control in the Arkansas-Red River Basin in Kansas, Oklahoma, and Texas, to authorize the Secretary of the Army, acting through the Chief of Engineers, to initiate construction of natural salt pollution control features of the project.

H.R. 14304. June 10, 1976. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to exempt from specified provisions of the Act, interstate trunk lines owned by a telephone company serving subscribers in a single State.

H.R. 14305. June 10, 1976. Science and Technology. Establishes the position of Assistant Administrator for Solar and Geothermal Energy and Conservation within the Energy Research and Development Administration.

Directs the Assistant Administrator to implement energy conservation programs development programs designed to meet the following goals: (1) ten percent of all energy used in the United States from solar and geothermal sources within ten years; and (2) 20 percent by year 2000.

Directs the Assistant Administrator to implement energy conservation programs designed to achieve a ten percent reduction in national energy consumption by 1985.

H.R. 14306. June 10, 1976. Interstate and Foreign Commerce; Interior and Insular Affairs; Public Works and Transportation. Directs the Secretary of the Interior and the Federal Power Commission to issue appropriate permits and authorizations for United States participation in the construction of the Alaskan natural gas pipeline system through Canada.

Suspends administrative procedures requirements with respect to obtaining rights-of-way for such pipeline. Exempts requirements of the Mineral Leasing Act of 1920 concerning environmental protection, technical and financial capacity, public hearings, and licensing of applicants.

Imposes limitations on judicial review of administrative actions taken pursuant to this Act, including challenges based on the National Environmental Policy Act of 1969.

H.R. 14307. June 10, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 14308. June 10, 1976. Judiciary. Grants, under the Immigration and Nationality Act, an immigrant visa to any alien who was a resident of the Friuli region of Italy on or about May 16, 1976, and whose residence or place of business was destroyed in the earthquake that occurred on May 6, 1976, or whose family member (whom such alien financially supported) was killed or seriously injured by such earthquake. Grants an immigrant visa to an alien spouse, child, or parent of such Italian national if such relative is not in the United States and resides with such Italian national.

H.R. 14309. June 10, 1976. Interstate and Foreign Commerce; Ways and Means. Entitles women and children to have payment made for specified maternal and child health care services. Establishes within the Department of Health, Education, and Welfare a Maternal and Child Health Care Board. Establishes an Advisory National Maternal and Child Health Care Council.

Creates in the United States Treasury a Maternal and Child Health Care Trust Fund. Amends the Internal Revenue Code of 1954 to impose maternal and child health care taxes on employers, employees, and self-employed individuals. Appropriates the revenue from such taxes to such Fund.

H.R. 14310. June 10, 1976. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to conduct a study of nonstructural alternatives to the Trinity River project in Texas.

H.R. 14311. June 10, 1976. Merchant Marine and Fisheries. Amends the Canal Zone Code to provide a method for computing interest due on funds invested in the Panama Canal Company by the United States. Provides that no depreciation shall be allowed on the investment of the United States for specified items.

H.R. 14312. June 10, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 14313. June 10, 1976. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors, and Disability Insurance benefits.

H.R. 14314. June 10, 1976. Veterans' Affairs. Extends the delimiting period in the case of any eligible veteran who is pursuing, during his or her tenth year of eligibility, a program of education.

H.R. 14315. June 10, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 14316. June 20, 1976. Public Works and Transportation. Directs the Administrator of the Federal Aviation Administration to promulgate noise standards for certain civil subsonic turbojet powered aircraft. Authorizes the Administrator to provide grants to operators of noncomplying aircraft to retrofit or replace such aircraft.

H.R. 14317. June 10, 1976. Interstate and Foreign Commerce. Amends the Securities Exchange Act of 1934 to require persons intending to file certain tender offers to disclose to the Securities and Exchange Commission such information and documents as the Commission may require.

H.R. 14318. June 10, 1976. International Relations; Banking, Currency and Housing. Creates a Committee on Foreign Investment in the United States to monitor the impact of foreign investment in the United States, and to coordinate the implementation of United States policy on such investment. Directs the Committee to provide guidance on arrangements with foreign governments and enterprises for advance consultation on prospective major investments in the United States.

H.R. 14319. June 10, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to establish standards for the licensing and regulation of clinical laboratories and to require such licensing.

H.R. 14320. June 10, 1976. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require that any person who administers a drug to an individual who subsequently suffers an adverse reaction to such drug, and who has reason to believe such drug is adulterated, shall report such facts to the Secretary of Health, Education, and Welfare and shall retain all quantities of the drug in the control of such person.

H.R. 14321. June 10, 1976. House Administration. Establishes within the Information Systems of the Congress an office to compile and disseminate information relating to pending legislative proposals. Directs the Committee on House Administration to establish and administer such system.

H.R. 14322. June 10, 1976. District of Columbia. Amends the District of Columbia Police and Firemen's Salary Act to establish a separate salary schedule for the officers and members of the United States Park Police. Stipulates that the compensation of such personnel shall be adjusted in accordance with Federal civil service pay comparability provisions.

Directs the Secretary of the Interior to establish a United States Park Police Retirement and Relief Board to carry out the responsibilities of the Mayor of the District of Columbia with respect to retirement and disability determinations regarding Park Police personnel.

H.R. 14323. June 11, 1976. Public Works and Transportation. Authorizes the Secretary of the Army to construct the Pembina River dam and reservoir project in North Dakota.

H.R. 14324. June 11, 1976. Agriculture. Directs the Secretary of Agriculture to formulate five-year goals in specified areas of rural developmnet and to include in an annual report to Congress the progress made or anticipated in meeting such goals.

Requires the appointment of a new Assistant Secretary of Agriculture for Rural Development within 60 days if a vacancy should occur in such position.

H.R. 14325. June 11, 1976. Ways and Means. Limits, for purposes of the Internal Revenue Code, the maximum liability of a partner in a partnership which is a small business investment company.

H.R. 14326. June 11, 1976. Post Office and Civil Service. Repeals provisions specifying restrictions on, and requirements for, the carriage of letters. Eliminates criminal penalties for such carriage.

H.R. 14327. June 11, 1976. Rules. Terminates certain authorizations of budget authority, and limits the number of years authorized for new budget authority.

Requires quadrennial review of all Federal programs by the Congressional committee with legislative jurisdiction over such projects.

H.R. 14328. June 11, 1976. Judiciary. Directs the Secretary of the Interior to investigate claims by persons sustaining damages as a result of the collapse of the Teton Dam on the Teton River, Idaho, and to determine the amount which will reasonably satisfy each such claim.

Permits each claimant to elect to receive either (1) 100 percent of the amount determined by the Secretary in full satisfaction of all claims against the United States arising from the dam collapse, (2) 80 percent of the amount determined by the Secretary in partial satisfaction of such claims. Conditions payments under this Act on the assignment of claims against third parties to the United States.

H.R. 14329. June 11, 1976. Interior and Insular Affairs. Directs the Secretary of the Interior to develop and maintain a comprehensive inventory of all lands administered

by the Secretary through the Bureau of Land Management on which there is, or which are suitable for, domestic livestock grazing.

Directs the Secretary to develop and implement a rehabilitation and protection program with respect to such rangelands.

H.R. 14330. June 11, 1976. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to revise the economic regulation of air transportation. Creates an additional operating authority for all-cargo and overseas charter air transportation. Revises the ratemaking authority of the Civil Aeronautics Board. Allows air carriers to terminate service between any two points upon notice to the Board. Prohibits the Postmaster General from requiring air carriers to provide additional schedules for mail transportation.

H.R. 14331. June 11, 1976. Science and Technology. Establishes an Energy Extension Service in the Energy Research and Development Administration to assist in the development of energy conserving practices.

Establishes criteria for the development of State energy conservation implementation plans. Directs the Administrator of Energy Research and Development to develop energy conservation plans for Federal programs.

H.R. 14332. June 11, 1976. Post Office and Civil Service. Requires the United States Postal Service to hold a public hearing prior to closing any post office.

Lists factors which the Postal Service must consider and evaluate in making a determination with respect to any such closing.

H.R. 14333. June 11, 1976. Interstate and Foreign Commerce; Judiciary; Banking, Currency and Housing; Ways and Means. Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970 to impose minimum penalties for specified opiate-related offenses. Amends the Federal Rules of Criminal Procedure to require a hearing to determine whether a term of imprisonment and parole eligibility is mandatory for an opiate-related offense.

Establishes considerations for judicial officers setting conditions for release of any person charged with an opiate-related offense. Makes proceeds of such offenses subject to forfeiture to the United States.

Requires persons exporting or importing monetary instruments in amounts exceeding $5,000 to file a report of such transport.

H.R. 14334. June 11, 1976. District of Columbia. Amends provisions of the District of Columbia Code relating to pretrial detention of criminal defendants on probation, parole, or mandatory release pending completion of sentence. Limits the application of such provisions to persons charged with specified crimes. Extends the maximum permissable detention pending notification to appropriate State or Federal officials. Sets standards for detaining such defendants until trial.

Permits institution of pretrial detention hearings in the District of Columbia by a judicial officer on such officer's own initiative.

H.R. 14335. June 11, 1976. Ways and Means. Amends the Internal Revenue Code to provide a single unified rate schedule for estate and gift taxes. Repeals the estate and gift tax exemptions. Substitutes for such exemptions a credit against estate and gift taxes. Provides an additional credit against the estate tax for certain farms and closely held businesses passing to a qualified heir. Increases the estate and gift tax marital deduction. Imposes a tax on the unrealized appreciation of property transferred by a decedent. Allows the executor of an estate which includes real farm property to value the property as a farm, rather than at its fair market value basis on its best use.

H.R. 14336. June 11, 1976. Interior and Insular Affairs. Authorizes the Architect of the Capitol to perform such work as may be necessary to prevent further deterioration of historically significant sections of the Congressional Cemetery.

Directs the Secretary of the Interior to conduct a study for the purpose of formulating proposals for the renovation and maintenance of such areas by the United States.

H.R. 14337. June 11, 1976. Interior and Insular Affairs. Authorizes the Architect of the Capitol to perform such work as may be necessary to prevent further deterioration of historically significant sections of the Congressional Cemetery.

Directs the Secretary of the Interior to conduct a study for the purpose of formulating proposals for the renovation and maintenance of such areas by the United States.

H.R. 14338. June 11, 1976. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to construct the flood control project on the Santa Ana River in California.

H.R. 14339. June 11, 1976. Ways and Means. Amends the Tariff Schedules of the United States to admit certain netting belts used in the growing and harvesting of mushrooms free of customs duty.

H.R. 14340. June 11, 1976. Interstate and Foreign Commerce; International Relations; Ways and Means. Amends the Securities Exchange Act of 1934 to require disclosure to the Securities and Exchange Commission of certain contributions, payments, and gifts to foreign government or nongovernment employees, or foreign political contributions. Imposes penalties for failure to disclose such information.

Amends the Internal Revenue Code to make such contributions, payments, or gifts nondeductible for tax purposes.

Creates a cause of action for a shareholder or competitor damaged by such contributions, payments, or gifts.

Encourages the President to seek the establishment of international standards for government procurement and sales.

H.R. 14341. June 11, 1976. Armed Services. Makes it unlawful for any individual or entity to solicit or enroll any member of the Armed Forces in any labor organization or for any member of the Armed Forces to join, or encourage others to join, any labor organization. Sets forth penalties for violations of this Act.

H.R. 14342. June 11, 1976. Armed Services. Makes it unlawful for any individual or entity to solicit or enroll any member of the Armed Forces in any labor organization or for any member of the Armed Forces to join, or encourage others to join, any labor organization. Sets forth penalties for violations of this Act.

H.R. 14343. June 11, 1976. Interstate and Foreign Commerce; Judiciary; Banking, Currency and Housing; Ways and Means. Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970 to impose minimum penalties for specified opiate-related offenses. Amends the Federal Rules of Criminal Procedure to require a hearing to determine whether a term of imprisonment and parole eligibility is mandatory for an opiate-related offense.

Establishes considerations for judicial officers setting conditions for release of any person charged with an opiate-related offense. Makes proceeds of such offenses subject to forfeiture to the United States.

Requires persons exporting or importing monetary instruments in amounts exceeding $5,000 to file a report of such transport.

H.R. 14344. June 11, 1976. Agriculture. Amends the Consolidated Farm and Rural Development Act with respect to maximum loan amounts and interest rates for specified loans available under such Act. Provides for Congressional authorization of program levels under such Act.

H.R. 14345. June 11, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs, in providing therapeutic and rehabilitation activities, to provide for the participation of patients and members in Veterans' Administration health facilities in the assemblage of poppies or other similar projects carried out at such facilities, which are sponsored by a national veterans service organization or its auxiliary.

H.R. 14346. June 11, 1976. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States arising from teaching at the Overseas Dependents Schools of the Department of Defense.

H.R. 14347. June 11, 1976. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 14348. June 14, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 14349. June 14, 1976. Interstate and Foreign Commerce. Authorizes and directs the Secretary of Health, Education, and Welfare, acting pursuant to the Public Health Service Act, to make grants to designated State agencies to meet part of the costs involved in planning, establishing, maintaining, coordinating, and evaluating programs for comprehensive services for school-age girls, their infants and children.

Specifies the requirements for State plans to qualify for Federal aid under this Act.

H.R. 14350. June 14, 1976. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require that the label of drug containers, as dispensed to the patient, bear the established or trade name, the quantity, and the strength of the drug dispensed.

H.R. 14351. June 14, 1976. Judiciary. Stipulates that the refusal of non-profit blood banks and of hospitals and physicians to obtain blood and blood plasma from other blood banks shall not be deemed to be acts in restraint of trade under the antitrust laws of the United States.

H.R. 14352. June 14, 1976. Ways and Means. Amends the Internal Revenue Code to provide that amounts received under certain Federal and State health education scholarship and loan programs shall be excluded from gross income.

H.R. 14353. June 14, 1976. Judiciary. Grants life-time tenure to judges of the district courts for the Virgin Islands, Guam, and the Canal Zone, during good behavior.

H.R. 14354. June 14, 1976. Armed Services. Provides for the establishment of regional review boards and panels to review discharges from the armed services under less than honorable conditions, including "general" discharges. Specifies certain mitigating and extenuating factors which such boards and panels are to consider. Authorizes the issuance of honorable discharges (limited) to individuals, discharged under less than honorable conditions, whose post-service behavior has been exemplary. Sets forth the procedures which the boards and panels are required to follow regarding applications for review.

H.R. 14355. June 14, 1976. Public Works and Transportation. Amends the Federal Water Pollution Control Act to include methods for protection of natural aquifiers within the definition of "treatment works" for

which construction grants may be made under such Act.

H.R. 14356. June 14, 1976. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service. Requires the Federal Communications Commission to make specified findings in connection with Commission actions authorizing specialized carriers.

H.R. 14357. June 14, 1976. Post Office and Civil Service. Repeals the provisions of Public Law 94-82 authorizing increases in the salaries of Members of Congress.

H.R. 14358. June 14, 1976. Ways and Means. Denies DISC benefits and foreign tax credit benefits, under the Internal Revenue Code, to any taxpayer, or a member of a controlled group which includes the taxpayer, who is determined by the Secretary of the Treasury to have made an illegal bribe, kickback, or other unlawful payment to an official, employee, or agent of a foreign government, with regard to the income produced by or the income, war profits, or excess profits taxes paid on such foreign bribe-produced income.

Requires taxpayers with foreign bribe-produced income to report to the Secretary of the Treasury the amount of such income.

H.R. 14359. June 14, 1976. Education and Labor. Authorizes the creation of a special Opportunities Industrialization Centers job training and job creation program in order to provide jobs to unemployed Americans.

Directs the Secretary of Labor to enter into contracts with Opportunities Industrialization Centers to provide comprehensive employment services for unemployed persons in depressed urban and rural areas.

Sets forth conditions governing the provision of Federal financial assistance and authorizes appropriations to fund the program for the next 4 fiscal years.

H.R. 14360. June 14, 1976. Public Works and Transportation. Amends the John F. Kennedy Center Act to authorize the appropriation of funds for the repair and reconstruction of the John F. Kennedy Center for the Performing Arts. Directs the Trustees of the John F. Kennedy Center to appoint a comptroller as disbursing officer for all funds appropriated pursuant to this Act.

H.R. 14361. June 14, 1976. Banking, Currency and Housing. Establishes a National Commission on Neighborhoods to consist of Congressional and Presidential appointees. States the duties of such Commission, including studying the factors necessary to neighborhood survival and revitalization and making recommendations for modification of existing laws and policies.

H.R. 14362. June 14, 1976. Veterans' Affairs. Increases from 10 to 12 years the delimiting period after which no educational assistance shall be afforded eligible veterans.

H.R. 14363. June 14, 1976. Interior and Insular Affairs. Prohibits mining or related operations from discharging amphibole asbestos fibers except on land and in accordance with regulations promulgated by the Secretary of the Interior.

H.R. 14364. June 14, 1976. Interior and Insular Affairs. Stipulates that mining companies or related operations which have discharged amphiboles asbestos fibers into Lake Superior shall be required to pay for the cost of removing such fibers from water used for human consumption, under regulations promulgated by the Secretary of the Interior.

H.R. 14365. June 14, 1976. Education and Labor. Makes Federal financial assistance available, under the Emergency School Aid Act, for programs and projects for: (1) the construction of "magnet" and "neutral site" schools, and education parks; (2) the pairing of schools and programs with colleges and universities and with leading businesses; and (3) education programs to improve the quality of education in inner city schools and the general use of "education magnetism."

H.R. 14366. June 14, 1976. Veterans' Affairs. Names a Veterans' Administration hospital.

H.R. 14367. June 14, 1976. Judiciary. Entitles all persons sustaining damage as a result of the collapse of the Teton Dam on the Teton River, Idaho, to receive full compensation from the United States as determined by the Secretary of the Interior or his designee in accordance with the laws of the State of Idaho.

Stipulates that acceptance of any award made under this act shall constitute a complete release of all claims of the claimant arising from the dam collapse.

Directs the Secretary to enter into agreements with the owners of irrigation facilities damaged by the dam collapse to finance the repair or reconstruction of such facilities.

H.R. 14368. June 14, 1976. Judiciary. Directs the Secretary of the Air Force to pay a specified sum in compensation for a certain demotion which prevented such individual from serving a full career in the Air Force.

H.R. 14369. June 15, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the medicare program for specified services performed by chiropractors, including X-rays, and physical examination, and related routine laboratory tests.

H.R. 14370. June 15, 1976. Ways and Means. Amends the Social Security Act by including the services of optometrists under the medicare supplementary medical insurance program.

H.R. 14371. June 15, 1976. Ways and Means. Denies the benefits of the foreign tax credit, under the Internal Revenue Code, to a taxpayer who is determined by the Secretary of the Treasury to have participated in or cooperated with the boycott of Israel, with respect to income, war profits, or excess profits taxes paid or accrued to any country which requires such cooperation as a condition of doing business with that country. Permits such taxes to be treated as a deduction.

Denies the tax deferral on undistributed income earned in the boycotting country to a shareholder of a controlled foreign corporation or of a Domestic International Sales Corporation which the Secretary has determined to have participated in the boycott of Israel.

H.R. 14372. June 15, 1976. Ways and Means. Amends the Social Security Act to extend the coverage for dental services under the medicare program to include any services performed by a properly licensed dentist and to authorize payment under such program for all inpatient hospital service furnished in connection with dental procedures requiring hospitalization.

H.R. 14373. June 15, 1976. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government.

H.R. 14374. June 15, 1976. Ways and Means. Amends the Internal Revenue Code to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlord.

H.R. 14375. June 15, 1976. International Relations; Interstate and Foreign Commerce. Amends the Export Administration Act to make it the policy of the United States to oppose restrictive trade practices or boycotts imposed by foreign countries against any domestic concern of the United States.

Amends the Securities Exchange Act of 1934 by imposing additional disclosure requirements on any investor who proposes to acquire more than 5 percent of the equity securities of any United States Company.

H.R. 14376. June 15, 1976. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance program of the Social Security Act to exclude those payments made by a State or municipal employees on account of sickness or accident disability from the income of such employees in the calculation of the social security tax owed by the State to the U.S. Treasury on such income.

H.R. 14377. June 15, 1976. Banking, Currency and Housing. Directs the Administrator of the Energy Research and Development Administration to assist communities in developing solar energy community utility programs. Establishes a revolving fund for continued financing of such program.

H.R. 14378. June 15, 1976. Ways and Means. Allows an individual to take a tax credit, under the Internal Revenue Code, for a percentage of the qualified solar heating and cooling equipment expenditures incurred with respect to the taxpayer's principal residence. Allows a tax credit for the portion of the qualified State or local real property taxes attributable to such solar heating and cooling expenditures.

Authorizes an individual to take a tax deduction for a part of the acquisition costs of any qualified solar heating and cooling equipment for any residence.

H.R. 14379. June 15, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on (1) articles assembled abroad with components produced in the United States, and (2) certain metal articles manufactured in the United States and exported for further processing.

H.R. 14380. June 15, 1976. Ways and Means. Amends the Internal Revenue Code to eliminate the requirement that amounts set aside by a private foundation for a specific project receive the approval of the Internal Revenue Service in order to be treated as qualifying distributions by the foundation making the set-aside.

H.R. 14381. June 15, 1976. Post Office and Civil Service. Terminates the authority of any Federal agency to require any person, State, or local government to provide such agency information for statistical purposes 5 years after such authority was given to such agency or 5 years after the enactment of this act, whichever is later.

Requires that any bill or resolution reported by a committee of either House of Congress which confers authority to require such information from persons, States, or local governments be accompanied by a statement describing the information sought and the costs to be incurred in processing such information by such agency or by such respondents.

H.R. 14382. June 15, 1976. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 4 years. Revises the conditions for approval of applications for licensing or license renewal.

H.R. 14383. June 15, 1976. Interior and Insular Affairs. Limits the reservation of a right of use and occupancy by owners of improved property whose land is acquired by the United States after the enactment of this Act as part of the Big Thicket National Preserve, Texas, to those individuals who used the property as a year-round place of abode during the year preceding its acquisition by the United States.

H.R. 14384. June 15, 1976. Agriculture. Authorizes the Secretary of Agriculture to reimburse livestock producers or to otherwise pay for the transportation costs they incur for the shipment of hay into counties severely affected by drought, flood, or other natural disaster for their livestock herds. Authorizes the Secretary to designate emergency areas if he determines that as a result of such disaster the hay crop for that county is not more than 50 percent of the estimated crop.

H.R. 14385. June 15, 1976. Interior and Insular Affairs. Amends the Mineral Leasing Act of 1920 to authorize the Secretary of the Interior to issue certificates of public convenience and necessity to aid in construction of certain pipelines. Allows certified pipeline carriers to exercise the power of eminent domain in the United States district courts to acquire rights-of-way for coal pipelines.

H.R. 14386.—June 15, 1976. Judiciary. Authorizes the Attorney General and the President to admit certain refugees to the United States. Permits such refugees to become permanent residents of the United States upon approval of the Immigration and Naturalization Service two years after admission.

H.R. 14387. June 15, 1976. Rules. Establishes the Citizens' Oversight Panel to accept sworn complaints alleging violations of standards of ethics by a Member, officer, or employee of the House of Representatives. Empowers the panel to direct the Committee on Standards of Official Conduct of the House of Representatives to undertake a study of such allegations.

H.R. 14388. June 15, 1976. Education and Labor. Amends the Fair Labor Standards Act of 1938 to require that the operation of a schoolbus be treated under that Act as oppressive child labor for employees under the age of 18.

H.R. 14389. June 15, 1976. Public Works and Transportation. Directs the Secretary of the Army, acting through the Chief of Engineers, to develop a plan for shoreline protection and beach erosion control along Lake Ontario.

H.R. 14390. June 15, 1976. Post Office and Civil Service. Repeals provisions making automatic percentage pay adjustments based upon General Schedule pay adjustments in the salaries of: (1) Executive Schedule officials; (2) the Vice President; (3) Members of Congress; (4) Supreme Court justices; (5) circuit court and district court judges; (6) Court of Claims, Court of Customs and Patent Appeals, and Customs Court judges; (7) Court of Claims commissioners; and (8) bankruptcy referees.

H.R. 14391. June 15, 1976. Agriculture. Establishes the Federal Farm Assistance Corporation within the Department of Agriculture and authorizes the Corporation to negotiate for, and purchase, farmland or farm units which may come on the market.

Allows lease of such farm units to eligible applicants and directs the Corporation's Board of Directors to approve the sale to the lessee of such farm units upon a determination that the lessee can successfully manage and operate such farm unit.

H.R. 14392. June 15, 1976. Judiciary. Grants, under the Immigration and Nationality Act, to Chilean nationals, their parents, spouses, and children, status as permanent residents of the United States if such Chileans are being persecuted or are attempting to avoid persecution in Chile on account of their political opinions.

H.R. 14393. June 15, 1976. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit for qualified investments by the taxpayer in development property in economically depressed regions certified by the Secretary of Commerce.

H.R. 14394. June 16, 1976. Interstate and Foreign Commerce. Amends the Federal Administration Act of 1974 to extend the expiration date of such Act to September 30, 1976.

H.R. 14395. June 16, 1976. Veterans' Affairs. Provides for hospital and out-patient care for veterans and members of the Armed Forces suffering from alcoholism and alcohol abuse.

Sets presumptions related to disability for veterans interned as prisoners of war.

Provides for preventive health care services for disabled veterans.

H.R. 14396. June 16, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to public and nonprofit private entities which are engaged in the development of new schools of veterinary medicine to assist in such development.

H.R. 14397. June 16, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants to public and nonprofit private entities which are engaged in the development of new schools of veterinary medicine to assist in such development.

H.R. 14398. June 16, 1976. Interstate and Foreign Commerce. Prescribes minimum national standards for utility rate structures in order to alleviate burdens imposed on low-income consumers. Establishes requirements for full evidentiary hearings on proposed rate increases, with adequate representation of consumer interests.

Establishes an Electric Utility Ratemaking Assistance Office within the Federal Energy Administration to provide assistance with respect to ratemaking procedures.

Amends the Federal Power Act to require utilities to comply with standards designed to assure a reliable supply of electric energy.

Authorizes appropriations for grants to State regulatory authorities. Establishes procedures for planning and coordination in the siting of bulk power facilities.

H.R. 14399. June 16, 1976. Judiciary; District of Columbia. Grants judicial officers the power to deny pretrial release to persons charged with the commission of violent crimes if there is reason to believe that such persons would flee or pose a danger to others or the community.

SENATE—*Monday, July 19, 1976*

The Senate met at 12 noon and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

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

Almighty God, who has watched over us from generation to generation, we thank Thee for the lives, the skills, and the accomplishments of the Founding Fathers. For their vision of the New Republic and their daring in establishing it we give Thee thanks. Make us in our age to be what they were in their age. Help us to do for our time what they did in their time. Endow us with their virtues of simplicity, frugality, and industry. Make us to be a people who do justly, who love mercy, and who walk humbly with their God.

Grant now to the President and to the Congress grace and wisdom to concert their best efforts for the Nation and the advancement of Thy Kingdom on Earth.

In Thy Holy Name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 19, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Roddy, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees; and the withdrawal of the nominations of Marion J. Callister, of Idaho, to be U.S. attorney for the district of Idaho, and D. C. Burnham, of Pennsylvania, to be a Governor of the U.S. Postal Service.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILLS AND JOINT RESOLUTIONS

A message from the President of the United States announced that he has approved and signed the following bills and joint resolutions:

On July 1, 1976:

S. 2847. An act to amend section 318 of the Communications Act of 1934, as amended, to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programming, and to authorize frequency modulation (FM) radio translator stations to operate unattended in the same manner as is now permitted for television broadcast translator stations.

S. 2945. An act to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said Act.

On July 5, 1976:

S.J. Res. 196. Joint resolution providing for the expression to Her Majesty, Queen Eliza-

beth II, of the appreciation of the people of the United States for the bequest of James Smithson to the United States, enabling the establishment of the Smithsonian Institution.

S. 2853. An act to amend the Food Stamp Act of 1964 to insure a proper level of accountability on the part of food stamp vendors.

On July 7, 1976:

S.J. Res. 49. Joint resolution to amend the joint resolution entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America".

On July 12, 1976:

S. 229. An act to amend the Endangered Species Act of 1973 in order to permit the disposal of certain endangered species products and parts lawfully held within the United States on the effective date of such Act.

S. 268. An act to designate the Eagles Nest Wilderness, Arapaho and White River National Forests, in the State of Colorado.

S. 3168. An act to authorize fiscal year 1977 appropriations for the Department of State, the United States Information Agency, and the Board for International Broadcasting, and for other purposes.

On July 13, 1976:

S. 811. An act to revise and extend the Horse Protection Act of 1970.

On July 14, 1976:

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to authorize appropriations, to require the establishment of a special motor vehicle diagnostic inspection demonstration project, to provide additional authority for enforcing prohibitions against motor vehicle odometer tampering, and for other purposes.

MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of July 2, 1976, a message from the President of the United States submitting the nomination of Vice Adm. Robert C. Gooding, U.S. Navy, for appointment to the grade of vice admiral on the retired list, was received on July 2, 1976, during the adjournment of the Senate.

The nomination was referred today to the Committee on Armed Services.

DEFERRALS IN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT

The Acting President pro tempore laid before the Senate the following message from the President of the United States received on July 6, 1976, during the adjournment, which was referred jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Agriculture and Forestry, Commerce, Armed Services, Labor and Public Welfare, Interior and Insular Affairs, Finance, and the District of Columbia:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two new deferrals totaling $4.6 million in budget authority. In addition, I am transmitting 27 supplementary deferrals that have a net effect of decreasing the total amount of deferred funds previously transmitted by $1,462.5 million.

The two new deferrals are routine actions and involve $135,938 for the Special foreign currency program of the Department of Labor and $4.4 million for the National Commission for the Observance of International Women's Year. Eighteen of the supplementary reports extend deferrals into the transition quarter while the remaining nine reflect increases to the amounts originally reported.

The details of the revised and new deferrals are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *July 6, 1976.*

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

S. 391—FEDERAL COAL LEASING AMENDMENTS ACT—VETO MESSAGE OF THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States announcing his disapproval of S. 391, the Federal Coal Leasing Amendments Act, which was received on July 3, 1976, during the adjournment:

To the Senate of the United States:

I am returning to the Congress today without my approval S. 391, the Federal Coal Leasing Amendments Act of 1975.

This bill addresses two essential issues: the form of Federal assistance for communities affected by development of Federally-owned minerals, and the way that Federal procedures for the leasing of coal should be modernized.

On the first of these issues, I am in total agreement with the Congress that the Federal Government should provide assistance, and I concur in the form of assistance adopted by the Congress in S. 391. Specifically, I pledge my support for increasing the State share of Federal leasing revenues from 37½ percent to 50 percent.

Last January I proposed to the Congress the Federal Energy Impact Assistance Act to meet the same assistance problem, but in a different way. My proposal called for a program of grants, loans and loan guarantees for communities in both coastal and inland States affected by development of Federal energy resources such as gas, oil and coal.

The Congress has agreed with me that impact assistance in the form I proposed should be provided for coastal States, and I hope to be able to sign appropriate legislation in the near future.

However, in the case of States affected by S. 391—most of which are inland, the Congress by overwhelming majority has voted to expand the more traditional sharing of Federal leasing revenues, raising the State share of those revenues by one third. If S. 391 were limited to that provision, I would sign it.

Unfortunately, however, S. 391 is also littered with many other provisions which would insert so many rigidities, complications, and burdensome regulations into Federal leasing procedures that it would inhibit coal production on Federal lands, probably raise prices for consumers, and ultimately delay our achievement of energy independence.

I object in particular to the way that S. 391 restricts the flexibility of the Secretary of the Interior in setting the terms of individual leases so that a variety of conditions—physical, environmental and economic—can be taken into account. S. 391 would require a minimum royalty of 12½ percent, more than is necessary in all cases. S. 391 would also defer bonus payments—payments by the lessee to the Government usually made at the front end of the lease—on 50 percent of the acreage, an unnecessarily stringent provision. This bill would also require production within 10 years, with no additional flexibility. Furthermore it would require approval of operating and reclamation plans within three years of lease issuance. While such terms may be appropriate in many lease transactions—or perhaps most of them—such rigid requirements will nevertheless serve to setback efforts to accelerate coal production.

Other provisions of S. 391 will unduly delay the development of our coal reserves by setting up new administrative roadblocks. In particular, S. 391 requires detailed antitrust review of all leases, no matter how small; it requires four sets of public hearings where one or two would suffice; and it authorizes States to delay the process where National forests—a Federal responsibility—are concerned.

Still other provisions of the bill are simply unnecessary. For instance, one provision requires comprehensive Federal exploration of coal resources. This provision is not needed because the Secretary of the Interior already has—and is prepared to exercise—the authority to require prospective bidders to furnish the Department with all of their exploration data so that the Secretary, in dealing with them, will do so knowing as much about the coal resources covered as the prospective lessees.

For all of these reasons, I believe that S. 391 would have an adverse impact on our domestic coal production. On the other hand, I agree with the sponsors of this legislation that there are sound reasons for providing in Federal law—not simply in Federal regulations—a new Federal coal policy that will assure a fair and effective mechanism for future leasing.

Accordingly, I ask the Congress to work with me in developing legislation that would meet the objections I have outlined and would also increase the State share of Federal leasing revenues.

GERALD R. FORD.

THE WHITE HOUSE, *July 3, 1976.*

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the veto message of the President on S. 391, the Federal Coal Leasing Amendments Act, be referred to the Committee on Interior and Insular Affairs.

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

S. 3201—PUBLIC WORKS EMPLOYMENT ACT—VETO MESSAGE OF THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States announcing his disapproval of S. 3201, the Public Works Employment Act of 1976, which was received on July 6, 1976, during the adjournment:

To the Senate of the United States:

I am today returning without my approval, S. 3201, the Public Works Employment Act of 1976.

This bill would require $3.95 billion in Federal spending above and beyond what is necessary. It sends a clear signal to the American people that four months before a national election, the Congress is enacting empty promises and giveaway programs. I will not take the country down that path. Time and time again, we have found where it leads: to larger deficits, higher taxes, higher inflation and ultimately higher unemployment.

We must stand firm. I know the temptation, but I urge Members of Congress to reconsider their positions and join with me now in keeping our economy on the road to healthy, sustained growth.

It was almost five months ago that the Senate sustained my veto of a similar bill, H.R. 5247, and the reasons compelling that veto are equally persuasive now with respect to S. 3201. Bad policy is bad whether the inflation price tag is $4 billion or $6 billion.

Proponents of S. 3201 argue that it is urgently needed to provide new jobs. I yield to no one in concern over the effects of unemployment and in the desire that there be enough jobs for every American who is seeking work. To emphasize the point, let me remind the Congress that the economic policies of this Administration are designed to create 2-2.5 million jobs in 1976 and an additional 2 million jobs in 1977. By contrast, Administration economists estimate that this bill, S. 3201, will create at most 160,000 jobs over the coming years—less than 5% of what my own policies will accomplish. Moreover, the jobs created by S. 3201 would reduce national unemployment by less than one-tenth of one percent in any year. The actual projection is that the effect would be .06 percent, at a cost of $4 billion. Thus, the heart of the debate over this bill is not over who cares the most—we all care a great deal—but over the best way to reach our goal.

When I vetoed H.R. 5247 last February, I pointed out that it was unwise to stimulate even further an economy which was showing signs of a strong and steady recovery. Since that time the record speaks for itself. The present 7.5 percent unemployment rate is a full one percent lower than the average unemployment rate of 8.5 percent last year. More importantly, almost three and a half million more Americans now have jobs than was the case in March of last year. We have accomplished this while at the same time reducing inflation which plunged the country into the severe recession of 1975.

S. 3201 would authorize almost $4 billion in additional Federal spending—$2 billion for public works, $1.25 billion for countercyclical aid to state and local governments, and $700 million for EPA waste water treatment grants.

Beyond the intolerable addition to the budget, S. 3201 has several serious deficiencies. First, relatively few new jobs would be created. The bill's sponsors estimate that S. 3201 would create 325,000 new jobs but, as pointed out above, our estimates indicate that at most some 160,000 work-years of employment would be created—and that would be over a period of several years. The peak impact would come in late 1977 or 1978 and would add no more than 50,000 to 60,000 new jobs in any year.

Second, S. 3201 would create few new jobs in the immediate future. With peak impact on jobs in late 1977 or early 1978, this legislation would add further stimulus to the economy at precisely the wrong time: when the economy is already far into the recovery.

Third, the cost of producing jobs under this bill would be intolerably high, probably in excess of $25,000 per job.

Fourth, this bill would be inflationary since it would increase Federal spending and consequently the budget deficit by as much as $1.5 billion in 1977 alone. It would increase demands on the economy and on the borrowing needs of the government when those demands are least desirable. Basic to job creation in the private sector is reducing the ever increasing demands of the Federal government for funds. Federal government borrowing to support deficit spending reduces the amount of money available for productive investment at a time when many experts are predicting that we face a shortage of private capital in the future. Less private investment means fewer jobs and less production per worker. Paradoxically, a bill designed as a job creation measure may, in the long run, place just the opposite pressures on the economy.

I recognize there is merit in the argument that some areas of the country are suffering from exceptionally high rates of unemployment and that the Federal government should provide assistance. My budgets for fiscal years 1976 and 1977 do, in fact, seek to provide such assistance.

Beyond my own budget recommendations, I believe that in addressing the immediate needs of some of our cities hardest hit by the recession, another measure before the Congress, H.R. 11860 sponsored by Congressman GARRY BROWN and S. 2986 sponsored by Senator BOB GRIFFIN provides far more reasonable and constructive approach than the bill I am vetoing.

H.R. 11860 would target funds on those areas with the highest unemployment so that they may undertake high priority activities at a fraction of the cost of S. 3201. The funds would be distributed exclusively under an impartial formula as opposed to the pork barrel approach represented by the public works portions of the bill I am returning today. Moreover, H.R. 11860 builds upon the successful Community Development Block Grant program. That program is in place and working well, thus permitting H.R. 11860 to be administered without the creation of a new bureaucracy. I would be glad to accept this legislation should the Congress formally act upon it as an alternative to S. 3201.

The best and most effective way to create new jobs is to pursue balanced economic policies that encourage the growth of the private sector without risking a new round of inflation. This is the core of my economic policy, and I believe that the steady improvements in the economy over the last half year on both the unemployment and inflation fronts bear witness to its essential wisdom. I intend to continue this basic approach because it is working.

My proposed economic policies are expected to produce lasting, productive jobs, not temporary jobs paid for by the American taxpayer.

This is a policy of balance, realism, and common sense. It is a sound policy which provides long term benefits and does not promise more than it can deliver.

My program includes:

—Large and permanent tax reductions that will leave more money where it can do the most good: in the hands of the American people;

—Incentives for the construction of new plants and equipment in areas of high unemployment;

—More than $21 billion in outlays in the fiscal year beginning October 1 for important public works such as energy facilities, waste water treatment plants, roads, and veterans' hospitals representing a 17-percent increase over the previous fiscal year.

—And a five and three quarter year package of general revenue sharing funds for State and local governments.

I ask Congress to act quickly on my tax and budget proposals, which I believe will provide the jobs for the unemployed that we all want.

GERALD R. FORD.

THE WHITE HOUSE, *July 6, 1967.*

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the veto message on S. 3201, the Public Works Employment Act be held at the desk.

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

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of proceedings of Friday, July 2, 1976, be dispensed with.

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

LEGISLATIVE SCHEDULE FOR WEEK OF JULY 19, 1976

Mr. MANSFIELD. Mr. President, for the information of the Senate, insofar as the leadership can determine at this time, the legislative schedule for this week will be as follows:

Today, July 19, H.R. 366, Calendar Order No. 774, the safety officers' benefits; S. 3370, Calendar Order No. 803, the surety bond guarantee; and S. 495, Calendar Order No. 897, the Watergate reform bill, with opening statements today.

ORDER FOR CONVENING AT 9 A.M.

Mr. President, I ask unanimous consent that for the remainder of the week the Senate convene at 9 a.m.

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

Mr. MANSFIELD subsequently said: Mr. President, just to make it plain, when the Senate granted permission for the Senate to convene at 9 a.m. for the remainder of the week, that meant tomorrow, Wednesday, Thursday, Friday, and possibly Saturday.

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

Mr. MANSFIELD. On tomorrow at 9 a.m., or shortly afterward, we will return to the Watergate reform bill, to be followed at 1:30 p.m. by the tax reform bill. At 2 p.m. there will be a vote on the Muskie amendment. At 2:15 p.m. the housing conference report will be taken up. A vote on the housing conference report will occur at the hour of 3:15 p.m., approximately, and at 3:30 p.m. we will return to the tax reform bill.

On Wednesday at 9 a.m., after the leaders have been recognized and all special orders adhered to, the Watergate reform bill will again be the pending business. At 1 p.m. the Senate will turn to the consideration of the Presidential veto of the public works employment bill.

REQUEST FOR VOTE TO OCCUR ON S. 3201 AT 2 P.M., WEDNESDAY, JULY 21

Mr. President, I ask unanimous consent that the vote on the override of the Presidential veto of the public works employment bill occur at the hour of 2 p.m. on Wednesday next.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, I think that would be all right, but I would suggest to the majority leader that we should provide for some debate in advance of the vote.

Mr. MANSFIELD. Yes.

Mr. GRIFFIN. The chairman of the committee, the distinguished Senator from West Virginia (Mr. RANDOLPH), is present. Does he know if Wednesday will be an appropriate day?

Mr. MANSFIELD. I am able to answer the question, because the debate will begin at 1 p.m. The time would be equally divided and the vote would occur at 2 p.m.

Mr. GRIFFIN. I have not had any opportunity to talk to Senator BAKER or anyone, about this.

Mr. MANSFIELD. This has been discussed with the chairman of the committee, and I believe it has been discussed with the members.

Mr. GRIFFIN. I think it would be all right.

I wonder if perhaps the Senator might renew this request a bit later in the day.

Mr. MANSFIELD. Surely.

Mr. GRIFFIN. I think it would be fine. I wish to check with Senator BAKER and others, if I could.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. MANSFIELD. I withdraw the request.

If agreement is reached to vote on the override at 2 p.m., then it would be the intention of the joint leadership to return to the consideration of the tax reform bill at 2:15 p.m. approximately.

On Thursday, July 22, after the leaders have been recognized and special orders have been granted, the Senate will then turn to the consideration of S. 3219, Calendar Order No. 685, the Clean Air Act, and at approximately 2 p.m. return to the consideration of the tax reform bill.

On Friday, July 23, after the leaders have been recognized and special orders adhered to, after 9 a.m. the Senate will then turn to the consideration of S. 2212, Calendar No. 804, the LEAA extension. Following its disposal, at approximately 12 noon, if things go according to Hoyle, the Senate will then return to the consideration of the Clean Air Act and around the hour of 2 p.m. to the tax reform bill.

That is the best that the joint leadership can indicate to the Senate as to what the schedule will be for the rest of this week.

Mr. GRIFFIN. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I commend him for giving this notice to the Senate of the intention of the leadership. To some extent this schedule is governed by consent agreements but in most cases, as I understand, it would not be, and it would take the cooperation of the Senate to meet the schedule.

We hope that it can be met.

I assume that, in keeping with announcements made earlier by the majority leader, we would not expect committees to be meeting on legislative business with the Senate convening at 9 a.m. If there is some unusual hearing, there would be special consideration given to that.

Mr. MANSFIELD. On that basis, yes.

Mr. GRIFFIN. Mr. President, I yield back any remaining time on this side.

THE PRESIDENT'S VETO OF THE PUBLIC WORKS EMPLOYMENT ACT OF 1976

Mr. RANDOLPH. Mr. President, on July 5 the President vetoed S. 3201, the Public Works Employment Act of 1976. This action was unfortunate and it was based on faulty reasoning. As with his veto of a similar measure late last year, the President seems not to fully grasp the seriousness of the economic situation in this country. He does not understand what a sound, well planned public works program can contribute to restoring health to our shaky economy.

The President's attitude is reflected in his statement at the time of the veto. He said:

> Congress is moving full speed down the road to bigger and bigger give-away programs.

It is necessary only to look at history to know that public works programs have been valuable tools in the past in stimulating economic activity.

On Wednesday of this week the Senate will, I believe, vote to override the President's veto. I am confident that the Members of this body will demonstrate their concern for the condition of the economy and their determination to aid in eliminating the lingering effects of recession.

Early this year, we failed by the narrow margin of three votes to override the veto of the previous measure. Since that time, we have worked to develop another bill that achieves the creation of new employment and at the same time accommodates the viewpoint of the President. The conference report on this measure was adopted 70 to 26 by the Senate and 328 to 83 by the House of Representatives. I consider it to be well-reasoned and workable legislation that will have beneficial results, and I hope that Senators will confirm this assessment. This decision, Mr. President, will be an obligation that Members of the Senate will face after careful consideration.

I have read with approval the Washington Post editorial of July 11 on "The Jobs Bill." My colleagues, having been away from Washington, D.C., at that time, may wish to evaluate the arguments presented for overriding the President's veto.

I ask unanimous consent that the editorial be printed in the RECORD.

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

THE JOBS BILL

President Ford is a nice man, but he's got a terrible sense of timing. Last week he vetoed the jobs bill, an effort by the Democrats to create jobs by pouring $3.95 billion into good works, mainly construction. Just four days earlier the Labor Department had announced that the unemployment rate had risen from 7.3 per cent in May to 7.5 per cent in June, a disquieting reversal of a slow but steady decline. Two days before that, the fiscal year had ended with both federal spending and the budget deficit substantially lower than the administration had expected.

Why did Mr. Ford veto the bill? As he explained it, he was trying to save the country from another great surge of reckless congressional spending and inflation. ". . . Congress is moving full speed down the road to bigger and bigger give-away programs," he said in the fervent statement published by the White House. The interesting thing is, of course, that nothing remotely like that is going on.

The Democratic majority in Congress has been proceeding with extreme caution on every matter that involves money. The new congressional budget procedure has turned out so far to be an unexpectedly powerful deterrent to the occasional spendthrift im-

pulses of the committees. Last fall Congress voted not to let the deficit exceed $74 billion, and until recently both Congress and the administration expected it to come out just under that number. But for reasons that no one has yet quite explained, spending in the final weeks of the fiscal year was a good deal lower than anticipated. It now appears that, when all the accounts are totalled, the actual deficit may turn out to be as low as $68 billion. No wild rush of congressional spending is building up. Quite the contrary.

There is a faintly comic paradox here. The present consensus on federal fiscal policy—which means taxing and spending—is a good deal closer than either the President or Congress really likes to admit. The President understands perfectly well that the present huge deficit is mainly the effect of the recession, and any premature attempt to cut that deficit threatens to pitch the national economy back into even deeper stagnation. Nobody wants to be responsible for that. On the other hand, most of the Democrats in Congress have perceived that a great wave of new spending will lead to inflation, which in turn will lead to higher unemployment. Circumstances have pressed the debaters embarrassingly close together. The surprising thing is not that they are arguing about spending, but rather that the amounts in this argument are—in comparison with the federal budget—remarkably small.

A jobs bill authorizing $3.95 billion is just about the right size to keep the quarrel percolating through the coming election campaign season. The amount is large enough to command attention, but it is not big enough to make a serious difference in a federal budget that will be, after all, at least 100 times bigger. The $3.95 billion is less, as it turns out, than the margin of error in the forecasts of this year's deficit.

The bill would devote most of this money to public works. It is quite true that public works appropriations are on the whole a rather inefficient way to pull down the unemployment rate. But it is better than nothing and, at a time when the unemployment rate in the construction industry is 17 per cent, it is absurd to call this modest program inflationary. Some of this money would go into waste water treatment plants; they can easily be justified on their own terms, quite aside from any contribution that their construction might make to the jobs market. The most valuable part of this bill would provide a modest increase in federal aid to state and local governments, in response to the recession. It is recognition that high unemployment brings greater demands on local public services, at a time when receipts from sales taxes decline. The veto has brought down on Mr. Ford the anger of a long list of mayors and governors, not all of them Democrats. To them, the veto is further evidence of Mr. Ford's failure to comprehend the fierce pressures on the big cities.

This bill hardly constitutes a sweeping solution to the present confusion of American economic policy, or a fundamental remedy to the prospect of continued high unemployment. At even the most generous estimate—which is to say, the Democrats'—it will reduce the unemployment rate by perhaps three-tenths of one percentage point. But if Congress can create two or three hundred thousand jobs quicky, with little penalty in inflation, the opportunity is not one to be missed. There appear to be enough votes, in both houses of Congress, to override the veto. When Congress reconvenes next week, that piece of business deserves to have the first priority.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to exceed 30 minutes, with statements therein limited to 5 minutes each.

Is there morning business to be transacted at this time?

Mr. GRIFFIN and Mr. BEALL addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I ask unanimous consent to be permitted to reclaim the time allotted to the leadership on this side.

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

Mr. GRIFFIN. I yield to the Senator from Maryland.

Mr. BEALL. I thank the distinguished Senator from Michigan.

WELFARE REFORM AND TAX REDUCTION ACT OF 1976

Mr. BEALL. Mr. President, today marks for me the culmination of much hard work and deliberation over the past 6 months. It has long been my belief that our Government can function with greater efficiency without increasing the burdens of its taxpaying citizens. I believe this to be true for all areas of Government involvement—and that by instituting changes through regulatory reform, budget reform, tax reform, and welfare reform, we in Congress can best address the longrun needs of the Nation. Indeed, the wastes and inefficiencies imposed by a $400 billion Government must be redressed before Congress can responsibly consider new programs and new initiatives. The people of this Nation demand it, and the continued vitality of a competitive economy requires it.

So, today, it is in the spirit of that belief that I introduce the Welfare Reform and Tax Reduction Act of 1976. This legislation would effectively dismantle the existing maze of welfare programs and replace it with a family allowance system that would help families and individuals in a more equitable and compassionate way, but reducing incentives for families to break apart and encouraging able-bodied recipients to accept employment. In doing so, Congress will restore fiscal integrity to a system which in the last 15 years has produced an administrative nightmare, sapping both the will of its intended beneficiaries and the ability of the welfare system to responsibly meet its objective of eliminating poverty. For unless we reverse the current direction of welfare policy, the Nation will move dangerously close toward establishing a "welfare class," one which captures its beneficiaries for years and generations.

When I publicly announced earlier this month my intention to introduce welfare reform legislation, I released a report which examined carefully the existing welfare system and outlined the provisions of the family allowance system. What that study found confirmed many of the worst fears about the effects of welfare bureaucracy. It revealed that over the past 40 years welfare policy has reflected a piecemeal approach in formulating a public assistance system. While most programs began with laudable intentions, the jerry-built nature of the system as a whole has generated effects that run counter to the objectives which public assistance should embody and which were spelled out in the Social Security Act of 1935.

To begin with, this system has built into it inequities under which a fatherless family in Mississippi receives only one-eighth the cash assistance which a comparable family in New York receives. These regional inequities result from the cost sharing provisions of the major welfare programs. In AFDC for example, a family residing in a State which offers a low level of assistance is further penalized by the fact that the Federal Government matches according to the State contribution. Thus, the Federal Government contributes about $50 monthly to AFDC households in Mississippi while at the same time allocating $250 to a similar family in New York. I do not believe that the Government should continue to pursue policies which favor rich over poor, and North over South.

Additional inequities persist because Federal and State governments do not coordinate their efforts. When Congress enacted aid to families with dependent children in 1935, it did so with the intention of providing for dependent children in families lacking a breadwinner. As the program expanded and benefits became more generous, the program fulfilled its original goal, but with an unanticipated side effect—it encouraged destitute families with no other alternatives to break apart in order to qualify for AFDC assistance. General assistance, the State programs offering assistance to childless households, never did catch up. As a result, by 1976 the financial reward for family separation had grown to $4,000 in Maryland, and even more in States offering higher benefits. Unless we take affirmative action to reverse this direction, Congress and the administration must bear the responsibility for increasing family discord among our poor and the problems for future generations which this implies.

Perhaps most disconcerting, though, is the fact that the welfare system over the years has increasingly shackled its recipient population into financial dependency. In the past, welfare policy has tried to insure that no one program imposed excessive work disincentives. But as eligibility widened for programs such as food stamps, AFDC, child nutrition, and medicaid, an additional dollar in earnings frequently meant a reduction in benefits under several programs, and that in the aggregate implied that for potentially low-wage family heads it was frequently more profitable not to accept employment. In my own State of Maryland, where benefits and consequently work disincentives are lower than the national average, for most families on public assistance, there is little or no financial reward for working. In some cases, disposable income would actually fall if a recipient accepted employment.

At the extreme, a family of five living on public assistance would suffer a net reduction in disposable income of $1,400 if the husband accepted full-time employment at the minimum wage. This to me represents a shameful and unconscionable waste of our human resources. Public assistance should reinforce the work ethic, not discourage it.

Finally, this Nation's welfare system personifies the inefficiencies associated with big and wasteful Government. During the upcoming fiscal year, AFDC, food stamps, and supplemental security income will require almost $3 billion just for administration, representing 11 percent of all funding for those programs. On a local level, that translates into reams of paperwork and redtape which swamp social workers and prevents them from offering the real and tangible assistance they are trained to provide. At a visit I made in February to a local welfare center in Baltimore, I was told that an initial applicant for public assistance must fill out 37 forms, some as long as 12 pages, and that another 51 forms lay in waiting for any other contingencies which may arise. All in all, an unjustified waste—and the American taxpayers are the ones who must pay its upkeep.

These then are the problems. Conscionable Government demands a solution, and I believe that one must be sought before massive new initiatives are undertaken.

Thus, I introduce today the Welfare Reform and Tax Reduction Act of 1976, legislation which would fundamentally change the way our public assistance system operates. Very briefly, the bill would eliminate AFDC, food stamps, supplemental security income, and future commitments under sections 8 and 235 low income housing. In its place, a consolidated system of family allowances would provide benefits to low income families and individuals. Under this system, a typical family of four with no other source of income would receive $3,600 a year in Federal assistance. The aged, blind, and disabled would receive higher levels of assistance. States, freed from commitments to programs earmarked for elimination, would have the option of supplementing Federal benefits.

This legislation embodies important new directions for future welfare policy. First, it would eliminate existing inequities under which Federal assistance favors north over south and which discourage family stability.

Second, it would take the initial step toward reducing the financial barriers that discourage public assistance recipients from seeking employment. Benefits would be reduced by fifty percent of earnings, rather than by the dollar-for-dollar offset which frequently applies today.

Third, the family assistance system would eliminate the complicated web of administrative entanglements which 40 years of uncoordinated policy has erected. Today, America spends, or perhaps more appropriate, wastes close to $3 billion annually on administration of its three largest welfare programs: Aid to families with dependent children, supplemental security income, and food stamps. That is $3 billion which does not go toward financially strapped social services, higher benefits for the needy, or tax reductions for low and middle income families. And that to me represents a needless waste of our valuable resources. The Welfare Reform and Tax Reduction Act would address this inefficiency, reducing administrative waste by $2 to $3 billion annually in 5 years and simultaneously clamping down on error and fraud.

Finally, and most important, the family allowance system would unlock the chains which now bind the welfare population into generations of economic stagnation and social indignity. By providing financial incentives for welfare recipients to seek jobs and for the working poor to continue working, we will devote our best efforts to assisting the 24 million persons still living in poverty.

Mr. President, I ask unanimous consent that a summary of the study prepared in my office and the measure I have introduced today be printed in the RECORD.

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

S. 3665

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 "Welfare Reform and Tax Reduction Act of 1976".

TITLE I—FAMILY ALLOWANCE DEDUCTION, STANDARD ALLOWANCE, FAMILY ALLOWANCE CREDIT, AND OTHER TAX PROVISIONS

SEC. 101. TECHNICAL AND CONFORMING CHANGES.

The Secretary of the Treasury or his delegate shall, as soon as practicable but not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1954 which are necessary to reflect throughout such code the changes in the substantive provisions of law made by this title.

SEC. 102. FAMILY ALLOWANCE DEDUCTION IN LIEU OF PERSONAL EXEMPTION.

(a) IN GENERAL.—Section 151 of the Internal Revenue Code of 1954 (relating to allowance of deduction for personal exemptions) is amended to read as follows:

"SEC. 151. FAMILY ALLOWANCE DEDUCTION.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction in computing taxable income an amount equal to 2 times the amount of exemptions provided by this section.

"(b) TAXPAYER AND ADDITIONAL EXEMPTION.—An exemption of $1,000 for the taxpayer and an additional exemption of $1,000 for the spouse of the taxpayer if a joint return is made by the taxpayer and if the spouse is not a dependent of another taxpayer, or if there is no spouse or a joint return is not made, an additional exemption of $1,000 for any one dependent (as defined in section 152) of the taxpayer.

"(c) ADDITIONAL EXEMPTION FOR DEPENDENT.—An additional exemption of $400 for each dependent (as defined in section 152) other than a dependent for whom an exemption is claimed under subsection (b)—

"(1) whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than $1,000,

"(2) who has not made a joint return with his spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins,

"(3) who is not a dependent of another individual, and

"(4) who has not claimed a deduction for himself under subsection (b) for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

"(d) ADDITIONAL EXEMPTION FOR INDIVIDUALS AGED 65 OR MORE.—An additional exemption of $600 for—

"(1) the taxpayer if he has attained the age of 65 before the close of the taxable year,

"(2) the spouse of the taxpayer if the spouse has attained the age of 65 before the close of the taxable year and qualifies as an exemption under subsection (b) for the taxable year, and

"(3) for each dependent who has attained the age of 65 before the close of the taxable year and who qualifies as an exemption under subsection (b) or (c) for the taxable year.

"(e) ADDITIONAL EXEMPTION FOR BLINDNESS OF INDIVIDUAL.—An additional exemption of $600 for—

"(1) the taxpayer if he is blind as of the close of the taxable year,

"(2) the spouse of the taxpayer if the spouse is blind as of the close of the taxable year and qualifies for an exemption under subsection (b) for the taxable year, and

"(3) for each dependent who is blind as of the close of the taxable year and who qualifies as an exemption under subsection (b) or (c) for the taxable year.

For purposes of this subsection, an individual is blind only if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

"(f) ADDITIONAL EXEMPTION FOR DISABLED INDIVIDUAL.—An additional exemption of $400 for—

"(1) the taxpayer if he is permanently and totally disabled as of the close of the taxable year,

"(2) the spouse of the taxpayer if the spouse is permanently and totally disabled and qualifies for an exemption under subsection (b) for the taxable year, and

"(3) for each dependent who is permanently and totally disabled as of the close of the taxable year and who qualifies as an exemption under subsection (b) or (c) for the taxable year.

For purposes of this subsection, an individual is permanently and totally disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. An individual shall not be considered to be permanently and totally disabled unless he furnishes proof of the existence thereof in such form and manner, and at such times, as the Secretary may require.

"(g) SPECIAL RULE FOR MARRIED COUPLES FILING SEPARATE RETURN.—

"(1) ONLY ONE SPOUSE TO CLAIM EXEMPTION.—Except as provided in paragraph (2), in the case of every married individual who

does not make a joint return with his spouse under section 6013, only that individual shall be allowed to claim any exemption under this section.

"(2) SPOUSE MAY CLAIM.—The spouse of an individual described in paragraph (1) may claim one exemption for himself under subsection (b) and exemptions for himself under subsections (d), (e), or (f) if he is an individual described therein."

(b) CONFORMING AMENDMENT.—The table of sections for part V of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 151 and inserting in lieu thereof the following:

"SEC. 151. FAMILY ALLOWANCE DEDUCTION.".

SEC. 103. STANDARD ALLOWANCE.

(a) IN GENERAL.—Section 141 of the Internal Revenue Code of 1954 (relating to standard deduction) is amended by striking out subsection (c), and by inserting after subsection (b) the following:

"(c) STANDARD ALLOWANCE.—The standard allowance is $200 for each exemption allowed an individual under section 151 (a), (b), or (c)".

(b) CONFORMING AMENDMENT.—Section 141 (a) of such Code is amended by striking out "the low income allowance" and inserting in lieu thereof "the standard allowance".

SEC. 104. FAMILY ALLOWANCE CREDIT.

(a) FAMILY ALLOWANCE CREDIT.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by inserting after section 44 the following new section:

"SEC. 44A. FAMILY ALLOWANCE CREDITS.

"(a) ALLOWANCE OF CREDITS.—

"(1) IN GENERAL.—There should be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the family allowance credits provided by subsection (b) reduced (but not below zero) by 50 percent of the amount of the total income (as determined under subsection (v)).

"(2) SPECIAL RULE FOR TAXABLE YEAR 1977 THROUGH 1981.—Notwithstanding the provision of paragraph (1)—

"(A) the term '55 percent' shall be substituted for the term '50 percent' in such paragraph for taxable years beginning in calendar year 1977,

"(B) the term '54 percent' shall be substituted for the term '50 percent' in such paragraph for taxable years beginning in calendar year 1978,

"(C) the term '53 percent' shall be substituted for the term '50 percent' in such paragraph for taxable years beginning in calendar year 1979,

"(D) the term '52 percent' shall be substituted for the term '50 percent' in such paragraph for taxable years beginning in calendar year 1980, and

"(E) the term '51 percent' shall be substituted for the term '50 percent' in such paragraph for taxable years beginning in calendar year 1981.

"(b) FAMILY ALLOWANCE CREDIT.—Family allowance credits allowed are—

"(1) $1,000 for the taxpayer,

"(2) $1,000 for the spouse or dependent of the taxpayer if the spouse or dependent qualifies as an exemption under section 151 (b) for the taxable year,

"(3) $600 for each exemption of the taxpayer who qualifies as an exemption under section 151(c) of the taxable year,

"(4) $600 for each individual who qualifies as an exemption under section 151 (d), (e), or (f) for the taxable year, and

"(5) $400 if the taxpayer is allowed an exemption under section 151(f) for the taxable year,

"(c) Total Income.—

"(1) IN GENERAL.—For purposes of this section, the term 'total income' means the sum of the adjusted gross income (within the meaning of section 62) of each individual for whom a credit is claimed under this section reduced by any amount deducted and withheld from wages of such individuals under subtitle C (relating to employment taxes), and increased by so much of the following items attributable to such individuals as is not otherwise included in adjusted gross income:

"(A) all amounts received as an annuity, pension, or any retirement benefit;

"(B) so much of the sum of all prizes and awards received as each year exceeds $250;

"(C) so much of the proceeds from life insurance contracts as exceeded $1,500 with respect to any one insured individuals;

"(D) so much of the sum of all gifts as each year exceeds $250, except there shall not be included any gift from any of such individuals;

"(E) so much of the sum of the fair market value of all property inherited from any individual as exceeds $1,000, except there shall not be included the value of real property if used as the primary residence of such individuals, nor shall there be included the value of any property inherited from a spouse;

"(F) all support and alimony payments;

"(G) interest on any tax-exempt government obligation;

"(H) damages, insurance, payments, workmen's compensation payments, or other payments, made—

"(i) for medical expenses,

"(ii) for loss of wages or income, or

"(iii) for physical, mental, or other personal injuries or sickness,

which do not constitute reimbursement for medical expenses paid;

"(I) the rental value of parsonages;

"(J) combat pay and mustering-out payments to any member of the Armed Forces of the United States;

"(K) dividends, other than insurance policy dividends applied by the insured to reduce insurance premiums;

"(L) meals and lodging supplied by an employer if and to the extent supplied at less than fair market value, without regard to whether supplied for the convenience of the employer;

"(M) any allowance for quarters or subsistence, or gratuity pay, paid to any member of the Armed Forces of the United States;

"(N) so much of the current or accumulated income of a trust or estate which could, within the discretion of any person with a nonadverse interest, be paid to an individual as beneficiary of such trust or estate as exceeds $3,000, except there shall not be included any amount in fact paid to any person other than such individual nor any amount previously included in adjusted gross income by reason of this subparagraph;

"(O) the entire gain from the sale or exchange of any capital asset;

"(P) unemployment compensation, without regard to the source thereof;

"(Q) strike benefits from any union or other agency or organization;

"(R) cash benefits pursuant to title II of the Social Security Act;

"(S) cash benefits under the Railroad Retirement Act of 1935, 1937, or 1974;

"(T) cash benefits (including readjustment benefits) under laws administered by the Veterans' Administration;

"(U) income from foreign sources;

"(V) loans from the Commodity Credit Corporation;

"(W) imputed income from capital as determined in accordance with paragraph (2);

"(X) overpayments of the tax imposed on such individuals;

"(Y) the amount of the reduction of such individuals' rental or mortgage costs under any public housing subsidy program; and

"(Z) cash benefits under the Coal Mine Health and Safety Act.

No amount of income or property given by any public agency or private charitble organization, if given on the basis of need, shall be considered a gift referred to in subparagraph (D) or a support payment referred to in subparagraph (F).

"(2) INCOME IMPUTED FROM ASSETS.—

"(A) IN GENERAL.—The amount included in offset income under paragraph (1)(W) shall be an amount equal to the annual imputed income with respect to the total value of capital (appraised in accordance with subparagraph (C)) owned or controlled by such individuals computed in accordance with the following table, reduced by the amount (if any) of actual offset income with respect to such capital which is received by such individuals:

"If the total appraised value of capital owned or controlled by such individuals is:	The annual income to be imputed with respect to such capital shall be:
Less than $10,000	0.
At least $10,000 but less than $20,000	$100.
At least $20,000 but less than $30,000	$200.
At least $30,000 but less than $40,000	$300.
At least $40,000 but less than $50,000	$800.
At least $50,000 but less than $60,000	$1,300.
At least $60,000 but less than $70,000	$1,800.
At least $70,000	$2,800, plus 10% of value of capital in excess of $70,000.

"(B) CAPITAL OWNED OR CONTROLLED BY SUCH INDIVIDUALS.—For purposes of this subsection, the capital owned or controlled by any such individual shall be all of the real or personal property owned or controlled by such individual (whether tangible or intangible) wherever situated, to the extent of such individual's interest therein.

"(C) APPRAISAL OF CAPITAL.—The appraisal of capital shall be made at such time as the Secretary or his delegate prescribes by regulations, on the basis of all capital owned or controlled at such time.

"(D) VALUATION.—

"(i) MEASURE OF VALUE.—Under regulations prescribed by the Secretary or his delegate, the value of capital for purposes of this subsection shall be its fair market value. In the case where fair market value is not readily ascertainable, methods shall be prescribed for approximating the value. The value of capital shall be determined without regard to any mortgage, security interest, or any indebtedness with respect to such capital.

"(ii) CAPITAL HELD JOINTLY.—In the case of capital held jointly, whether or not partitionable, such capital shall be treated for purposes of this paragraph as if owned or controlled in separate proportional shares.

"(d) LIMITATION.—

"(1) CREDIT DENIED IN CASE OF CERTAIN TAX-

PAYER.—No credit shall be allowed under subsection (b) with respect to any taxpayer who—

"(A) is not at least 18 years of age, unless he is married, or has actual primary custody of a dependent child, or

"(B) is admitted to any mental retardation, mental health, or medical facility or any nursing home or custodial care facility either for an indefinite period, or for a specified period in excess of 3 months.

"(2) CREDIT DENIED IN CASE OF CERTAIN INDIVIDUALS AND DEPENDENTS.—No credit shall be allowed under subsection (b) with respect to any taxpayer, spouse, or dependent—

"(A) who does not have a permanent residence for the taxable year within the United States, and resides continuously during such taxable year within the United States,

"(B) who is confined to any penal or correctional institution during such taxable year, or

"(C) for whom an allowance under this section has been taken by another taxpayer for the taxable year.

"(3) CREDIT DENIED IN CASE OF CERTAIN DEPENDENT.—No credit shall be allowed under subsection (b) with respect to any dependent—

"(A) who has claimed a credit under subsection (b) for himself for the taxable year beginning in the calendar year in which the taxable year of taxpayer begins, or

"(B) is admitted to any mental retardation, mental health, or medical facility or any nursing home or custodial care facility, either for an indefinite period, or for a specified period in excess of 3 months.

"(4) CREDIT DENIED FOR FAILURE OF UNEMPLOYED INDIVIDUAL TO REGISTER WITH PUBLIC EMPLOYMENT OFFICES.—No credit shall be allowed under subsection (b) with respect to any taxpayer for any period for which the taxpayer (or the individual, other than the taxpayer, who, under regulations of the Secretary, is the 'head of family' of the family of which the taxpayer is a member) is unemployed and is not currently registered with the public employment offices in the State in which he resides, unless, during such period the taxpayer (or such individual) is—

"(A) a person whose presence in the home is required because of illness or incapacity of another member of the household,

"(B) the only adult member of the household who is available to meet (and capable of meeting) the child care needs of a child who is a member of the household, or

"(C) ill, incapacitated, or of advanced age.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.

"(f) CROSS REFERENCES.—

"(1) For disallowance of credit to estates and trusts, see section 642(a).

"(2) For prepayment of estimated credits as allowances for basic living expenses, see section 6429.".

(b) REFUND OF EXCESS CREDIT AVAILABLE OTHER THAN IN CERTAIN CASES.—Section 6401 (b) of such Code (relating to excessive credits treated as overpayments) is amended—

(1) by inserting "44A (relating to family allowance credits)," before "and 667(b)"; and

(2) by striking out "and 43" and inserting in lieu thereof "43, and 44A".

(c) ASSESSMENT AUTHORITY.—Section 6201 (a)(4) of such Code (relating to assessment authority) is amended—

(A) by striking out "39 or 54." in the caption of such section and inserting in lieu thereof "39, 43, or 44A.", and

(B) by striking out "or section 43 (relating to earned income)," and inserting in lieu thereof a comma and "section 43 (relating to earned income), or section 44A (relating to family allowance credits),".

(d) PREPAYMENT OF ESTIMATED PERSONAL CREDITS TO RECIPIENTS AS ALLOWANCES FOR BASIC LIVING EXPENSES.—

(1) IN GENERAL.—Subchapter B of chapter 65 of subtitle F of such Code (relating to rules of special application for credits and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6429. FAMILY ALLOWANCE CREDITS TREATED AS ALLOWANCES FOR BASIC LIVING EXPENSES.

"(a) GENERAL RULE.—An individual entitled to receive a credit under section 44A may elect to receive payment in accordance with subsection (b) with respect to estimated personal credits allowable under such section.

"(b) PAYMENT OF AMOUNTS.—

"(1) TIME AND METHOD OF PAYMENT.—Payment under this section to any individual shall be made as provided in subtitle I.

"(2) AMOUNT OF PAYMENT.—Payment under this section shall, with respect to each allowance period, be equal to one-twelfth (or one-twenty-fourth in the case of a semimonthly allowance payment under section 9901(a)(2)) of the amount of the personal credits the individual reasonably anticipates, based upon the facts and circumstances at the time of election, to be entitled to under section 44A with respect to the taxable year during which such allowance period occurs. Under regulations prescribed by the Secretary or his delegate, such individual shall report, and the Secretary or his delegate shall make appropriate adjustments in future payments under this section for, changes in facts and circumstances which bear on entitlement to, or the amount of, personal credits under section 44A.

"(c) EFFECT OF PAYMENT.—In the case of an individual who has elected to receive payment under this section, the sum of the personal credits which such individual (but for this subsection) would be entitled to under section 44A shall be reduced by the amount paid to such individual under this section.

(e) CREDIT NOT ALLOWED FOR ESTATES AND TRUSTS.—Section 642(a) (relating to special rules for credits and deductions) is amended by adding at the end thereof the following new subsection:

"(H) FAMILY ALLOWANCE.—An estate or trust shall not be allowed the credit against tax for family allowance under section 44A.".

(f) CONFORMING AMENDMENTS.—

(1) The table of sections for part IV of subchapter A of chapter 1 of such Code is amended by adding after the item relating to section 44 the following new item:

"Sec. 44A. Family allowance credits.".

(2) The table of sections for subchapter B of chapter 65 of subtitle F of such Code is amended by adding at the end thereof the following new item:

"Sec. 6429. Family allowance credits treated as allowances for basic living expenses.".

SEC. 105. ADMINISTRATION AND PAYMENT OF CREDIT.

(a) IN GENERAL.—The Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subtitle:

"SUBTITLE I—ADMINISTRATION AND PAYMENT OF FAMILY ALLOWANCE CREDITS

"Chapter 98. Allowance; definitions; filing
"Chapter 99. Payment

"Chapter 98. Allowance; definitions; filing
"Sec. 9801. Payment of credit as allowance for basic living expenses.
"Sec. 9802. Definitions and special rules.
"Sec. 9803. Filing for allowances; returns, records, and information.

"SEC. 9801. PAYMENT OF CREDIT AS ALLOWANCE FOR BASIC LIVING EXPENSES.

"Subject to the provisions of this subtitle, an individual may elect, in lieu of a refund of credit under section 6401(b), to receive the credit allowable under section 44A as an allowance for basic living expenses in an amount determined under section 6429(b)(2) for each allowance period. Such election shall, except with the consent of the Secretary, be irrevocable for the taxable year in which made.

"SEC. 9802. DEFINITIONS AND SPECIAL RULES.

"(a) DEFINITIONS.—For purposes of this subtitle—

"(1) ALLOWANCE PERIOD.—The term 'allowance period' means any calendar month for which application is made for an allowance under this subtitle.

"(2) BASE PERIOD.—The term 'base period' means the calendar month immediately preceding an allowance period.

"(3) STATE.—The term 'State' includes the District of Columbia.

"(4) DEPENDENT.—The term 'dependent' has the meaning given such term by section 151(c).

"(b) SPECIAL RULES.—For purposes of this subtitle—

"(1) QUALIFICATION AS DEPENDENT.—Any determination of whether an individual is a dependent shall be on the basis of the allowance period (or each allowance period) for which an allowance is sought, rather than on the basis of any other period. For purposes of any such determination, all amounts received by an individual under this subtitle shall be considered to be income of such individual although computed, in part, on the basis of any other individual for whom a credit is claimed.

"(2) MARITAL STATUS.—

"(A) PERIOD FOR DETERMINATION.—Any determination of whether an individual is married shall be as of the beginning of any allowance period in question.

"(B) CERTAIN INDIVIDUALS NOT CONSIDERED MARRIED.—Any individual—

"(i) who is legally separated from his spouse under a decree of divorce or a decree or agreement of separate maintenance; or

"(ii) who files a statement that such individual's spouse has been continuously absent from such individual's household for the 4-week period preceding the week during which such statement is filed, and that there is no reasonable expectation such spouse will return;

shall not be considered as married.

"(C) CERTAIN INDIVIDUALS CONSIDERED MARRIED.—Any individual—

"(1) who shares a household with an individual who, but for this subparagraph, would not be considered his spouse, and

"(2) who, with such individual has custody of a child born of such couple;

shall be considered married.

"SEC. 9803. FILING FOR ALLOWANCES; RETURNS, RECORDS, AND INFORMATION.

"(a) APPLICATION FOR ALLOWANCE.—Application for any allowance by any individual who elects to have the provisions of this subtitle apply for any taxable year shall for each allowance period be made in such manner as the Secretary or his delegate shall by regulation prescribe. Such application shall be filed not later than 14 days after the first day of the allowance period with respect to which application is made.

"(b) CONTENT OF APPLICATION.—Each application made under this section shall contain—

"(1) such information for determining eligibility for the allowance as the Secretary or delegate shall by regulation prescribe;

"(2) an information return reporting total income received during the base period, and such related information as shall be prescribed by such regulations;

"(3) the social security account number issued to the individual for purposes of sec-

tion 205 (c)(2)(A) of the Social Security Act;

"(4) a list of the names of each individual over 18 but less than 65 years of age for whom a credit was claimed under section 44A who is not permanently and totally disabled or who is not required to care for any child under 6 years of age (only 1 individual may be exempted from such list for having to provide such care), and the work qualifications of each such individual listed; and

"(5) such other information with respect to such period, or any preceding period, as may be required under such regulations.

"(c) RETURNS, RECORDS, AND INFORMATION.—Each individual who has received an allowance during his taxable year shall file in accordance with section 6012 or 6013 (without regard to the amount of income during such year) a return with respect to the income taxes imposed under subtitle A, together with a supplemental return regarding income received by individuals for whom a credit was claimed under section 44A and to whom such allowance was paid. Such returns shall contain such additional information as may be required for the recomputation of allowances under section 9902, and shall be filed within the time indicated in section 6072 for filing income tax returns. Each individual who is receiving or has received any such allowance shall keep such records, make such other returns, and furnish such information with respect to such allowance as the Secretary or his delegate shall prescribe by regulation.

"Chapter 99. Payment.

"SEC. 9901. Payment of allowances.

"SEC. 9902. Regulations; overpayment or underpayment.

"SEC. 9903. Administration agreements with States; failure to enter into an agreement.

"SEC. 9904. Annual reports; authorization for appropriations.

"SEC. 9901. PAYMENT OF ALLOWANCES.

"(a) TIME OF PAYMENT.—

"(1) IN GENERAL.—Allowances provided under this subtitle shall be paid before the end of each allowance period for which application has been properly made.

"(2) SEMIMONTHLY PAYMENT.—If the individual making application elects (at such time and in such manner as the Secretary or his delegate shall by regulation prescribe) to a semimonthly payment of allowance, one-half of such allowance shall be paid in accordance with paragraph (1) and one-half shall be paid before the 15th day thereafter.

"(b) FORM OF PAYMENT.—

"(1) IN GENERAL.—Allowances under this subtitle shall be paid to the individual who made application under section 9802 except that if the Secretary or his delegate deems it appropriate, such payment may be made to any other person (including an appropriate public or private agency) who is interested or concerned with the welfare of such individual.

"(2) PAYMENT IN CASE OF MARRIED INDIVIDUAL.—

"(A) IN GENERAL.—In the case of any married individual, payment of any allowance provided under this subtitle shall, subject to the exception set forth in paragraph (1), be made jointly to such individual and the spouse of such individual, if a credit under section 44A is claimed for such spouse by such individual.

"(B) VOLUNTARY ALLOCATION OF ALLOWANCE.—An individual and his spouse for whom credit is claimed under section 44A, if entitled to an allowance under this subtitle may, subject to the exception set forth in paragraph (1), jointly elect (under regulations prescribed by the Secretary or his delegate) to each receive separate partial payment of such allowance in such proportion as they shall designate under such election. A separate election may be made by any married individual whose spouse has been continuously absent from the household for the four-week period preceding the week during which such election is made.

"SEC. 9902. ADMINISTRATION; OVERPAYMENT OR UNDERPAYMENT.

"(a) IN GENERAL.—For purposes of administering this subtitle, the Secretary or his delegate shall prescribe such regulations as he finds necessary to carry out the purposes of this subtitle, and shall establish administrative procedures under such regulations based upon, and to the extent he deems appropriate, integrated with, the procedures existing for the administration of this title.

"(b) OVERPAYMENT OR UNDERPAYMENT OF ALLOWANCE.—Whenever the Secretary or his delegate finds that more or less than the correct amount of allowance has been paid with respect to any individual, proper adjustment or recovery shall, subject to the succeeding provisions of this subsection, be made by appropriate adjustments in future payments to such individual, by recovery from or payment to such individual (or recovery from the estate of any such member), or by adjustment of the amount of the credit allowed under section 44A as provided by section 6429 (c). The Secretary or his delegate shall make such provision as he finds appropriate in the case of payment of more than the correct amount of allowance with a view to avoiding penalizing any individual who was without fault in connection with the overpayment, if adjustment or recovery on account of such overpayment in such case would defeat the purposes of this subtitle, or would impede efficient or effective administration of this subtitle. No reduction in any allowance payment of an individual made for the purpose of collecting an overpayment of any preceding allowance may exceed one-fourth of the sum of—

"(1) the amount of such payment, and

"(2) the total income of such individual with respect to which such credit was determined.

"(c) HEARINGS AND REVIEW.—

"(1) IN GENERAL.—The Secretary or his delegate shall provide reasonable notice and opportunity for a hearing to any individual who is or claims to be an individual eligible for receipt of an allowance under this subtitle and is in disagreement with any determination under this title with respect to eligibility of or receipt by such individual of such an allowance, or the amount of such allowance, if the individual requests a hearing on the matter in disagreement within thirty days after notice of such determination is received.

"(2) TIME OF DETERMINATION.—A determination on the basis of such hearing shall be made within 90 days after the individual requests the hearing provided in paragraph (1).

"(3) REVIEW.—The final determination of the Secretary or his delegate after a hearing under paragraph (1) shall be subject to judicial review to the same extent as a decision of the Secretary of Health, Education, and Welfare may be reviewed under section 205 (g) of the Social Security Act; except that the determination of the Secretary or his delegate after such hearing as to any fact shall be final and conclusive and not subject to review by any court.

"SEC. 9903. ADMINISTRATION AGREEMENTS WITH STATES; FAILURE TO ENTER INTO AN AGREEMENT.

"(a) AGREEMENTS.—The Secretary or his delegate shall, whenever possible, enter into an agreement with the chief executive of a State or an agency of the State designated by the chief executive. Such agreement shall provide—

"(1) that the State will administer the allowance program under this subtitle including the preparation and distribution of applications, compilation and unification of all data, and the computation and recomputation of an allowance;

"(2) that the Federal Government will reimburse the State for the costs of such administration, if the Secretary or his delegate finds that the State has complied with such agreement, as follows—

"(A) 50 percent of such costs in 1977,

"(B) 45 percent of such costs in 1978,

"(C) 40 percent of such costs in 1979,

"(D) 35 percent of such costs in 1980,

"(E) 30 percent of such costs in 1981, and

"(F) 25 percent of such costs thereafter; and

"(3) such other provisions as the Secretary or his delegate finds advisable.

"(b) FAILURE TO ENTER INTO AN AGREEMENT.—In order for any State to be eligible for payments pursuant to title XX of the Social Security Act with respect to expenditures after December 31, 1976, such State must have in effect an agreement with the Secretary or his delegate under subsection (a).

"SEC. 9904. ANNUAL REPORTS; AUTHORIZATION FOR APPROPRIATIONS.

"(a) ANNUAL REPORT.—The Secretary shall prepare and transmit to the Congress an annual report on the operation and administration of this subtitle which shall include his evaluations thereof and such recommendations for additional legislation as he may deem appropriate.

"(b) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this subtitle.

"(2) RESEARCH INTO IMPROVED ADMINISTRATION.—There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, with respect to any fiscal year for research into improved administration of this subtitle, and for program evaluation and collection of data and statistics related to such administration, an amount not to exceed one-tenth of 1 percent of the amount determined by the Secretary to have been paid as allowances during the preceding fiscal year.".

(b) Conforming Amendment.—

(1) The table of subtitles for the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Subtitle I—Administration and Payment of Family Allowance Credits

"Chapter 98. Allowance; definitions; filing.

"Chapter 99. Payment.".

(2) The table of chapters and parts of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SUBTITLE I—ADMINISTRATION AND PAYMENT OF FAMILY ALLOWANCE CREDITS

"Chapter 98—Allowance; definitions; 'filing .... 9801.

"Chapter 99—Payments .... 9901.

SEC. 106. CHILD CARE EXPENSES.

Section 62 of the Internal Revenue Code of 1954 (relating to definition of adjusted gross income) is amended by adding at the end thereof the following new paragraph:

"(13) CHILD CARE EXPENSES.—The deduction allowed by section 214.".

SEC. 107. STUDY.

The Joint Economic Committee shall conduct each year a study and investigation with respect to the amount of any reduction of administrative costs resulting from the provisions of this title. The Joint Economic Committee shall make a report of its study and investigation to the Congress prior to

September 1 of each year in order that the Congress may implement reduction in taxes equal to the amount of such reduction.

SEC. 108. REPEAL OF WIN CREDIT.

(a) REPEAL.—Section 40 of the Internal Revenue Code of 1954 (relating to credit for expenses of work incentive program) is repealed.

(b) CONFORMING AMENDMENT.—The table of sections for part IV of subchapter A of chapter 1 is amended by striking out the item relating to section 40.

SEC. 109. CREDIT NOT TO BE CONSIDERED INCOME.

For purposes of determining eligibility for benefits under the National School Lunch Act, the Child Nutrition Act of 1966, or title XIX of the Social Security Act, any refund of any credit by reason of this title shall not be considered income.

SEC. 110. EFFECTIVE DATE.

The amendments made by this title apply to taxable years beginning after December 31, 1976.

TITLE II—MISCELLANEOUS, GENERAL, AND CONFORMING PROVISIONS

SEC. 201. ADDITIONAL TECHNICAL AND CONFORMING AMENDMENTS AND TRANSITIONAL PROVISIONS.

The Secretary of Health, Education, and Welfare, the Secretary of Agriculture, and the Secretary of Labor shall, as soon as practicable after the date of the enactment of this Act but in any event not later than 90 days after the date of enactment of this Act, submit to the appropriate standing committees of the Senate and of the House of Representatives a draft of any technical and conforming changes in any Act or other laws, over which such Secretary has administrative responsibility, which may be necessary to reflect the changes in substantive provisions of law made by this title, including any special provisions which may be necessary to assure an orderly transition from existing programs to the new or modified programs established by this title.

SEC. 202. FOOD STAMP ACT AND LAWS RELATING TO COMMODITY DISTRIBUTION.

(a) FOOD STAMP ACT REPEAL.—The Food Stamp Act of 1964 is repealed effective with the close of December 31, 1976.

(b) LIMITATION ON COMMODITY DISTRIBUTION PROGRAMS.—Notwithstanding any other provision of law, on and after January 1, 1977, Federal funds shall not be available to defray so much of the costs incurred in the carrying out of any commodities or food distribution program, enacted prior to such date, as is attributable to the provision of commodities to any individual or family, residing within the United States, if eligibility of such individual or family for such commodities is based (wholly or in part) on the income or resources of such individual or family.

SEC. 203. AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM.

(a) IN GENERAL.—

(1) REPEAL OF PROVISIONS.—Effective with the close of December 31, 1976, so much of title IV of the Social Security Act as precedes part D thereof is hereby repealed.

(2) SAVINGS PROVISIONS.—The repeal made by paragraph (1), insofar as it relates to part A of title IV of the Social Security Act, shall not be applicable in the case of the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

(b) CONFORMING AMENDMENTS.—Part D of title IV of the Social Security Act is amended as follows:

(1) Section 453(c) (3) is amended by striking out "(other than a child receiving aid under part A of this title)".

(2) Section 454 is amended—

(A) by striking out "with respect to whom an assignment under section 402(a) (26) of this title is effective" in paragraph (4)(A) and inserting in lieu thereof "with respect to whose family there is payable a family assistance allowance under subtitle I of the Internal Revenue Code of 1954";

(B) by striking out "with respect to whom such assignment is effective" in paragraph (4)(B) and inserting in lieu thereof "with respect to whose family there is payable such an allowance";

(C) by striking out "with respect to whom an assignment under section 402(a) (26) is effective" in paragraph (5) and inserting in lieu thereof "with respect to whose family there is payable a family assistance allowance under subtitle I of the Internal Revenue Code of 1954"; and

(D) by striking out "ineligible for assistance under the State plan approved under part A" in paragraph (5) and inserting in lieu thereof "ineligible for such an allowance".

(3) Section 456 is amended—

(A) by striking out "The support rights assigned to the State under section 402(a) (26)" in subsection (a) and inserting in lieu thereof "Any right which a member of a family with respect to which a family assistance allowance is payable under subtitle I of the Internal Revenue Code of 1954 may have to support from any other person"; and

(B) by striking out "assigned to a State under section 402(a) (26)" in subsection (b) and inserting in lieu thereof "constituting an obligation owed to a State under subsection (a)".

(4) Section 458(a) is amended by striking out "the support rights assigned under section 402(a) (26)" and inserting in lieu thereof "a support obligation owed under section 456(a)".

SEC. 204. TERMINATION OF PROGRAM OF SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED.

Effective with the close of December 31, 1976, title XVI of the Social Security Act (relating to program of supplemental security income for the aged, blind, and disabled) is repealed.

SEC. 205. EMERGENCY ASSISTANCE FOR NEEDY FAMILIES WITH CHILDREN.

(a) IN GENERAL.—The Social Security Act is amended by adding at the end thereof the following new title:

"TITLE XXI—EMERGENCY ASSISTANCE FOR NEEDY FAMILIES WITH CHILDREN

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 2101. For the purpose of enabling each State to provide emergency assistance to needy families with children, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part. The sums available under this section shall be used for making payments to States which have submitted, and have had approved by the Secretary, State plans for emergency assistance to needy families with children.

"STATE PLANS FOR EMERGENCY ASSISTANCE FOR NEEDY FAMILIES WITH CHILDREN

"SEC. 2102. (a) A State plan for emergency assistance for needy families with children must—

"(1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;

"(2) provide for financial participation by the State;

"(3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan;

"(4) provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for emergency assistance is denied or is not acted upon with reasonable promptness;

"(5) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

"(6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"(7) provide that the State agency shall, in determining need, take into consideration all income and resources of the members of any family claiming emergency assistance for needy families with children;

"(8) provide safeguards which restrict the use of disclosure of information concerning applicants or recipients to purposes directly connected with (A) the administration of the plan of the State approved under this title, the plan or program of the State under part D of title IV, or under title XIX, or XX, (B) any investigation, prosecution, or criminal or civil proceeding, conducted in connection with the administration of any such plan or program, and (C) the administration of any other Federal or federally assigned program which provides assistance, in cash or in kind, or services, directly to individuals on the basis of need; and the safeguards so provided shall prohibit disclosure, to any committee or a legislative body, of any information which identifies by name or address any such applicant or recipient;

"(9) provide that all individuals wishing to make application for emergency assistance for needy families with children shall have opportunity to do so, and that such assistance shall be furnished with reasonable promptness to all eligible families;

"(10) provide for prompt notice (including the transmittal of all relevant information) to the State child support collection agency (established pursuant to part D of this title) of emergency assistance with respect to a child who has been deserted or abandoned by a parent (including a child born out of wedlock without regard to whether the paternity of such child has been established);

"(11) provide that where the State agency has reason to believe that the home in which a child receiving emergency assistance resides is unsuitable for the child because of the neglect, abuse, or exploitation of such child it shall bring such condition to the attention of the appropriate court or law enforcement agencies in the State, providing such data with respect to the situation it may have; and

"(12) provide (A) that, as a condition of eligibility under the plan, each applicant for or recipient of emergency assistance shall furnish to the State agency his social security account number (or numbers, if he has more than one such number), and (B) that such State agency shall utilize such account numbers, in addition to any other means of identification it may determine to employ in the administration of such plan.

"(b) The Secretary shall approve any

plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes as a condition of eligibility for emergency assistance for needy families with children a residence requirement which denies emergency assistance to any otherwise eligible family which is physically present in the State.

"PAYMENTS TO STATES

"SEC. 2103. (a) From the sums appropriated therefor, the Secretary shall pay to each State which has a plan approved under this title, for each quarter, beginning with the quarter commencing January 1, 1977—

"(1) an amount equal to 50 per centum of the total amount expended under the State plan during such quarter as emergency assistance to needy families with children, plus

"(2) an amount equal to 50 per centum of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

"(b)(1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsection (a) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

"(2) The Secretary shall then pay to the State, in such installments as he may determine, the amounts so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

"(3) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to emergency assistance furnished under the State plan shall be considered to be an overpayment to be adjusted under this subsection.

"(4) Upon the making of an estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed to be obligated.

"OPERATION OF STATE PLANS

"SEC. 2104. In the case of any State plan for emergency assistance for needy families with children which has been approved by the Secretary, if the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

"(1) that the plan has been so changed as to impose any residence requirement prohibited by section 2102(b), or that in the administration of the plan any such prohibited by section 2102(b), or that in the knowledge of such State agency, in a substantial number of cases; or

"(2) that in the administration of the plan there is a failure to comply substantially with any provision required by section 2102(a) to be included in the plan;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

"DEFINITIONS

"SEC. 2105. When used in this title—

"(a) The term 'State' includes only one of the fifty States or the District of Columbia.

"(b)(1) The term 'emergency assistance to needy families with children' means any of the following, furnished for a period not in excess of 30 days in any 12-month period, in the case of a needy child under the age of 21, who is (or, within such period as may be specified by the Secretary, has been) living with any of the relatives specified in subsection (c) in a place of residence maintained by one or more of such relatives as his or their own home, but only where such child is without available resources, the payments, care, or services involved are necessary to avoid destitution of such child or to provide living arrangements in a home for such child, and such destitution or need for living arrangements did not arise because such child or relative refused without good cause to accept employment or training for employment—

"(A) money payments, payments in kind, or such other payments as the State agency may specify with respect to, or medical care or any other type of remedial care recognized under State law on behalf of such child or any other member of the household in which he is living, and

"(B) such services as may be specified by the Secretary.

"(2) Emergency assistance as authorized under paragraph (1) may be provided under the conditions specified in such paragraph to migrant workers with families in the State or in such part or parts thereof as the State shall designate.

"(c) The term 'relative', when employed in subsection (b)(1) with reference to any child, means one of the following relatives of such child: father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece, who maintains a place of residence (alone or with others) as his or their own home.".

SEC. 206. FOOD STAMP PROGRAM FOR PUERTO RICO, GUAM, AND THE VIRGIN ISLANDS.

(a) The Secretary of Health, Education, and Welfare shall establish, and with the assent and cooperation of the governments affected, place in operation on January 1, 1977 (or as soon thereafter as possible) in Puerto Rico, Guam, and the Virgin Islands, a food stamp program designed to assume a diet meeting minimum standards for needy households located therein. Such program shall be patterned after, and to the maximum extent feasible utilize the same criteria for determining eligibility for and extent of assistance to needy households as that employed in, the Food Stamp Act of 1964, as in effect on the date of enactment of this Act.

(b) There are hereby authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section. Of the funds available for carrying out the food stamp program, established by the Food Stamp Act of 1964, in Puerto Rico, Guam, and the Virgin Islands for the fiscal year ending September 30, 1977, any amounts remaining unobligated as of the close of December 31, 1976, shall be made available for the carrying out for the program, authorized under subsection (a), for the period beginning January 1, 1977, and ending September 30, 1977.

SEC. 207. MANDATORY STATE SUPPLEMENTATION FOR FORMER AFDC RECIPIENTS AND FORMER SSI RECIPIENTS.

(a) IN GENERAL.—The Social Security Act is amended by adding after title XXI thereof (as added by section 205 of this Act) the following new title:

"TITLE XXII—MANDATORY STATE SUPPLEMENTATION FOR CERTAIN FAMILIES WITH DEPENDENT CHILDREN AND CERTAIN AGED, BLIND, OR DISABLED INDIVIDUALS

"MANDATORY STATE SUPPLEMENTATION AGREEMENTS

"SEC. 2201. In order for any State to be eligible for payments pursuant to title XX, with respect to expenditures for any quarter beginning after December 1976 and prior to January 1, 1980, such State must have in effect an agreement with the Secretary whereby the State will provide to—

"(1) families with dependent children under part A of this Act (as in effect immediately prior to January 1, 1977) who would otherwise suffer a reduction in family income by reason of the enactment of this Act, and

"(2) aged, blind, or disabled individuals receiving (and were lawfully entitled to) benefits under the supplemental security income program established by title XVI of this Act for the month of December 1976, who would otherwise suffer a reduction in family income by reason of the enactment of this Act,

supplementary payments in the amounts needed (as prescribed under regulations of the Secretary) to maintain their total family income (for any month)—

"(3) in the case of a month which commences after December 31, 1976 and prior to January 1, 1978, at a level equal to 95 per centum of the level at which it would be (for such month) if the programs repealed by this Act had continued in effect as they were in effect for the month of December 1976,

"(4) in the case of a month which commences after December 31, 1977 and prior to January 1, 1979, at a level equal to 90 per centum of the level at which it would be (for such month) if the programs repealed by this Act had continued in effect as they were in effect for the month of December 1976, and

"(5) in the case of a month which commences after December 31, 1978 and prior to January 1, 1980, at a level equal to 85 per centum of the level at which it would be (for such month) if the programs repealed by this Act had continued in effect as they were in effect for the month of December 1976.

"COMPLIANCE WITH AGREEMENT

"SEC. 2202. In the case of any State having in effect an agreement under section 2201, if the Secretary, after reasonable notice and opportunity to the State, finds that the State is not substantially carrying out its obligations under the agreement, the Secretary shall notify the State that further payments will not be made to the State under title XX until the Secretary is satisfied that there is no longer a failure of the State substantially to carry out its obligations under such agreement.".

"SEC. 208. TERMINATION OF CERTAIN HOUSING SUBSIDY PROGRAMS.

After December 31, 1976, the Secretary of Housing and Urban Development shall not enter into any contract to make annual contributions under section 8 of the United States Housing Act of 1937 or to make assistance payments under section 235 of the National Housing Act except pursuant to a commitment issued on or before such date.

"SEC. 209. EXTENSION OF UNEMPLOYMENT COMPENSATION COVERAGE TO CERTAIN AGRICULTURAL WORKERS AND CERTAIN DOMESTIC WORKERS.

(a) Coverage of Certain Agricultural Employment.

(1) NONCASH REMUNERATION.—Section 3306 (b) of the Internal Revenue Code of 1954 (defining wages) is amended by striking out "or" at the end of paragraph (9), by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(11) remuneration for agricultural labor paid in any medium other than cash.".

(2) COVERAGE OF AGRICULTURAL LABOR.—Paragraph (1) of section 3306(c) of such Code (defining employment) is amended to read as follows:

"(1) agricultural labor (as defined in subsection (k)) unless—

"(A) such labor is performed for a person who—

"(i) during any calendar quarter in the calendar year or the preceding calendar year paid remuneration in cash of $10,000 or more to individuals employed in agricultural labor (not taking into account labor performed before January 1, 1979, by an alien referred to in subparagraph (B)), or

"(ii) on each of some 20 days during the calendar year or the preceding calendar year, each day being in a different calendar week, employed in agricultural labor (not taking into account labor performed before January 1, 1979, by an alien referred to in subparagraph (B)) for some portion of the day (whether or not at the same moment of time) 4 or more individuals; and

"(B) such labor is not agricultural labor performed before January 1, 1979, by an individual who is an alien admitted to the United States to perform agricultural labor pursuant to sections 214 (c) and 101 (a) (5) (H) of the Immigration and Nationality Act;".

(3) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to remuneration paid after December 31, 1976, for services performed after such date.

(b) Treatment of Certain Farmworkers.

(1) GENERAL RULE.—Section 3306 of the Internal Revenue Code of 1954 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(o) SPECIAL RULE IN CASE OF CERTAIN AGRICULTURAL WORKERS.—

"(1) CREW LEADERS WHO ARE REGISTERED OR PROVIDE SPECIALIZED AGRICULTURAL LABOR.—For purposes of this chapter, any individual who is a member of a crew furnished by a crew leader to perform agricultural labor for any other person shall be treated as an employee of such crew leader—

"(A) if—

"(i) such crew leader holds a valid certificate of registration under the Farm Labor Contractor Registration Act of 1963; or

"(ii) substantially all the members of such crew operate or maintain tractors, mechanized harvesting or crop-dusting equipment, or any other mechanized equipment, which is provided by such crew leader; and

"(B) if such individual is not an employee of such other person within the meaning of subsection (1).

"(2) OTHER CREW LEADERS.—For purposes of this chapter, in the case of any individual who is furnished by a crew leader to perform agricultural labor for any other person and who is not treated as an employee of such crew leader under paragraph (1)—

"(A) such other person and not the crew leader shall be treated as the employer of such individual; and

"(B) such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his behalf or on behalf of such other person) for the agricultural labor performed for such other person.

"(3) CREW LEADER.—For purposes of this subsection, the term 'crew leader' means an individual who—

"(A) furnishes individuals to perform agricultural labor for any other person,

"(B) pays (either on his behalf or on behalf of such other person) the individuals so furnished by him for the agricultural labor performed by them, and

"(C) has not entered into a written agreement with such other person under which such individual is designated as an employee of such other person.".

(2) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1976, for services performed after such date.

(c) Coverage of Domestic Service.

(1) GENERAL RULE.—Paragraph (2) of section 3306(c) of the Internal Revenue Code of 1954 (defining employment) is amended to read as follows:

"(2) domestic service in a private home, local college club, or local chapter of a college fraternity or sorority unless performed for a person who paid cash remuneration of $600 or more to individuals employed in such domestic service in any calendar quarter in the calendar year or the preceding calendar year;".

(2) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1976, for services performed after such date.

(d) Definition of Employer.

(1) GENERAL RULE.—Subsection (a) of section 3306 of the Internal Revenue Code of 1954 (defining employer) is amended to read as follows:

"(a) EMPLOYER.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'employer' means, with respect to any calendar year, any person who—

"(A) during any calendar quarter in the calendar year or the preceding calendar year paid wages of $1,500 or more, or

"(B) on each of some 20 days during the calendar year or during the preceding calendar year, each day being in a different calendar week, employed at least one individual in employment for some portion of the day.

For purposes of this paragraph, there shall not be taken into account any wages paid to, or employment of, an employee performing domestic services referred to in paragraph (3).

"(2) AGRICULTURAL LABOR.—In the case of agricultural labor, the term 'employer' means, with respect to any calendar year, any person who—

"(A) during any calendar quarter in the calendar year or the preceding calendar year paid wages of $5,000 or more for agricultural labor, or

"(B) on each of some 20 days during the calendar year or during the preceding calendar year, each day being in a different calendar week, employed at least 4 individuals in employment in agricultural labor for some portion of the day.

"(3) DOMESTIC SERVICE.—In the case of domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, the term 'employer' means, with respect to any calendar year, any person who during any calendar quarter in the calendar year or the preceding calendar year paid wages in cash of $600 or more for such service.

"(4) SPECIAL RULE.—A person treated as an employer under paragraph (3) shall not be treated as an employer with respect to wages paid for any service other than domestic service referred to in paragraph (3) unless such person is treated as an employer under paragraph (1) or (2) with respect to such other service."

(2) TECHNICAL AMENDMENT.—Subsection (a) of section 6157 of such Code (relating to payment of Federal unemployment tax on quarterly or other time period basis) is amended to read as follows:

"(a) GENERAL RULE.—Every person who for the calendar year is an employer (as defined in section 3306(a)) shall—

"(1) if the person is such an employer for the preceding calendar year (determined by only taking into account wages paid and employment during such preceding calander year), compute the tax imposed by section 3301 for each of the first 3 calendar quarters in the calendar year on wages paid for services with respect to which the person is such an employer for such preceding calendar year (as so determined), and

"(2) if the person is not such an employer for the preceding calendar year with respect to any services (as so determined), compute the tax imposed by section 3301 on wages paid for services with respect to which the person is not such an employer for the preceding calendar year (as so determined)—

"(A) for the period beginning with the first day of the calendar year and ending with the last day of the calendar quarter (excluding the last calendar quarter) in which such person becomes such an employer with respect to such services, and

"(B) for the third calendar quarter of such year, if the period specified in subparagraph (A) includes only the first two calendar quarters of the calendar year.

The tax for any calendar quarter or other period shall be computed as provided in subsection (b) and the tax as so computed shall, except as otherwise provided in subsections (c) and (d), be paid in such manner and at such time as may be provided in regulations prescribed by the Secretary or his delegate.

(3) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to remuneration paid after December 31, 1976, for services performed after such date.

A SUMMARY ANALYSIS OF EXISTING AND PROPOSED INCOME MAINTENANCE SYSTEMS

FOREWORD

Forty years ago America emerged on a new frontier with the realization that as society expanded and became more complex, it had an obligation to assist its people in times of need. As simple as that concept sounds today, when the Social Security Act was passed in 1935, it seemed to many a dramatic departure from the individualistic mold in which America had been cast. Western Europe had taken the step some fifty years earlier. Bismarck's Germany proceeded with a social security system in 1889. Two decades later England adopted a universal old age pension, conditioned solely upon age.

But the United States was different. It

labored under neither the patriarchal traditions of Germany nor the collectivist and egalitarian ways of England. Its rich cultural mix of Irish, Italians, Slavs, Chinese, and Northern Europeans brought diversity. The waves of immigation during the second half of the nineteenth century and the period 1910-1915 injected a unique spirit of accomplishment, one which placed in high regard the values of a work ethic and sense of self-accomplishment.

Fundamental beliefs do not change easily. Workman's compensation had found its way into most states by 1930. And while the arguments against its passage were frequently emotional and bitter, the idea of compensating a worker for job-related injury or disability did not conflict strongly with the emphasis on individualistic self-accomplishment. The Social Security Act of 1935, with its provisions establishing social security, unemployment compensation, and Aid to Families with Dependent Children, posed new and challenging questions, however. Could the Federal Government involve itself in the financial security of the aged, the unemployed, and dependent children lacking adequate support without endangering the foundation of the American work ethic?

Time has provided the answer to that question. In the forty years since passage of the Social Security Act, the social security system has assured the financial security of millions of aged, blind, and disabled on a self-financing basis. The program will expend $83 billion during the upcoming year, one-fifth of the entire federal budget, at an administration expense that comprises less than 2 percent of total expenditures. All in all, a truly remarkable accomplishment.

While the social security system has continued to operate essentially along the lines its original architects had in mind, the major income transfer programs have undergone radical reforms. Initially, the Social Security Act contained only the provision granting assistance to dependent children in financial need. Since then, it has expanded to include provisions for social services, medical assistance for the poor, and public assistance for the needy aged, blind, and disabled.

The two decades following World War II witnessed rapid and sustained economic growth, as real GNP rose from $478 billion in 1946 to $926 billion in 1965. Simultaneously, income transfers grew steadily, and even increased as a percent of gross national product, so that by 1965, expenditures on human resources (other than social security benefits) amounted to 2.6 percent of GNP. Major new policy initiatives during those twenty years included an amendment to the Social Security Act in 1950 which provided medical assistance to public assistance recipients. Title XIX in 1965 replaced the 1950 amendment with Medicaid. The Food Stamp Program began in 1961 and was expanded by legislation in 1964.

So it was that during the fifties and early sixties public assistance grew steadily and cautiously. Progressive legislation sought to provide assistance to those residing on the economic fringe of industrialized America, while still striving not to offend the individualistic sensibilities of traditional America.

Even the Johnsonian years which contributed so mightily to the shape and focus of our present social welfare policy adhered to the tenets rooted in traditional American culture. The "Great Society" promised to eliminate the undercurrent of poverty which Michael Harrington had described in *The Other America* by elevating it into domestic affluence. Training programs like the Job Corps were designed to provide training and opportunity in an effort to help those outside the economic mainstream back in. Expenditures on cash and in-kind assistance programs expanded almost overnight in an attempt to short-circuit the "vicious cycle of poverty." Between 1965 and 1970, spending on human resources (other than social security) climbed from 2.6 percent to 4.3 percent of GNP. In many cases, policy directives made during those years created open-ended entitlements as well as open-ended eligibility, and as a result, welfare rolls have continued to expand, showing little sensitivity to economic activity.

A decade's devotion to the War Against Poverty has paid off. In 1966, 28.2 million persons lived in poverty. By 1974, despite a severe recession, the number of persons in poverty had fallen by 3.4 million. Taking into account population growth, the percent of population in poverty has dropped from 14.7 percent to 11.6 percent.

For all its efforts, this Nation has a right to be proud of these accomplishments. But it also has a right to be disappointed with the costly and inefficient mechanism which now guides our welfare policy. The expansion of programs such as AFDC and the establishment of new programs like Food Stamps, Medicaid, and Supplemental Security Income during the past fifteen years has led to undesirable social and economic consequences that few would have predicted in 1960. Fully 11 to 12 percent of our welfare expenditures now go to administration, money that otherwise could be used to improve social services, including job training, or else to reduce the inflated tax burdens of low and middle income households. Instead, the Federal Government has intensified its mistakes of the past, creating a sea of red tape that is unconscionable both to taxpayers and the recipients it was originally designed to assist.

More importantly, in achieving a long-term goal of integrating our poor and underprivileged back into society's mainstream, welfare policy must pursue the social and demographic effects consonant with that objective, namely, the reinforcement of a traditional work ethic and an emphasis on the family as a permanent and responsible unit. As this report finds, the existing maze of welfare programs, when taken in aggregate, accomplishes none of these goals. Rather, it attaches financial disincentives to employment, to family unity, and to responsible family planning. As an example, a husband, wife, and three children residing in Maryland and living solely on public assistance would lose over $1400 in net discretionary income if the husband were to obtain full-time employment at the minimum wage. Even at the median wage that family would face an implicit tax rate of 93 percent, with the husband being paid only twenty-three cents more an hour than he and his family would receive through public assistance. Moreover, the welfare system offers a bonus of up to $4000 for families to separate and over $2000 for mothers to have additional children. These amounts represent the financial configuration of the welfare system in Maryland, a State which offers a relatively low level of assistance. For States which maintain higher benefit schedules, the financial incentives for family separation, unemployment, and having additional children looms even larger.

Four months ago, I visited Dunbar Social Services Center in Baltimore and spoke with the caseworkers about the problems and frustrations they have encountered in managing Food Stamps, AFDC, WIN, and other programs. Their concerns related to the growing mass of paperwork and documentation which accompany each application. Conflicting requirements from the Department of Health, Education, and Welfare, Department of Labor, and Department of Agriculture necessitate that an applicant fill out thirty-eight forms initially. The social workers at the Dunbar Center also expressed concern about the equity of the whole process—that sometimes a family must separate in order to receive adequate assistance, and that sometimes households must go without adequate nutrition because they cannot afford the food stamp purchase requirement.

At the time of my visit I made a promise—that I would return to Washington and do what I could to remedy the situation responsibly. As a result, on July 19, 1976, I introduced into the Senate the Welfare Reform and Tax Reduction Act of 1976, legislation that would fundamentally restructure and reform our welfare system. By consolidating many of the unwieldy programs and integrating them into the tax system, the net effect will be to reduce sharply the inequities by decreasing benefit-to-earnings tradeoffs and eliminating the undesirable social incentives for family separation. In the long run we can expect significant reductions in administrative expense, savings that will go toward augmenting needed social services and reducing the tax burden on low and middle income families.

It is my hope that through this legislation America can restore fiscal responsibility and vitality into its efforts to assist the disadvantaged.

J. GLENN BEALL, Jr.

Washington, D.C.

A SUMMARY OF PUBLIC ASSISTANCE TODAY

The first of two sections contained in a 131 page report issued by Senator J. Glenn Beall, Jr. on July 6 examined the existing welfare system, for both Maryland and the Nation. Very briefly, it revealed that:

1. Close to twenty-nine million Americans or 13.6 percent of the U.S. population received public assistance during 1974, either in cash or in-kind benefits.

2. Combined federal expenditure for Food Stamps, AFDC, SSI, and Sections 8 and 235 low income housing was $16.6 billion in FY 1975 and is projected to increase to $26.0 billion by FY 1978.

3. The existing system of public assistance, particularly AFDC, distributes benefits inequitably. In Maryland, an AFDC family of four could earn up to $391 a month before it would lose all benefits, whereas a household of identical composition not previously on welfare would have to earn less than $242 to qualify for assistance.

4. Administrative burdens associated with the existing system impose increasing costs upon Maryland taxpayers. For Federal/State cost sharing assistance programs (not including Medicaid, General Assistance, Child Care, etc.) the average taxpaying household in Maryland will pay $42.14 for welfare administration alone in FY 1977.

5. Even in Maryland, a State which operates public assistance with far greater efficiency than most States, workload standards which measure caseworker efficiency have declined significantly in the past four years. In one case, food stamp reconsiderations, efficiency has fallen 17 percent since 1974.

6. The total federal, state, local administrative expenditures for AFDC, SSI, food stamps, and housing assistance will approach $3 billion in FY 1977.

7. For many low income households in Maryland, the benefit-to-earnings tradeoff approaches or exceeds unity, implying that it is frequently more profitable for a head of household to refuse employment. In the case of a husband, wife, and three children not covered by unemployment insurance, full-time employment for the husband at the minimum wage of $2.30 per hour would

reduce discretionary income by $1433 from that available if he remained unemployed.

8. The financial gain in Maryland for unemployed households to have an additional child ranges from $444 to $2002.

9. The financial incentives for two-adult unemployed families to break-up is in some cases as high as $3756. For five of the eight household types surveyed, the financial gain exceeded $1000.

10. Given that the public assistance system discourages work effort (and the examples for Maryland do typify the nationwide situation, as revealed in a 1974 study by the Joint Economic Committee), then it might be expected that the number of public assistance recipients (or cases) would show a ratchet effect—that is, during a recession they would expand in response to diminished job opportunities, while during recovery, welfare rolls would not reduce to their former levels since many of those receiving public assistance would recognize the implicit costs inherent in finding a low wage job. Indeed, this appears to be the case.

A SUMMARY OF THE WELFARE REFORM AND TAX REDUCTION ACT OF 1976

The second of two sections contained in the Beall report detailed the provisions of the Family Allowance System contained in the Welfare Reform and Tax Reduction Act of 1976. As introduced by Senator J. Glenn Beall, Jr., that legislation would extensively restructure the public assistance system by implementing the following reforms:

1. The bill would replace AFDC, food stamps, SSI, and low income housing, with the comprehensive yet uncomplicated Family Allowance System integrated into the tax system and designed to assist low income households on the basis of family situation and income. Basic family allowances would replace exemptions and all households (including both taxpayers and recipients) would compute the basic family allowance as outlined below:

Taxpayer	$1,000
Spouse or first dependent	1,000
Additional family members	400
Additional allowance for elderly	600
Additional allowance for blindness	600
Additional allowance for disability	600

For taxpayers, a deduction would be allowed for two times the value of the basic family allowances. Additionally a $200 refundable credit would be allowed as an alternative to itemized or standard deductions. As before, a deduction would be allowed for two times the value of this credit. Thus, the total family allowance (equal to the basic family allowance and the sum of refundable credits) for a family of four would equal $3600. The corresponding break-even point (i.e., the income level which marks the separation between positive tax liabilities and family allowance benefits) would be $7200.

2. By incorporating a benefit-to-earnings tradeoff of 50 percent applicable toward the family allowance, the system will substantially reduce work disincentives which characterize the present structure.

3. A more equitable benefit distribution will eliminate the financial incentives for families to split apart or for low income mothers to have additional children.

4. Consolidating public assistance will shift the distribution of benefits among the poor. Some individuals and families not now qualifying for assistance would receive benefits. Other families, particularly those receiving AFDC benefits, would face a small reduction. In Maryland, a state which offers a relatively low level of benefits, most recipients will receive a higher level of benefits than under the present system.

5. Similarly, there would be an interstate redistribution of benefits, due primarily to variable AFDC payments. Thus, recipients in New York and California would likely lose some benefits, depending on the amount of state supplementation, while recipients in southern states, and even Maryland, would pick up additional benefits. To minimize this interregional redistribution and smooth the transition, the proposal would require states to maintain public assistance expenditures at 95, 90 and 85 percent of these pre-enactment benefit levels for the first three years of the program. This will not impose an undue burden on States currently paying higher benefits since these States will have large amounts of their own funds released from participation in Federal/State welfare programs, primarily AFDC. Moreover, by assisting individuals and those previously excluded because of categorical restrictions, the Federal Government will in large part relieve States of the financial burdens of General Assistance.

6. Total benefit expenditures under the Family Allowance System grow in line with the current services budget for FY 1977, with an approximate 12 percent growth over FY 1976.

7. As the program begins to function after implementation, administrative costs will gradually decline from 11 and 12 percent of total expenditures. Larger programs operated in an uncomplicated fashion sustain far lower administrative costs. As an example, social security for the aged sustains only a 1.5 percent administrative cost. Even if the Family Allowance System operated with an administrative burden of 3-6 percent, administrative savings would range between $2-$3 billion annually in five years. The Joint Economic Committee has the responsibility of reporting to Congress annually for the first five years on the administrative cost reductions over current policy, and preparing alternative paths by which Congress might implement tax reductions equal to the amount of administrative savings.

8. A work registration requirement would mandate that all able-bodied recipients between the ages of 17 and 60, not needed to care for children or dependent adults, register for employment and accept any job which becomes available.

9. Finally, the legislation assumes expiration of the temporary unemployment compensation programs (Federal Supplemental Benefits extending coverage from 40 to 65 weeks, and Special Unemployment Assistance which covers previously unprotected workers), and proposes the extension of permanent coverage to certain farm and domestic workers.

PRIVILEGE OF THE FLOOR

Mr. MANSFIELD. Mr. President, at the request of Senator Moss, I ask unanimous consent that Craig Peterson have the privilege of the floor during the consideration of H.R. 366, providing benefits to survivors of public safety officers, and S. 2212, the LEAA extension bill.

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

PRIVILEGE OF THE FLOOR—S. 2212 AND S. 3370

Mr. BUMPERS. Mr. President, I ask unanimous consent that during consideration of and vote on the LEAA extension bill, S. 2212, and the surety bond guarantee bill, S. 3370, Bob Brown of my staff be accorded the privilege of the floor.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

EXECUTIVE L AND M, 94TH CONGRESS, SECOND SESSION—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the multilateral Convention Abolishing the Requirement of Legalislation for Foreign Public Documents, adopted on October 26, 1960 (Ex. L, 94th Cong., 2d sess.), and a protocol amending the Interim Convention on Conservation of North Pacific Fur Seals, which protocol was signed at Washington on May 7, 1976 (Ex. M, 94th Cong., 2d sess.), both transmitted to the Senate today by the President of the United States.

I also ask unanimous consent that the two treaties with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's messages be printed in the RECORD.

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

(The messages of the President are as follows:)

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit a certified copy of the Convention Abolishing the Requirement of Legalisation for Foreign Public Documents adopted at the Ninth Session of the Hague Conference on Private International Law on October 26, 1960. The Convention, which was opened for signature on October 5, 1961, is presently in force in twenty countries.

This is the third convention in the field of international civil procedure produced by the Hague Conference on Private International Law to be sent to the Senate. It complements the Conventions on the Service Abroad of Judicial and Extrajudicial Documents in Civil and Commercial Matters and on the Taking of Evidence Abroad in Civil and Commercial Matters which are already in force for the United States to assist litigants and their lawyers in civil proceedings abroad.

The provisions of the Convention contain short and simple rules which will reduce costs and delays for litigants in international cases. The provisions would eliminate unnecessary authentication of documents without affecting

the integrity of such documents. They would also free judges and other officials, who presently certify signatures, from the time-consuming and unnecessary administrative process presently required.

The Convention has been thoroughly studied by the bench and bar of the United States. Its ratification is supported by the Judicial Conference of the United States, by the American Bar Association, and by other bar associations at the state and local level.

I recommend that the Senate of the United States promptly give its advice and consent to the ratification of this Convention.

GERALD R. FORD.

THE WHITE HOUSE, *July 19, 1976.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol amending the Interim Convention on Conservation of North Pacific Fur Seals, signed at Washington on February 9, 1957, which Protocol was signed at Washington on May 7, 1976, on behalf of the Governments of Canada, Japan, the Union of Soviet Socialist Republics, and the United States of America.

The provisions of the Protocol were initially formulated by the North Pacific Fur Seal Conference held at Washington from December 1 through December 12, 1975.

I transmit also, for the information of the Senate, the report by the Department of State with respect to the Protocol.

This Protocol is significant because it permits the continuation in force, with minor modifications, of the only international agreement affording protection to the fur seals of the North Pacific. I recommend that the Senate give favorable consideration to this Protocol at an early date because all the States party to the Interim Convention must ratify the Protocol prior to October 14, 1976 to prevent the lapse of the Interim Convention.

GERALD R. FORD.

THE WHITE HOUSE, *July 19, 1976.*

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILLS SIGNED

Under authority of the order of July 2, 1976, a message from the House of Representatives was received stating that the Speaker had signed the following enrolled bills:

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to authorize appropriations, to require the establishment of a special motor vehicle diagnostics inspection demonstration project, to provide additional authority for enforcing prohibitions against motor vehicle odometer tampering, and for other purposes.

H.R. 1404. An act to authorize the Secretary of the Interior to convey certain lands in Madera County, Calif., to Mrs. Lucille Jones, and for other purposes.

H.R. 4829. An act for the relief of Leah Maureen Anderson.

H.R. 5666. An act for the relief of Won, Hyo-Yun.

H.R. 10572. An act to amend title 5 of the United States Code to provide that the provisions relating to the withholding of city income or employment taxes from Federal employees shall apply to taxes imposed by certain nonincorporated local governments.

H.R. 10930. An act to repeal section 610 of the Agricultural Act of 1970 pertaining to the use of Commodity Credit Corporation funds for research and promotion and to amend section 7(e) of the Cotton Research and Promotion Act to provide for an additional assessment and for reimbursement of certain expenses incurred by the Secretary of Agriculture.

H.R. 13069. An act to extend and increase the authorization for making loans to the unemployment fund of the Virgin Islands.

H.R. 13501. An act to extend or remove certain time limitations and make other administrative improvements in the medicare program under title XVIII of the Social Security Act.

H.R. 14235. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1977, and for other purposes.

H.R. 14484. An act to make permanent the existing temporary authority for reimbursement of States for interim assistance payments under title XVI of the Social Security Act, to extend for 1 year the eligibility of supplemental security income recipients for food stamps, and to extend for 1 year the period during which payments may be made to States for child support collection services under part D of title IV of such Act.

The enrolled bills were signed by the Vice President on July 6, 1976.

MESSAGE FROM THE HOUSE

At 4:25 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 11504) to amend section 502(a) of the Merchant Marine Act, 1936.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 14234) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1977, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. MCFALL, Mr. YATES, Mr. STEED, Mr. KOCH, Mr. ALEXANDER, Mr. DUNCAN of Oregon, Mr. MAHON, Mr. CONTE, Mr. EDWARDS of Alabama, and Mr. CEDERBERG were appointed managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 11009) to provide for an independent audit of the financial condition of the government of the District of Columbia; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. DIGGS, Mr. FAUNTROY, Mr. REES, Mr. MAZZOLI, Mr. MANN, Mr. HARRIS, Mr. DAN DANIEL, Mr. GUDE, Mr. WHALEN, and Mr. MCKINNEY were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

PROPOSED AMENDMENTS TO BUDGET REQUEST FOR THE LEGISLATIVE BRANCH—(S. DOC. NO. 94-231)

A letter from the President of the United States submitting proposed amendments to the request for appropriations for the fiscal year 1977 in the amount of $3,522,780 for the legislative branch (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PROPOSED AMENDMENT TO S. 495

A letter from the President of the United States transmitting a proposed amendment in the nature of a substitute for S. 495 (with accompanying papers); ordered to lie on the table.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON CHILD NUTRITION

A letter from the Assistant Secretary of Agriculture and chairman of the National Advisory Council on Child Nutrition transmitting, pursuant to law, the annual report of the National Advisory Council on Child Nutrition (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION BY THE DEPARTMENT OF AGRICULTURE

A letter from the Under Secretary of Agriculture transmitting a draft of proposed legislation to amend the Consolidated Farm and Rural Development Act (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF THE DEPARTMENT OF AGRICULTURE

A letter from the Assistant Secretary of Agriculture transmitting, pursuant to law, the detailed medical evaluation final report, resultant of a contract with the University of North Carolina at Chapel Hill (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT OF THE MARITIME ADMINISTRATION

A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Maritime Administration during the fiscal year 1975 (with an accompanying report); to the Committee on Commerce.

REPORT OF THE COMMUNICATIONS SATELLITE CORPORATION

A letter from the president of the Communications Satellite Corporation transmitting, pursuant to law, a report on the operations of the Corporation (with an accompanying report); to the Committee on Commerce.

PROPOSED ACT OF THE COUNCIL OF THE DISTRICT OF COLUMBIA

A letter from the chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of a proposed act adopted by the Council (with accompanying papers); to the Committee on the District of Columbia.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with

accompanying papers); to the Committee on Foreign Relations.

DETERMINATIONS ON THE IMPORTS OF CHEESE BY THE DEPARTMENT OF THE TREASURY

Three letters from the Assistant Secretary of the Treasury transmitting, pursuant to law, copies of determinations by the Department of the Treasury relating to the importation of cheese (with accompanying papers); to the Committee on Finance.

RECOMMENDATION OF THE COMMISSION ON FEDERAL PAPERWORK

A letter from Hon. FRANK HORTON, chairman of the Commission on Federal Paperwork, transmitting, pursuant to law, a report with recommendations entitled "Occupational Safety and Health" (with an accompanying report); to the Committee on Government Operations.

REPORT OF THE COMMISSION ON FEDERAL PAPERWORK

A letter from Hon. FRANK HORTON, chairman of the Commission on Federal Paperwork, transmitting, pursuant to law, a report with recommendations entitled "Occupational Safety and Health" (with an accompanying report); to the Committee on Government Operations.

CLARIFICATION OF REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General transmitting a copy of a letter to Senator MCCLURE relating to a report on the National Science Foundation (with accompanying papers); to the Committee on Government Operations.

REPORTS OF THE COMPTROLLER GENERAL

Four letters from the Comptroller General transmitting reports entitled as follows: "Highlights of a Report on Staffing and Organization of Top-Management Headquarters in the Department of Defense"; Federal Control of New Drug Testing Is Not Adequately Protecting Human Test Subjects and the Public"; "Certain Actions That Can Be Taken To Help Improve This Nation's Uranium Picture"; and "Economies Available Through Consolidating or Collocating Government Land-Based, High Frequency Communications Facilities" (with accompanying reports); to the Committee on Government Operations.

REPORTS OF THE ADMINISTRATOR OF FEDERAL ENERGY

Two letters from the Administrator of Federal Energy each transmitting a report, first, one relating to market share information based on sales of distillate fuel oil and residual fuel oil in 1975 by refiner-marketers and independent marketers; and second, monitoring changes in market shares of the statutory categories of retail gasoline marketers (with accompanying reports); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE INTERIOR

A letter from the Acting Secretary of the Interior transmitting a draft of proposed legislation to authorize acquisition of land for the Edison National Historic Site in the State of New Jersey (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE DEPARTMENT OF THE INTERIOR

A letter from the Secretary of the Interior transmitting, pursuant to law, a report on the desirability and feasibility of protecting and preserving the Great Dismal Swamp and Dismal Swamp Canal in the States of Virginia and North Carolina (with an accompanying report); to the Committee on Interior and Insular Affairs.

APPROVAL OF REA INSURED LOANS

Four letters from the Administrator of the Rural Electrification Administration transmitting, pursuant to law, reports on the approval of REA-insured loans for certain generation and transmission facilities (with accompanying papers); to the Committee on Appropriations.

REPORT OF THE INDIAN CLAIMS COMMISSION

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report on the final determination of the Commission relating to the Choctaw Nation versus United States in Docket No. 249 (with accompanying papers); to the Committee on Appropriations.

REPORT OF THE ASSISTANT SECRETARY OF DEFENSE

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of receipts and disbursements pertaining to the disposal of surplus military supplies for the third quarter of fiscal year 1976 (with an accompanying report); to the Committee on Appropriations.

REPORT OF THE DISTRICT OF COLUMBIA AUDITOR

A letter from the District of Columbia Auditor transmitting, pursuant to law, a report entitled "Publication of D.C. Register" (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, purusant to law, a report on the committees advising and consulting with him under the Social Security Act (with an accompanying report); to the Committee on Finance.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE DEVELOPMENT COORDINATION COMMITTEE

A letter from the chairman of the Development Coordination Committee transmitting, pursuant to law, a report relating to U.S. actions affecting the development of low-income countries (with an accompanying report); to the Committee on Foreign Relations.

REPORT OF THE OFFICE OF MANAGEMENT AND BUDGET

A letter from the Director of the Office of Management and Budget transmitting, pursuant to law, a report entitled "Mid-Session Review of the 1977 Budget" (with an accompanying report); to the Committee on Government Operations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comproller General transmitting, pursuant to law, a list of reports of the General Accounting Office for the month of June 1976 (with accompanying papers); to the Committee on Government Operations.

A letter from the Comptroller General transmitting, pursuant to law, a report entitled "Progress, But Problems in Developing Emergency Medical Services Systems" (with an accompanying report); to the Committee on Government Operations.

REPORTS AND ORDERS OF THE IMMIGRATION AND NATURALIZATION SERVICE

A letter from the Commissioner of the Immigration and Naturalization Service.

REPORTS AND ORDERS OF THE IMMIGRATION AND NATURALIZATION SERVICE

Four letters from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of reports concerning visa petitions and orders entered suspending deportation together with a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

REPORT OF THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

A letter from the Administrator of the Energy Research and Development Administration transmitting, pursuant to law, Volume 2 of a report entitled "A National Plan for Energy Research, Development, and Demonstration: Creating Energy Choices for the Future" (with an accompanying report); jointly, by unanimous consent, to the Committee on Interior and Insular Affairs and the Joint Committee on Atomic Energy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a communication from the Administrator of ERDA, relative to volume 2 of "A National Plan for Energy Research, Development, and Demonstration: Creating Energy Choices for the Future," be referred jointly to the Committee on Interior and Insular Affairs and the Joint Committee on Atomic Energy.

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

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting, pursuant to law, a report on Export Administration covering the second and third quarters of 1975 (with an accompanying report); jointly, by unanimous consent, to the Committee on Government Operations and the Committee on Banking, Housing and Urban Affairs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a communication from the Secretary of Commerce relative to the semiannual report on the Export Administration be referred jointly to the Committee on Government Operations and the Committee on Banking, Housing and Urban Affairs.

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

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions which were referred as indicated:

House Concurrent Resolution No. 117 adopted by the Legislature of the State of Iowa; to the Committee on Agriculture and Forestry:

HOUSE CONCURRENT RESOLUTION 117

(By Scheelhaase, Hinkhouse, Husak and Spradling)

Whereas, the American farmer, through consistent and diligent effort, has increased the productivity of American agriculture; and

Whereas, the products of the American farm are a significant factor in providing food to the population of the world; and

Whereas, farmers face the continuous problems of soil erosion; and

Whereas, farmers are now facing the withholding or reduction of federal soil conservation funds; and

Whereas, the loss or reduction of federal soil conservation funds can only result in

erosion of rich farm soil, decrease in yields from farmland, hardship for American farmers, and eventual repercussions throughout the entire American economy; Now therefore, be it

Resolved by the House of Representatives, the Senate concurring, That we respectfully urge the President of the United States, officials of the administration, and the Congress of the United States, in their respective roles, to resist the withholding or reduction of federal soil conservation funds. We further urge that such proposals in the future be given the closest scrutiny in light of their potential adverse effects upon American farmers, American consumers, and the economy in general; and

Be it further resolved, That copies of this Resolution be forwarded to the President of the United States, all members of the Iowa Congressional delegation, the President of the United States Senate, the Speaker of the United States House of Representatives, and the Secretary of the United States Department of Agriculture.

We, Dale M. Cochran, Speaker of the House and David L. Wray, Chief Clerk of the House, hereby certify that the above and foregoing Resolution was adopted by the House of Representatives of the Sixty-sixth General Assembly, Second Regular Session.

Assembly Joint Resolution No. 39 adopted by the Legislature of the State of California; to the Committee on Commerce:

RESOLUTION CHAPTER—

Assembly Joint Resolution No. 39—Relative to whales.

LEGISLATIVE COUNSEL'S DIGEST

AJR 39, Wornum. Whales.

The measure would, among other things, memorialize the President and Congress of the United States to support a proposal for a 10-year moratorium on the taking of whales, to present such proposal to the International Whaling Commission, and to support congressional resolutions which would grant the President further powers to embargo products of countries engaged in commercial whaling.

Whereas, The State of California is a coastal state whose residents are dependent upon and concerned about the inhabitants of the oceans; and

Whereas, Whales, creatures of grand design and grander dimensions, are gentle ocean inhabitants whose numbers have dwindled due to the carnage by man; and

Whereas, Whales have been dramatically overexploited by commercial whalers to the point where many species are threatened with extinction; and

Whereas, These massive mammals, possibly second in intelligence only to man, are doomed because in the words of the famed French oceanographer, Jacques Cousteau, ". . . we are coldly, efficiently and economically killing them off"; and

Whereas, The time has come to halt the senseless and economically questionable slaughter of this splendid mammal whose passing would represent a stain on the honor of all mankind; and

Whereas, The California gray whale, which has been protected by international agreement since 1946 and which annually migrates along the coastal waters of the State of California, may again become a target of the whaling industry in defiance of international and scientific opinion; and

Whereas, The Legislature of the State of California recognizes the plight of all whales and in particular the danger to California gray whales, which were recently designated by the Legislature of the State of California as the California State Marine Mammal; and

Whereas, Legislation has been introduced in the Congress of the United States which would broaden the embargo powers of the President of the United States to enable him to embargo all products of countries engaged in commercial whaling; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of California respectfully memorializes the President and the Congress of the United States to.

1. Actively support the passage of a 10-year moratorium on the taking of all whales which would be proposed to the International Whaling Commission by the United States.

2. Actively oppose any proposals made to the International Whaling Commission to assign a kill quota to the gray whale.

3. Support congressional resolutions which broaden the President's embargo powers to cover all fish and fish products produced by countries engaging in commercial whaling; 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, to each Senator and Representative from California in the Congress of the United States, and to the International Whaling Commission.

Resolution No. 4225 adopted by the House of Representatives of the State of Florida; to the Committee on Commerce:

RESOLUTION NO. 4225

A resolution urging federal action to end certain leases relating to condominiums and cooperatives.

Whereas, over 800,000 Florida citizens reside in condominiums, and

Whereas, these residents have unknowingly entered into longer than lifetime agreements which will, unless voided, result in loss of their homes, and

Whereas, the courts of Florida may be unable to remedy this problem and the Legislature may be unable to provide an adequate remedy to correct abuses in existing agreements, and

Whereas, the Federal Trade Commission has jurisdiction to enforce the Sherman Antitrust Act, which is violated by many of these agreements, and

Whereas, the Congress of the United States has funded the Federal Trade Commission to begin further investigations which would or could lead to prosecution of violations of the antitrust laws, and

Whereas, it appears obvious that the only adequate relief available for our citizens is action on the federal level, Now, therefore, be it

Resolved by the House of Representatives of the State of Florida:

That the Federal Trade Commission is urged to extend an immediate order without delay, calling for the absolute end to all recreation, land, or similar leases, which were entered into as a mandatory condition of ownership as part of a sale of a condominium or cooperative, as void and unenforceable: that these persons who perpetuated these leases on the public be subject to any and all provisions of the antitrust laws of the United States; that the Federal Trade Commission be given sufficient latitude to file charges; and that the Attorney General authorize prosecution. Be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, each member of the Florida delegation to the United States Congress, the Department of Housing and Urban Development and the Federal Trade Commission.

Senate Resolution No. 85 adopted by the Senate of the State of New York; to the Committee on Finance:

SENATE RESOLUTION NO. 85

Senate Resolution of the State of New York memorializing Congress to repeal Item 807, Schedule 8, Part I, Subpart B of the U.S. Tariff Schedule

Whereas, Item 807, Schedule 8, Part I, Subpart B of the U.S. Tariff Schedule gives special preferential treatment to imported clothing items that are first styled and cut in the United States and then assembled outside our country in low-wage nations; and

Whereas, These finished articles are then imported into our country with only a fractional duty paid representing the value added; and

Whereas, These clothing items, in most cases, sell at the same price as their American made counterparts, even though they are produced at extremely lower costs; and

Whereas, The unfair competitive aspects of Item 807 have caused and are causing the loss of tens of thousands of garment worker jobs in New York City and New York State which have been the traditional entry level of employment for people coming to our urban centers from rural areas with limited skills and education; and

Whereas, This existing section of the Tariff Law has not only caused widespread unemployment but also has created a serious condition of underemployment in the garment industry and because of limited work has led to the loss of such important workers' benefits such as vesting rights, holiday and vacation pay; and

Whereas, The current basic and critical need of the economy of New York State and New York City is to preserve and expand employment in the garment industry; now, therefore, be it

Resolved, That the Senate of the State of New York hereby memorialize the Congress of the United States to adopt appropriate legislation to repeal Item 807, Schedule 8, Part I, Subpart B of the U.S. Tariff Schedule; and be it further

Resolved, That suitably engrossed copies of this resolution be transmitted to the President of the United States, the Speaker of the House of Representatives, the President of the Senate Pro Tempore of the United States, and each member of Congress from the State of New York.

Senate Concurrent Memorial 1001, adopted by the Legislature of the State of Arizona; to the Committee on Foreign Relations:

SENATE CONCURRENT MEMORIAL 1001

A concurrent memorial urging the President and Congress of the United States to maintain close relations with the Republic of China

To the President and Congress of the United States of America:

Your memorialist respectfully represents:

Whereas, the great free nation of the Republic of China has been a continuous and faithful ally of the United States, supplying both moral and economic support to the benefit of both nations; and

Whereas, the Republic of China has made every effort to develop a free enterprise-based democratic form of government on the Island of Taiwan; and

Whereas, the cultural interchange between the Republic of China and the United States has benefitted both nations; and

Whereas, the Republic of China, during the many years since its founding, has pledged its human and economic resources

to the defense of free people everywhere; and

Whereas, the Republic of China remains steadfast in its friendship toward the United States.

Wherefore your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, prays:

1. That the President and Congress of the United States make every effort to develop better social and economic relations with the Republic of China.

2. That the President and Congress of the United States do not in any way detract from our relations with the Republic of China and not concentrate any major efforts on development of any temporary and precarious relations with the communists of Red China.

3. That the Honorable Wesley Bolin, Secretary of State of the State of Arizona, transmit copies of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each member of the Arizona Congressional delegation.

Resolution No. 788 adopted by the Legislature of the Virgin Islands; to the Committee on Interior and Insular Affairs:

RESOLUTION No. 788—BILL No. 7092

REGULAR SESSION 1976

To Express the Support of the Legislature for an Act of Congress Which Would Supply a Grant to the Virgin Islands Equal to Losses Sustained by the Virgin Islands Treasury Due to the Tax Reduction Act of 1975 and the Revenue Adjustment Act of 1975

Whereas on February 18, 1975, the Tax Reduction Act of 1975 was signed into law (P.L. 94-12, 89 Stat. 26) and on December 23, 1975, the Revenue Adjustment Act of 1975 was signed into law (94-164, 89 Stat. 970), both of which Congressional Acts provided for substantial rebates and reductions on income taxes paid into the Treasury of the United States and, in the case of the Virgin Islands, into the Treasury of the Virgin Islands; and

Whereas the combined effective dates of these two Congressional Acts are from January 1, 1975 to June 30, 1976, during which time period the loss of revenue to the Treasury of the Virgin Islands has been estimated at $12,519,154; and

Whereas the Government of the Virgin Islands is currently faced with the prospect of severe budgetary curtailments, including personnel layoffs and termination or curtailment of vital services and essential public projects; and

Whereas it is the sense of the Legislature that the enactment of Congressional legislation granting to the Government of the Virgin Islands the amount which has been lost to it from unanticipated Federal tax rebates and reductions is an equitable and satisfactory partial solution to the budgetary problems facing these islands; Now, Therefore, be it

Resolved by the Legislature of the Virgin Islands:

Section 1. That the Legislature hereby expresses its firm support for the enactment of legislation by the Congress of the United States which would grant to the Treasury of the Virgin Islands the sum of $12,519,154, which sum represents an informed best estimate of the amount which will have been lost to the Government of the Virgin Islands by virtue of tax rebates and tax reductions mandated by the Tax Reduction Act of 1975 (P.L. 94-12, 89 Stat. 26) and the Revenue Adjustment Act of 1975 (P.L. 94-164, 89 Stat. 970), and urges the introduction and expeditious passage and approval of such legislation.

Section 2. That copies of this Resolution, immediately upon its passage, be forwarded to the President of the United States Senate, the Speaker of the United States House of Representatives, the respective Chairmen of the House and Senate Standing Committees on Interior and Insular Affairs, the Virgin Islands Delegate to the United States House of Representatives and the President of the United States, Washington, D.C.

Thus passed by the Legislature of the Virgin Islands on June 10, 1976.

Assembly Joint Resolution No. 77 adopted by the Legislature of the State of California; to the Committee on the Judiciary:

RESOLUTION CHAPTER —

Assembly Joint Resolution No. 77—Relative to Iva Toguri d'Aquino.

Whereas, Iva Toguri d'Aquino, a California born, reared, and educated woman, was stranded in Japan at the onset of World War II while making an emergency humanitarian visit to a sick aunt; and

Whereas, It was brought out in her 1949 trial in San Francisco that, because of her steadfast refusal to renounce her American citizenship in wartime Japan, she was harassed unmercifully by the Japanese police, and denied food rations, causing her severe physical sufferings; and

Whereas, Witnesses and affidavits presented at her trial pointed out that she was outspokenly pro-American throughout the war years in Japan, continuously maintaining, despite much personal danger, that the United States would win the war; and

Whereas, Many testified that she was threatened and ordered to broadcast over Radio Tokyo by the Japanese military government; and

Whereas, Allied prisoners of war Major Charles Cousens of Australia and United States Army Captain Wallace Ince, both forced to work at Radio Tokyo, testified that they assured her that she could help the American war efforts by conducting a popular American music program and by watering down anti-American propaganda; and

Whereas, She spent her own meager funds to purchase food, medicine, and tobacco, and risked her own life and safety to aid the sick and the weak at the Bunka prisoner-of-war camp in Tokyo; and

Whereas, The term "Tokyo Rose" was coined by American soldiers and applied to any and all female broadcasters heard on Japanese radio stations; and

Whereas, Iva Toguri d'Aquino was one of 14 English-speaking women announcers employed by Radio Tokyo, but only she was arrested, investigated and tried, and convicted; and

Whereas, Major Cousens and Captain Ince both testified in the 1949 trial that they wrote all the scripts for Iva Torguri d'Aquino's "Zero Hour" programs; and

Whereas, United States military propaganda monitors were unable to locate any propaganda or demoralizing statements in her program; and

Whereas, United States Army Alaskan Defense Command, in the spring of 1944, issued a memorandum instructing staff officers to urge their men to listen to her broadcasts because they were free of propaganda; and

Whereas, After a year of extensive investigation on the scene by the legal staff of General of the Army Douglas MacArthur and the Federal Bureau of Investigation, the United States Department of Justice concluded that there was no cause and released her in October 1946; and

Whereas, The public outcry against her returning to the United States was ignited by the hostile radio and press in a period when public temper was still inflamed against Japan, and Japanese-Americans often became targets; and

Whereas, She was convicted solely on the testimonies by two prosecution witnesses who had renounced their American citizenships; and

Whereas, She spent eight and one-half years of her life in prison, paid $10,000 in fines, and suffered untold humiliations and harassments for over 30 years; and

Whereas, Although she has lost her rights as an American, she has remained a proud and loyal American in spite of her ordeal; and

Whereas, President Ford in his recent proclamation terminating Executive Order 9066, which sent more than 112,000 Japanese-Americans into detention camps during World War II, stated that there must be "an honest reckoning of our national mistakes as well as our national achievements"; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, that the members believe that Iva Toguri d'Aquino may have been unjustly accused, tried, and convicted for treason as a mythical "Tokyo Rose"; and be it further

Resolved, That the Legislature of the State of California respectfully memorializes the President of the United States to consider favorably her petition for pardon; and be it further

Resolved, That Iva Toguri d'Aquino be given a full and unconditional presidential pardon to redeem her name and to restore her cherished American citizenship; 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.

A resolution adopted by the Legislature of the State of Michigan; to the Committee on the Judiciary:

SPECIAL RESOLUTION

Let it be known, that a respectful request is hereby submitted to the Congress of the United States to propose to the people an amendment to the Constitution of the United States for the purpose of eliminating violence in broadcasting, as provided by Article V of the Constitution to add to the Constitution an article providing that:

ARTICLE

SEC. 1. The right to freedom of speech conferred by this constitution does not include the right to broadcast, exhibit, or display to or for the public or at a facility open to the public a visual reproduction or representation, in the form of moving pictures, films, television, or other visual media depicting action or movement, of the actual or simulated act of physical assault or violence to a human being, by any means, which depicts the infliction or intended infliction of a physical injury to a human being in a manner not intended to be medically or physiologically rehabilitative.

SEC. 2. The visual reproductions or representations described in this article are prohibited, except that this article shall not prohibit an objective and accurate visual reproduction or representation of an actual or simulated event of a newsworthy or educational character depicting the infliction or intended infliction of physical injury to a human being, if the event is broadcast, exhibited, or displayed for the purpose of reporting, educating, or informing of the happening of the event and if the visual reproduction or representation is consistent with the spirit of this article.

SEC. 3. The Congress shall have power to enforce this article by appropriate legislation.

Senate Joint Memorial 1002 adopted by the Legislature of the State of Arizona; to the Committee on Post Office and Civil Service:

SENATE JOINT MEMORIAL 1002

A joint memorial requesting the President, Congress and the Postmaster General to conduct a complete investigation of the proposed postal service downgrade for Jerome, Arizona

To the President, the Congress and the Postmaster General of the United States of America:

Your memorialist respectfully represents:

Whereas, the town of Jerome, Arizona, has been selected by the United States Postal Service to have its postal service downgraded; and

Whereas, Jerome has been entered in the National Register of Historic Places as an historic district possessing "a significant concentration, linkage, or continuity of sites, buildings, structures, or objects which are united by past events or aesthetically by plan or physical development"; and

Whereas, the designation of Jerome as an historical district at the national level indicates that Jerome contributed an important role to the course of national history as compared with sites or districts important in terms of state or local history; and

Whereas, the social value of the district is apparent in that Jerome's cultural resources, if properly investigated and interpreted, can be applied as important public educational and recreational resources; and

Whereas, such significance as a cultural resource warrants Jerome's protection through the National Historic Preservation Act of 1966; and

Whereas, the Preservation Act provides for review of any federal action, activity or program which may potentially affect any site listed on the National Register; and

Whereas, the National Historic District of Jerome has doubled its population since 1970 and now has almost one million annual visitors; and

Whereas, Jerome has achieved its projected population four years ahead of schedule and its growth is advancing above the projected rate; and

Whereas, the Jerome Post Office is situated in a quaint antique structure owned by the Jerome Historical Society and utilizes brass boxes, a notable roll top desk, a unique pendulum wall clock and varied other antique equipment and is in and of itself a significant tourist attraction; and

Whereas, a rural route postal service would be expensive and inconvenient; and

Whereas, the people of Jerome feel that because of its special status, an agency of the federal government should not be able to deprive them of operating the antique post office; and

Whereas, an on-site objective evaluation of the matter by higher level postal service personnel may well result in concurrence with the local appraisal.

Wherefore your memorialist, the Legislature of the State of Arizona, prays:

1. That a complete impartial investigation of the proposed postal service downgrade for Jerome, Arizona be conducted prior to any action leading to such downgrade.

2. That the Secretary of State of the State of Arizona transmit copies of this memorial to the President of the United States, the Postmaster General of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States and to each Member of the Arizona Congressional Delegation.

Senate Resolutions 82, 83, and 84 adopted by the Senate of the State of New York; to the Committee on Rules and Administration:

SENATE RESOLUTION NO. 82

Senate Resolution of the State of New York memorializing the States in the Northeast Region to set their Presidential Primary date to the second Tuesday in March, and Congress to create a National Commission to study the presidential nominating system and recommend appropriate means to create a national system of Regional Presidential Primaries

Whereas, The present system of presidential primaries is one devoid of apparent design; and

Whereas, The number and location of such primaries demands on inordinate amount of time and the expenditure of vast sums of money; and

Whereas, The entire scheme of selection of nominees for the office of president ought to be restructured allowing for a limited number of regional primaries; and

Whereas, While individual action on the part of our sister-states is a salutary step which ought to be encouraged meaningful change can best be accomplished by a nationally-directed program; and

Whereas, The Senate is desirous of helping to implement a rational approach to the scheduling of presidential primaries; now, therefore, be it

Resolved, That the Senate of the State of New York hereby memorializes our sister-states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, Pennsylvania, Rhode Island and Vermont to set their Presidential Primary date to the second Tuesday in March, and to join New York in memorializing the Congress to implement legislation to create a National Commission to study the presidential nominating system and make recommendations as to establishing a national system of regional primaries; and

SENATE RESOLUTION NO. 83

Senate Resolution of the State of New York memorializing the Congress of the United States to revise by legislation the present system of presidential primary elections by instituting a National Regional Presidential Primary System

Whereas, With the completion of the final presidential primaries of 1976 in the states of California, Ohio and New Jersey the nation enjoys a temporary respite from the weekly barrage of presidential primaries which commenced in mid-February in the state of New Hampshire; and

Whereas, It is the well-reasoned belief of the Senate speaking on behalf of the citizenry of New York State that the system of presidential primaries as they have been conducted this year and in past presidential election years is not only financially burdening to the nation's taxpayers but also contributive to a growing sense of confusion shared by the electorate in their conscientious search to choose a candidate most qualified to serve as President of the United States; and

Whereas, The present system of presidential primaries has made it virtually impossible for all but the extremely wealthy to enter the weekly cross-country forays into state primary elections, thereby forcing candidates dependent on federal funding and their own moderate resources to select state primaries where their chances for success at the polls appear to warrant making the run; and

Whereas, It would seem to be in the best interests of the nation's voters that a National Regional Presidential Primary System, if it were to be adopted by Congress and implemented by the states, would go far to eradicate the ills and misconceptions that exist under the present system of presidential primaries; and

SENATE RESOUTION NO. 83

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Whereas, With the completion of the final presidential primaries of 1976 in the states of California, Ohio and New Jersey the nation enjoys a temporary respite from the weekly barrage of presidential primaries which commenced in mid-February in the state of New Hampshire; and

Whereas, It is the well-reasoned belief of the Senate speaking on behalf of the citizenry of New York State that the system of presidential primaries as they have been conducted this year and in past presidential election years is not only financially burdening to the nation's taxpayers but also contributive to a growing sense of confusion shared by the electorate in their conscientious search to choose a candidate most qualified to serve as President of the United States; and

Whereas, The present system of presidential primaries has made it virtually impossible for all but the extremely wealthy to enter the weekly cross-country forays into state primary elections, thereby forcing candidates dependent on federal funding and their own moderate resources to select state primaries where their chances for success at the polls appear to warrant making the run; and

Whereas, It would seem to be in the best interests of the nation's voters that a National Regional Presidential Primary System, if it were to be adopted by Congress and implemented by the states, would go far to eradicate the ills and misconceptions that exist under the present system of presidential primaries; and

Whereas, The Senate of the State of New York, while demurring to the wisdom of Congress, proposes that such a National Regional Presidential Primary System could be divided into six regional elections to be held in six national regions, such as in the Northeast, Southeast, Midwest, Southwest, Northwest and the Pacific. Such regions would be composed of states within such regions which enjoy, as nearly as possible, a community of interests on questions of national, international and statewide interests; and

Whereas, Primary elections would be held in each of the states within such region on the same day and according to the applicable provisions of each state's election law and such regional elections would be conducted at uniform intervals of two or three weeks; now, therefore, be it

Resolved, That the Congress of the United States be and is hereby with all due respect, memorialized to undertake a study designed to formulate legislation implementing a National Regional Presidential Primary System; and be it further

Resolved, That copies of this resolution, suitably engrossed, be transmitted to the President and Vice-President of the United States, the Secretary of the Senate and the Clerk of the House of Representatives of the United States and to each member of the Congress of the United States from the State of New York.

SENATE RESOLUTION NO. 84

Senate Resolution of the State of New York memorializing Congress to create a National Commission to study all relevant

data and make recommendations regarding a Presidential Nominating System based on a Regional Concept

Whereas, The existing system of presidential primaries, which in fact is not one system but rather numerous different systems with differing and often conflicting rules, has proven to be costly, confusing and inconclusive; and

Whereas, The present system minimizes the impact that any single state, and particularly a populous state such as New York, has on the final result, while accenting these primaries that come early in the year, permits candidates to pick and choose those primary battles where they hope to do well; and

Whereas, Staggering sums of money are expended in what amounts to a separate campaign in each primary, with an end result of leaving the majority of voters either baffled or bored; and

Whereas, New York and other states in the northeast have a distinct community of interest, geographically, historically and economically. Other sections of the nation have similar regional communities of interest; and

Whereas, Bringing order out of the present chaos in the method by which presidential candidates are chosen can best be accomplished by adopting a regional approach well in advance of the 1980 elections; now, therefore, be it

Resolved, That the Senate of the State of New York hereby memorializes Congress to create a National Commission to study all aspects of the presidential nominating process and to make recommendations regarding a Presidential Nominating System based on a Regional Concept; and be it further

Resolved, That copies of this resolution be transmitted to the President Pro Tem of the United States Senate, the Speaker of the House of Representatives, and to each member of Congress from the State of New York.

Senate Joint Resolution No. 32 adopted by the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

SENATE JOINT RESOLUTION NO. 32

Senate Joint Resolution No. 32—Relative to mining in the Los Padres National Forest.

Whereas, A phosphate strip or open-pit mine operation under federal lease is proposed to be located in the Los Padres National Forest in Ventura County about 25 miles north of the City of Ventura, near the City of Ojai, which would cause serious and irreparable harm to the environment; and

Whereas, The proposed mining operation would be located adjacent to State Highway Route 33, a proposed state scenic highway which would provide the only access to the mine site, but such highway is a two-lane mountain road not designed for intensive use; and

Whereas, it is anticipated that the proposed mining operation would be conducted for at least 50 years, would use a million gallons of water per day, and would emit more sulfur dioxide into the air than all other existing sources in Ventura County combined; and

Whereas, The environmental impact statement submitted by United States Gypsum was prepared under the direction of Dr. Beatrice Willard, who was subsequently appointed by President Nixon to the National Council on Environmental Quality, the very council that must ultimately rule on the sufficiency of the environmental impact statement in question; and

Whereas, To allow such a strip or open-pit mining operation to be conducted on federal lands in this area would be inconsistent with the National Environmental Policy Act of 1969; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress (1) that the environmental impact statement now under consideration for such project be considered a draft only, and not a final environmental impact statement; (2) that new public hearings be held by the Department of the Interior on a revised environmental impact statement, with testimony requested from the public, elected and appointed legislative representatives, and concerned federal, state, and local agencies; (3) that such public hearing be conducted in the local area to allow all interested parties the opportunity to testify; and (4) that the President and the Congress of the United States take all steps necessary to prevent strip mining or open-pit mining in that area of the Los Padres National Forest situated in Ventura County approximately 25 miles north of the City of Ventura, near the City of Ojai; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, the Secretary of the Interior, the Speaker of the House of Representatives, and to each Senator and representative from California in the Congress of the United States.

Senate Joint Resolution No. 41 adopted by the Legislature of the State of California; to the Committee on Finance:

RESOLUTION CHAPTER—

Senate Joint Resolution No. 41—Relative to the simplification of eligibility for welfare.

Whereas, State administration of the Aid to Families with Dependent Children Program and the Medi-Cal Act is required to conform to federal standards administered by the Department of Health, Education, and Welfare, while state administration of the Food Stamp Program is required to conform to federal standards administered by the Department of Agriculture; and

Whereas, Each of such programs has separate eligibility requirements, different methods of computing net income, and each requires a different set of forms to determine eligibility and the amount of assistance, that are complex, confusing and, in some cases, contradictory; and

Whereas, Generally applicants may be eligible for two or more programs or may thansfer from one program to another; in either situation, eligibility for the same applicant must be determined separately using different regulations and different forms for each program; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States, the Department of Health, Education and Welfare, and the Department of Agriculture to make such changes in the law and regulations as are necessary to simplify the eligibility procedure for the programs mentioned in this resolutiton so that eligibility for all such programs can be measured by the same eligibility criteria and so that only one eligibility form need be used; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Department of Health, Education and Welfare, the Department of Agriculture, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

Senate Joint Resolution No. 43 adopted by the Legislature of the State of California; to the Committee on Foreign Relations;

RESOLUTION CHAPTER —

Senate Joint Resolution No. 43—Relative to supporting an international exposition to be held at the Ontario Motor Speedway, Ontario, California.

Whereas, The presentation of an international exposition in 1981 in the State of California would bring many tourists to the state, create new jobs, and provide the citizens of California with the unique opportunity to attend an international exposition within the State of California; and

Whereas, An international exposition would benefit many citizens in many sections of the state; and

Whereas, The Counties of Los Angeles and San Bernardino and the Cities of Los Angeles and Ontario have indicated their support for presenting an international exposition at the Ontario Motor Speedway in Ontario, California; and

Whereas, The State of California and all of the counties and cities in proximity to the Ontario Motor Speedway should join and work together to bring an international exposition to California; and

Whereas, Many steps have been taken by the EXPO 81 nonprofit board to bring an international exposition to the City of Ontario, California; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California endorses the proposal and supports all efforts to hold an international exposition in 1981 at the Ontario Motor Speedway, Ontario, California, and respectfully memorializes the President and the Congress of the United States to take any necessary action to implement the holding of such an exposition; and be it further

Resolved, That the Secretary of the Senate 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.

Senate Joint Resolution No. 48 adopted by the Legislature of the State of California; to the Committee on Appropriations:

RESOLUTION CHAPTER —

Senate Joint Resolution No. 48—Relative to forest fire prevention.

Whereas, Congressional appropriations for forest fire prevention and suppression under Section 2 of the Clarke-McNary Act have been a vital factor in the protection of forest and water resources in the United States for 50 years; and

Whereas, Such appropriations recognize the facts that the public uses and benefits from all forest lands and that the federal government should assist in their protection; and

Whereas, The level of protection afforded adjacent and intermingled state and federal lands depends directly upon the effectiveness of protection provided by the state; and

Whereas, This mutual interdependence and reinforcement capability is vital to the protection of forest resources in the western states, and the federal government should do all in its power to assure such capability; and

Whereas, Congressional appropriations are a significant part of each state's fire control budget and are essential to each state for the proper and effective maintenance of its fire protection program at current levels; and

Whereas, The President's budget for the 1976–77 fiscal year proposes to reduce appropriations under the Clarke-McNary Act from $22.6 million to $11.7 million, and there are proposals to eliminate such appropriations entirely in the 1977–78 fiscal year; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respect-

fully memorializes the President and the Congress of the United States to undertake all acts necessary to restore funding of forest fire prevention and suppression programs under the Clarke-McNary Act to their prior levels and to retain such programs and financial assistance in the future; and be it further

Resolved, That the Secretary of the Senate 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.

Senate Joint Resolution No. 44 adopted by the Legislature of the State of California; to the Committee on Commerce:

RESOLUTION CHAPTER —

Senate Joint Resolution No. 44—Relative to Amtrak.

Whereas, America's railroads are vital to the economy and the travel needs of the nation; and

Whereas, The continuing problems of fuel shortages and environmental pollution dictate that alternatives to the automobile must be developed and maintained; and

Whereas, Amtrak has provided California and the entire nation with a viable alternative to the automobile; and

Whereas, It is necessary for Amtrak to at least maintain its present level of service in order to continue its efforts to increase railway ridership; and

Whereas, California has provided for three million dollars ($3,000,000) for 1976-77 to 1978-79 fiscal years to be matched with federal funds for the expansion of Amtrak services; and

Whereas, The proposed Amtrak budget for fiscal year 1976-77 does not provide for expansion of Amtrak services, nor for the rise in the cost of present services due to inflation; and

Whereas, The current proposed budget may impede expansion of Amtrak services within California and may even result in a cutback of such services; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to provide Amtrak with a fiscal year 1976-77 budget sufficient for the maintenance of present services, extension of intercity passenger rail services, and the upgrading of other commuter rail services; and be it further

Resolved, That the Secretary of the Senate 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.

A resolution adopted by the American Federation of Musicians endorsing the National Health Security bill (H.R. 21 and S. 3); to the Committee on Finance.

A resolution adopted by the New Jersey State Federation of Women's Clubs relating to unemployment compensation abuses; to the Committee on Finance.

A declaration and proclamation adopted by the Christian Conservation Church, Louisvilla, Illinois; to the Committee on Government Operations.

A resolution adopted by the Council of the City of Birmingham, Alabama, relating to the bicentennial; to the Committee on the Judiciary.

A petition from a citizen of Juneau, Alaska, seeking a redress of grievances; to the Committee on the Judiciary.

Resolutions adopted by the Tennessee Hearing Aid Society relating to rules on hearing aid devices by the Department of Health, Education, and Welfare; to the Committee on Labor and Public Welfare.

A letter from the Byelorussian Congress Committee of America relating to the bicentennial; ordered to lie on the table.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

The following reports of committees were submitted during the adjournment of the Senate, under authority of the order of July 2, 1976:

On July 2, 1976, by Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

S. 3664. An original bill to amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to sec. 12 of such act to maintain accurate records, to prohibit certain bribes, and for other purposes (Rept. No. 94-1031).

On July 15, 1976, by Mr. HASKELL, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1026. A bill to designate certain lands in the Chassanowitzka National Wildlife Refuge, Citrus County, Florida, as wilderness (Rept. No. 94-1032).

On July 15, 1976, by Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 9460. An act to provide for the establishment of a constitution for the Virgin Islands (Rept. No. 94-1033).

H.R. 9491. An act to provide for the establishment of a constitution for Guam (Rept. No. 94-1034).

On July 15, 1976, by Mr. KENNEDY, from the Committee on the Judiciary, with amendments:

S. 3197. A bill to amend title 18, United States Code, to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information (Rept. No. 94-1035).

On July 15, 1976, by Mr. HUMPHREY, from the Committee on Agriculture and Forestry, without amendment:

S. Res. 487. An original resolution relating to the negotiation of voluntary restraints on palm oil imports into the United States (Rept. No. 94-1036).

REPORT OF THE SPECIAL SUBCOMMITTEE ON CRIMINAL LAWS AND PROCEDURES—REPT. NO. 94-1037

Mr. McCLELLAN submitted a report from the Committee on the Judiciary on the activities of the Special Subcommittee on Criminal Laws and Procedures, 94th Congress, 1st session, pursuant to Senate Resolution 72, which was ordered to be printed.

"SEPARATION OF POWERS"—REPORT OF THE COMMITTEE ON THE JUDICIARY— REPORT NO. 94-1038

Mr. ABOUREZK submitted a report entitled "Separation of Powers—Annual Report," prepared by the Subcommittee on Separation of Powers of the Committee on the Judiciary, pursuant to Senate Resolution 255, section 16, 93d Congress, 2d session, which was ordered to be printed.

FEDERAL NARCOTICS ENFORCEMENT—REPORT NO 94-1039

Mr. NUNN submitted a report entitled "Federal Narcotics Enforcement," prepared by the Permanent Subcommittee on Investigations of the Committee on Government Operations, which was ordered to be printed.

Mr. NUNN. Mr. President, on behalf of the Senate Committee on Government Operations, I submit an interim report of its permanent Subcommittee on Investigations entitled, "Federal Narcotics Enforcement." This report covers the first phase of the subcommittee's inquiry into Federal narcotics enforcement with primary emphasis on the Nation's lead drug agency—the Drug Enforcement Administration—DEA.

Public hearings were held on June 9, 10, 11, 17, 18, 19 and 20, and July 8, 10, 11, 14 and 15, 1975. Executive sessions were held January 27 and 31, and June 2, 1975. There were 57 exhibits received in connection with the testimony of 22 witnesses.

I wish to express my gratitude to Senator HENRY M. JACKSON, subcommittee chairman, Senator CHARLES H. PERCY, the ranking minority member of the subcommittee, and other Senators who participated in this inquiry for their cooperation and attention to this important national issue. In addition, special mention should be made of the work of both majority and minority staffs in compiling this report.

The report generally criticizes DEA for its failure to effectively combat the upsurge in the availability of heroin narcotics in the United States. However, I am impressed with the commitment of Attorney General Edward Levi and Drug Enforcement Administrator Peter Bensinger in striving to correct many of the problems they inherited at DEA.

Congress must also take a major role in this effort. Accordingly, I am announcing that the subcommittee has scheduled hearings later this month to search for methods to improve the Federal narcotics enforcement effort.

Our hearings will pull together, for the first time, the differing views of the various agencies and entities involved—Justice, DEA, the FBI, Customs, Treasury, State and local authorities and others—and attempt to come up with alternative approaches to a problem which so affects the health and welfare of our citizens.

"Federal Narcotics Enforcement" is an interim report on the subcommittee's continuing investigation into the Nation's drug enforcement program.

In this so-called war on drugs the DEA has failed to marshal some of the most effective crime fighters we have—the FBI. For all intents and purposes the FBI has stepped aside.

Meanwhile, the DEA and the Customs Service, which also has major responsibilities in this area, declared war on each other—not on the big time, international narcotics smugglers and dealers.

Instead, the DEA adopted a "body count" approach to the war on drugs whereby the number of arrests is more important than the person arrested and his role in narcotics trafficking. As a result, low level street dealers are being arrested while the big time traffickers who are responsible for bringing heroin into this country remain in business.

The subcommittee report concludes

that a misplaced emphasis on low level dealers, a complex and often conflicting drug enforcement structure and major personnel integrity problems have resulted in DEA's inability to stem the tide of narcotics flowing into the United States.

The subcommittee found that:

First. The use of Federal drug agents to investigate and arrest dealers and addicts at the street level should be restricted to cooperation and coordination with State and local authorities. Federal drug enforcement personnel should concentrate on conspiracy cases against high level narcotics traffickers in an attempt to reduce the amount of narcotics brought into the United States.

Second. DEA internal personnel integrity problems have resulted from an overemphasis on street level buy-bust techniques with the attendant dangers of corruption, as well as the lack of an independent, fully staffed internal investigative unit.

Third. The current division of responsibility between DEA and the Customs Service and the lack of cooperation between the two agencies is producing less than satisfactory results and should be reexamined. Currently, the DEA serves as the principal foreign and domestic drug enforcement arm while the Customs Service, which previously had certain responsibilities for foreign intelligence and authority to pursue suspects after they crossed the border, is restricted to border operations.

Fourth. Former DEA Administrator John Bartels mishandled an integrity investigation of Vincent L. Promuto, director of the DEA Office of Public Affairs.

Fifth. High level DEA personnel should not be covered by civil service rules and regulations so that DEA can be given greater flexibility in dealing with internal integrity problems.

I ask unanimous consent that the findings and conclusions of the report be printed at this point in the RECORD.

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

IX. FINDINGS AND CONCLUSIONS

INTRODUCTION

"The trend is now for a worsening situation in heroin abuse * * *. The epidemic is continuing. It has never ended."

—ROBERT L. DUPONT,
Director of the National Institute on Drug Abuse.

The number of drug addicts continues to increase at a rapid rate, brown heroin from Mexico continues to come into this country in massive amounts and drug abuse continues to spread into rural and suburban areas. We have passed the point where drug abuse is a problem peculiar to certain areas or particular groups of people.

It is a national problem and a national tragedy.

The central issue which Congress must examine is the effectiveness of Federal efforts in fighting this drug epidemic. These efforts must include rehabilitation of drug addicts, international cooperation for the suppression of crops from which drugs are derived, drug education programs, especially for our youth, and Federal narcotics law enforcement.

Each of these activities plays an essential role in the fight against drug abuse.

The subcommittee has chosen initially to place its primary emphasis on Federal narcotics law enforcement. Is our enforcement system working? Is the methodology used in fighting offenders of drug laws helping to stem the flow of drugs? How can we improve the Federal enforcement effort and have it truly complement the activities of State and local authorities?

Our starting point has been an examination of the Drug Enforcement Administration (DEA). Established not by an act of Congress but by an executive reorganization in 1973, DEA suffered through a difficult first 2½ years. It was a period when the agency was torn by internal strife, mismanagement, and personnel integrity problems, and a period when heroin and other illicit drugs became more available on the streets of America than ever before. The Nation's drug abuse dilemma worsened.

It serves no purpose to blame DEA for the entire American drug abuse problem. Drug abuse will not be brought under control by law enforcement alone. However, DEA's track record has not been good. Although DEA has presented statistics to demonstrate considerable numbers of arrests of violators and seizures of illicit drugs, the ability of higher echelon dealers and financiers to bring illicit drugs into the United States has not been effectively deterred.

Since July 1, 1973, DEA has had the responsibility of improving this Nation's drug enforcement effort. DEA has failed to do so. Vested with broad authority to conduct both foreign and domestic enforcement operations, DEA cannot blame its failures on too little time or on inadequate performance or lack of cooperation by other agencies such as the FBI, the U.S. Customs Service, and the Department of State. For nearly 3 years DEA has been this Nation's "lead agency" in drug enforcement and for nearly 3 years the Nation's illicit drug traffic has grown. Congress has no assurance that DEA's performance will improve next year or the year after that. The subcommittee applauds the efforts of the President's Domestic Council and of Attorney General Edward H. Levi to improve Federal drug enforcement—efforts, regrettably, that were initiated only after the subcommittee's inquiry began. Nevertheless, problems still remain.

To properly assess the nature and scope of those problems, the subcommittee investigation centered on three major areas: (1) methodology used by DEA in its law enforcement efforts, (2) the makeup and interaction of Federal agencies with responsibilities in narcotics enforcement, and (3) personal integrity problems.

A REVIEW OF PAST METHODOLOGY USED BY DEA

DEA's failure to adequately deal with the Federal drug problem focuses attention on the methodology it has chosen to apply. Its approach has been to put drug agents on the street to maximize arrests and work their way up the chain from the user and low level pusher to the major dealers. This approach has subjected some undercover agents to the temptations of corruption.

DEA inherited most of the shortcomings of previous Federal internal drug enforcement operations. Agents continued to perceive their own performance and the opportunity for career advancement in terms of the number of arrests made, deemphasizing the more significant conspiracy cases which could prove successful in immobilizing major traffickers and their syndicates.

In turn, too many DEA men took excessive pride in their own street-wise past wherein agents lived and dressed as if they were themselves drug dealers. There is no question that DEA agents must risk their lives constantly as long as they rely upon undercover work and the buying of narcotics and information as their principal tools in investigations. The subcommittee asks, however: Should undercover work and "buy-bust techniques" deployed in an indiscriminate manner be the primary way Federal narcotics investigations are carried out?

DEA has relied upon undercover work to an inordinate degree. The risks in this indiscriminate use of undercover agents outweigh hoped-for advantages. The danger of the agent is great. Conversely, the results have proven to be minimal. Major traffickers do not sell narcotics; they have other people to do that. The notion that it is possible to reach the highest rungs of the drug traffic by buying at a low level and advancing progressively to the highest stages is questionable.

All too often the result of having Federal agents on the street was to place them in competition with State and local police. The subcommittee recognizes that the Federal Government has a responsibility to provide State and local police with assistance, both financial and technical; to provide training in law enforcement techniques; and, most important, to provide current and pertinent intelligence information on matters of mutual interest. However, in law enforcement, and especially in narcotics law enforcement, there must be a delineation of duties among various levels of government to assure that maximum effective total government effort.

THE STRUCTURE AND OPERATIONS OF FEDERAL NARCOTICS ENFORCEMENT INSTITUTIONS

The methodology which has prevailed—penetration of drug traffic at a low level in hopes of working up to higher echelon violators—has dictated the structure and operations of the Federal institutions with major responsibilities for internal narcotics enforcement.

Part of the Government's failure to control the drug traffic stemmed from a misconception of the nature of this traffic and the Government's own capability to deal with it. Government officials responsible for Federal enforcement strategy and operations have failed to clearly distinguish between internal, interstate enforcement which deals with the legal and illegal manufacture, and distribution of drugs, and the border enforcement mechanism which should deal with the entire crime of smuggling. Further, these same officials did not adequately define the type of foreign operations which can effectively control the flow of illicit drugs into this Nation.

Executive branch officials designed a Federal strategy based on the premise that drug laws could be best enforced by one agency and that one agency could effectively conduct these distinct and separate enforcement functions. The agency created for this purpose was the Drug Enforcement Administration, an organization whose methodology was shaped by persons committed to the internal, interstate enforcement mechanism. Thus, the one-agency concept prevailed.

Forgotten in this one-agency strategy was unalterable facts about the nature of the illicit drug traffic. The narcotics syndicates in the United States cannot begin to distribute heroin, cocaine, marijuana, and other drugs until they first smuggle the contraband across the Nation's borders. Moreover, it is in the act of smuggling—from foreign sources, across U.S. borders, to the first point in the internal distribution networks—where narcotics are in their largest quantity and in their purest form. Once narcotics are safely stashed at their principal points of distribution in the United States, they are diluted and cut many times over by operatives of progressively declining consequence in the underworld. By the time the narcotics reach the hands of street pushers, the substance is in its smallest quantity and its least pure form. And the street pushers, often users themselves, have

only the most obtuse link with the big narcotics syndicates whose drugs they are selling. More often than not, street level pushers could not identify a major trafficker if they wanted to.

This chain was conceptually dramatized by staff testimony dealing with the so-called "A-B-C line," showing the flow of narcotics from foreign sources to major distributors in the United States.

Point A was described as the place on foreign soil from which narcotics are shipped into the United States. Point A also personified the individual or syndicate with sufficient resources to assemble a quantity of 75 to 95 percent pure narcotics to justify the cost and risk involved in initiating a profitable smuggling effort.

Point B represented any site on the United States borders across which narcotics could be smuggled, or any site in the interior of the United States which could be the destination of private or commercial aircraft carrying smuggled narcotics. Narcotics entering this country are in their purest form and largest quantity at point B.

Point C was described as the first point of internal distribution of the narcotics in the United States. Point C also personified the principal buyer or syndicate and the primary distributors of the smuggled narcotics.

The highest level violators, both foreign and domestic, operate along the A-B-C line and smugglers must travel the A-B-C line in order to bring their contraband narcotics into the United States. At points A, B and C—from the staging area to the United States border, to the primary distribution site in the United States—the narcotics remain in their purest form and are found in their largest quantity. However, once the narcotics have been safely stashed at point C—the site where internal distribution begins—movement of the drugs is downward as they are cut or diluted and sold and resold many times over until finally they reach the streets where they are purchased by users.

Point D may be described as the lowest level in the narcotics distribution network and represents the pusher who sells to the user. At Point D—at the street level—the narcotics are in their smallest quantity and their least pure quality.

The silent, conspiratorial and subterranean nature of the narcotics traffic dictates that the drugs are most vulnerable to detection by law enforcement in the United States, at least initially, at points B or D. Law enforcement then has a choice as to whether to commit the bulk of its resources at point B or D to apprehend narcotics violators.

Prior to Reorganization Plan No. 2, the United States Customs Service exercised authority at points A, B and C. Reorganization Plan No. 2 of 1973, however, took from Customs its prior authority to develop pertinent foreign intelligence at point A and also prevented it from exercising its prior authority to pursue criminal cases from point B to point C. Thus, the reogranization plan forced a break in the jurisdictional authority in the A-B-C line. Neither Customs nor DEA was given the authority to move without interruption along the A-B-C line, to pursue the shipment of illicit narcotics from its foreign source to its primary American distributor.

Reorganization Plan No. 2, which left Customs merely at point B, made it difficult for Customs to do its job in interdicting the narcotics flow. Losing both its foreign intelligence capability and its capability of "hot pursuit" of violators after they crossed the border, severely reduced Customs' chances of apprehending violators. The lack of cooperation between Customs and DEA in exchanging relevant information—no matter who was at fault—did not improve the situation.

The subcommittee does not wish to promote the image and reputation of the Customs Service to the neglect of the Justice Department or DEA. However, Federal agencies have certain defined duties. These defined duties flow to each agency from constitutional and statutory authorizations. Customs' primary enforcement function is to protect the Nation's borders and ports of entry against smuggling. Recognizing that narcotics trafficking is, first of all, an act of smuggling, the subcommittee feels it is necessary to examine the role of the Customs Service in pursuing the crime of smuggling narcotics from start to finsh. Reorganization Plan No. 2 of 1973 gave to the Department of Justice the job of collecting the foreign intelligence necessary to prevent smuggling; it restricted Customs to inspection and interdiction at the border and it returned to the Justice Department the responsibility of continuing investigations once contraband drugs were discovered.

The realities of the narcotics traffic, coupled with the great demand for illicit narcotics in the United States, make it virtually impossible for even the most vigilant and effective broader enforcement mechanism to keep all smuggled drugs out of this Nation. More contraband narcotics will get through the border and points of entry than will be seized. Even with the most stringent safeguards, smuggled drugs will find their way to major narcotics distributors and then be transported and distributed interstate. These facts make it necessary to have a strong and well-focused internal enforcement mechanism.

PERSONNEL INTEGRITY PROBLEMS

The methodology which has prevailed—attacking the narcotics offenders at the street level—has also led to many of the integrity problems studied in our past hearings.

Personnel integrity problems, which have plagued Federal drug enforcement for many years, resulted in large part from the indiscriminate and inadequately supervised use of undercover agents and the inability or unwillingness of top management to identify and resolve these problems over the years. The temptation for corrupt practices is considerable when the agent has access to large amounts of cash and must operate in an illegal and corruptive atmosphere.

The Drug Enforcement Administration inherited many personnel integrity-related problems from predecessor agencies, the Bureau of Narcotics and Dangerous Drugs (BNDD) and the Federal Bureau of Narcotics (FBN). Those problems included many instances of serious unresolved allegations lodged against senior officers, incomplete integrity investigations, improperly closed integrity cases and an inspection and internal security office which suffered from inadequate staffing and general lack of vigilance in the face of the dangers of corruption in narcotics enforcement.

In addition, top management at DEA, as well as at the predecessor agencies, has also been at a disadvantage in dealing with personnel integrity problems because Federal narcotics enforcement personnel, unlike FBI agents, for example, work under the rules and regulations of the Civil Service Commission. Adverse actions under Civil Service require stringent elements of proof in the transfer of suspected employees. Because of this DEA has not been able to exercise the degree of discipline and management flexibility which the FBI enjoys.

Similarly, the civil service issue underscores a striking incongruity which now exists at the Justice Department. This incongruity is seen in the fact that the Justice Department has two major law enforcement agencies—DEA and FBI—which operate under sharply differing personnel policies. DEA personnel are within Civil Service while FBI agents are not. A perceptive analysis of this incongruity at Justice was given by former Deputy Attorney General Laurence H. Silberman, who recommended legislative action to take DEA out of civil service. Now Ambassador to Yugoslavia, Silberman testified:

I think this committee . . . could do something that would be of enormous help for DEA and for the Justice Department, and that is to pass legislation to take civil service away from DEA and give them the same personnel status as the FBI

If you do that, you will end up with a much better DEA, which will be much less susceptible to corruption.

As you dug into this investigation, I think this committee has become aware that the protections which Civil Service gives employees, while very valuable, are probably inappropriate in an organization engaged in direct law enforcement. You need a higher degree of discipline and you need a higher degree of flexibility of management.

The Bureau has been virtually incorruptible. I don't mean to suggest that there hasn't been corruption cases. I investigated some of them myself: Nobody is perfect. But one of the strengths of the Bureau since J. Edgar Hoover took control back in the twenties is that there has been a relative absence of corruption. That is true only because of its unique personnel status, not only leadership, plus the personnel status.

If this committee were to recommend Congress legislate to get it passed, which would put DEA under the same personnel status, I think you would do a great service to the country (pp. 755, 756).

In its investigation and hearings regarding management and integrity problems at DEA, the subcommittee examined an instance in which a senior DEA official went to the Department of Justice to request that the Department investigate certain actions and policies of DEA. The senior DEA official was Andrew C. Tartaglino, Acting Deputy Administrator. He was joined in his decision to request this investigation by George B. Brosan, the Acting Chief Inspector.

In light of what he felt were serious problems at DEA—serious enough, in fact, to undermine DEA's ability to function effectively—Tartaglino concluded that decisive action by the Justice Department was necessary to insure that needed reforms were implemented at DEA. Tartaglino, therefore, went outside DEA to Glen Pommerening, Assistant Attorney General for Administration, on November 13, 1974. Pommerening directed Tartaglino to write a memorandum to him citing the management and integrity problems at DEA which would be brought to the attention of the Deputy Attorney General, Laurence H. Silberman.

In compliance with Pommerening's direction, Tartaglino wrote a brief summary memorandum dated November 14, 1974, which was presented to Silberman. In the memorandum, Tartaglino alleged that a variety of management problems existed at DEA. Among the problems, Tartaglino said, were violations of civil service rules, instances of senior DEA officials being promoted while serious allegations of integrity violations remained unresolved against them and one case in which Administrator John Bartels had allegedly impeded an integrity investigation regarding the DEA Director of the Office of Public Affairs, Vincent L. Promuto. The most significant aspect of Tartaglino's memorandum was his finding that, due to the many management and integrity problems he felt existed at DEA, a Department of Justice investigation of DEA was called for. Tartaglino requested that such an investigation be begun immediately by the Justice Department.

Upon receiving the memorandum, Silberman personally referred it to Henry Petersen, the Chief of the Justice Department's Criminal Division. Petersen returned the memorandum to Silberman advising him that the Criminal Division had not conducted the investigation because no one in the Criminal Division—including Petersen and his senior

aides—wished to investigate charges against John Bartels. Bartels was a friend and former professional colleague of Criminal Division personnel and, therefore, Silberman was informed it would have been inappropriate to go ahead with an investigation that concerned a former professional colleague due to the fact that the prosecutors themselves held strong feelings in favor of Bartels.

The entire Criminal Division was permitted to disqualify itself from responsibility to investigate Tartaglino's allegations regarding DEA. But Silberman did testify that if evidence indicating criminal conduct was developed, the Criminal Division would be required to investigate those charges. Silberman then brought in agents from the Federal Bureau of Investigation. There was no written authorization for this action; nor were the agents given written instruction as to what and how to investigate. The agents were to report directly to Silberman although they did receive some guidance and investigative technique from Harold Bassett, Assistant Director for Inspection at the FBI. The agents did not conduct the investigation in keeping with normal FBI procedures. This unusual approach only created additional questions which would never have arisen had this cause been handled through normal investigation channels.

This subcommittee continued its own investigation of allegations of mismanagement and impropriety at DEA and, subsequently, under Attorney General Levi, in March of 1975, the Justice Department reopened the investigation of those serious allegations. In reopening the investigation. Attorney General Levi assigned a team of three Federal prosecutors headed by Michael DeFeo.

On May 30, 1975, Attorney General Levi fired John Bartels and significant personnel changes were instituted at the highest levels of DEA. Included in these changes was a complete reshaping of the Office of Inspection coupled with an apparent determination to resolve longstanding allegations of corrupt and irregular conduct.

CONCLUSIONS

I. The methodology used primarily in internal Federal narcotics enforcement efforts in the past, with its particular emphasis on indiscriminate undercover techniques and "buy-bust" tactics has not produced satisfactory results and must be revamped.

The subcommittee feels that there should be a severe restriction on the use of Federal drug agents on the streets in pursuit of low-level drug dealers and addicts. The primary responsibility for drug enforcement at the State and local levels should reside in the appropriate law enforcement offices of the State and local governments.

Never again should Federal drug law enforcement become highly visible at the local level in pursuit of low-level dealers and addicts. It is unnecessary and inappropriate for Federal agents to concentrate on low-level dealers. Federal personnel should be attacking the drug problem at a much higher level. They should not encroach upon the States' responsibilities to conduct their own police functions.

This subcommittee believes that undercover work, coupled with "buy-bust techniques," should not be ruled out altogether as investigative tools but should never be used in an indiscriminate manner and should most definitely not become entrenched within the Federal agency charged with drug enforcement.

A more traditional investigative technique would be far more successful and more in keeping with the purposes of Federal operations. This would place heavy emphasis on conspiracy cases in which high-level narcotics traffickers are targeted. The subcommittee feels that the major Federal internal efforts should be geared to the immobilization of major narcotics traffickers and financiers and the control of the flow of narcotics into the United States.

II. Federal agencies, as presently structured, may not be capable of effectively concentrating resources on high-level violations and disrupting the flow of narcotics into this country.

The subcommittee finds that a principal Federal enforcement role must be in seeking to disrupt the continuum of the crime of smuggling. It is in this continuum where the major narcotics traffickers and financiers are their most vulnerable to detection, disruption, and arrest. Therefore, the U.S. Customs Service must be able in its drug investigations, just as it is able in all other smuggling investigations, to have intelligence from both the foreign source and the primary destination of the contraband in the United States. As the situation now exists, a Justice Department entity, DEA, is both the principal foreign and domestic drug enforcement mechanism and the U.S. Customs Service operates only at the border. There has been a lack of cooperation between the two agencies. This system is less than satisfactory and is producing less than satisfactory results.

Reorganization Plan No. 2 of 1973, which created DEA, caused a break in the jurisdictional authority of this Government to combat drug smuggling. Therefore, in future hearings, this subcommittee will analyze the nature of the break in jurisdictional authority of the Government to combat drug smuggling and attempt to determine what, if any, remedial action should be taken.

The subcommittee concludes that there is a strong need for an effective Federal border enforcement mechanism as well as an effective Federal internal, interstate mechanism.

III. Personnel integrity problems have resulted from the dominance of undercover strategy as well as the lack of an independent, fully staffed internal investigative unit.

The indiscriminate and inadequately supervised use of undercover agents brings with it the danger of corrupt practices. To combat such practices there must be an independent, fully-staffed internal investigative unit.

The subcommittee finds that DEA's inspection and internal security program needed reform and that DEA management under Administrator Bartels did not properly handle integrity problems. Under the direction of Attorney General Levi, former Acting Administrator Henry S. Dogin, and the present Administrator, Peter Bensinger, DEA has been taking steps to improve the handling of integrity problems within the agency.

Locating a particular corruption problem is only one facet of the problem; dealing with it is another. This is because DEA, unlike its sister organization, the FBI, is bound by civil service rules which restrict flexibility in dealing with integrity problems.

It is the finding of the subcommittee that DEA personnel should not be covered by civil service rules and regulations.

Both former Deputy Attorney General Silberman and former DEA Administrator Bartels have endorsed this conclusion. The subcommittee believes a fair method of disengaging DEA or any successor organization from civil service would be to give personnel a 1-year grace period during which they could seek other Federal employment covered by civil service with their rights intact. In turn, should personnel choose to remain in place, they would, after the 1-year period, lose all rights and protections previously provided them under civil service. Accordingly, the internal drug law enforcement entity would pattern its personnel policies after those of the FBI.

With regard to the Promuto integrity case, the subcommittee finds that, as Administrator, John Bartels erred in at least four actions. First, Bartels inserted so-called special adviser Thomas E. Durkin, Jr., of Newark, New Jersey, into the operational aspect of the Promuto inquiry by having Durkin interrogate Promuto and file reports without the knowledge or participation of the DEA Office of Inspection. Second, Bartels inserted Robert Richardson, Associate Counsel, and John Lund, Assistant Administrator for Enforcement, into the chain of command in the Promuto case. This action which, coupled with the operational presence of Thomas Durkin, served to erect an insurmountable obstacle in the way of a professional and procedurally sound inquiry by the Office of Inspection. Third, Bartels ordered that Vincent Promuto be prematurely interrogated not orally but in the form of a written questionnaire, unsworn and not fully completed by Promuto. And, fourth, Bartels ordered the highly questionable tactic of obtaining a "hypothetical" opinion from a civil service attorney and used this "hypothetical" opinion to support the contention that an adverse action against Promuto was neither warranted nor could be sustained in any event. However, based upon the information made available to it, the Subcommittee is unable to conclude that Mr. Bartels' actions in this investigation constituted criminal misconduct.

Finally, the subcommittee understands the dilemma of top officials of the Criminal Division who were faced with the prospect of investigating charges against John Bartels, a former colleague and a Department of Justice official. While the Subcommittee finds, based upon the information made available to it, that former Deputy Attorney General Silberman did not engage in any criminal misconduct in the Promuto matter and may have been right in permitting Messrs. Petersen, Keeney, and White to rescue themselves personally from investigating charges against John Bartels, the subcommittee concludes that the entire Criminal Division should not have been disqualified from this case; that line attorneys should have conducted this investigation in accordance with normal procedures and practices; and that this staff investigation should then have been reviewed by some high level Department of Justice officials, excluding those Criminal Division officials disqualifying themselves. This is the type of case which would now be properly handled by the Office of Professional Responsibility of the Department of Justice which was established in December 1975.

It should also be noted that the Senate Government Operations Committee recently reported out, as part of the Watergate Reorganization and Reform Act of 1976, a provision creating the Division of Government Crimes within the Department of Justice, which would have jurisdiction in this type of case if criminal charges were being lodged.

A FUTURE COURSE OF ACTION

This report has, in significant detail, traced the history of the reorganizations of Federal drug enforcement agencies with the resulting problems. Since Reorganization Plan No. 2 of 1973, the Nation has witnessed an unsatisfactory and inefficient Federal enforcement effort. The President's Domestic Council Drug Abuse Task Force acknowledged as much in its white paper on drug abuse issued in September 1975 after the subcommittee has focused public attention on these critical issues.

This report, then, will form the foundation for further public hearings which will address the fundamental question of how the Federal narcotic efforts should be organized. Is DEA needed as presently constituted? What should the role of the FBI be? Is the U.S. Customs Service being properly utilized? Are U.S. foreign narcotics operations being properly carried out and accurately evaluated? Are the Federal narcotics enforcement efforts being efficiently coordinated both within the Federal bureaucracy and with

State and local authorities? Should the Internal Revenue Service reinstitute its narcotics traffickers program which, in cooperation with other Federal agencies such as DEA and Customs, was designed to confiscate the profits from the lucrative traffic? How can we reshape the Federal approach to narcotics enforcement to immobilize major narcotics traffickers and financiers? How can we insure that DEA will maintain a strong, fully staffed, and independent internal inspection unit?

In concluding this interim report—and in preparing for future hearings on Federal drug enforcement—members of this subcommittee wish to note that it has been their intention to raise, examine, and evaluate the most fundamental issues that confront this Nation as it seeks to police the traffic in illicit drugs. These issues have not been addressed previously in such detail in a congressional forum. The subcommittee views the drug problem as one of the most critical issues facing the country. The drug abuse epidemic is still continuing. Congress must arrest its responsibilities over a problem which so adversely affects the health, welfare, and security of the Nation.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that he presented to the President of the United States the following enrolled bills:

On July 6, 1976:

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to authorize appropriations, to require the establishment of a special motor vehicle diagnostic inspection demonstration project, to provide additional authority for enforcing prohibitions against motor vehicle odometer tampering, and for other purposes.

On July 14, 1976:

S. 586. An act to improve coastal zone management in the United States, and for other purposes.

S. 3184. An act to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, and for other purposes.

REFERRAL OF BILL

The bill (S. 3197) to amend title 18, United States Code, to authorize applications for a court order approving the use of electronic surveillance to obtain foreign intelligence information was referred to the Select Committee on Intelligence for not to exceed 30 days, under authority of the order of June 16, 1976.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BEALL:

S. 3665. A bill to amend the Internal Revenue Code of 1954, the Social Security Act, and other laws to replace certain public assistance programs and food stamps with a family allowance system and to provide for a reduction in taxes. Referred to the Committee on Finance.

By Mr. ALLEN:

S. 3666. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, so as to provide certain benefits to law enforcement officers not employed by the United States. Referred to the Committee on the Judiciary, by unanimous consent.

By Mr. ABOUREZK:

S. 3667. A bill for the relief of Song Chan Ki. Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 3668. A bill to provide compensation to Federal employees for certain work injuries occurring before September 7, 1974. Referred to the Committee on Labor and Public Welfare.

By Mr. PELL:

S. 3669. A bill to provide for adjusting the amount of interest paid on funds deposited with the Treasury of the United States as a permanent loan by the Board of Trustees of the National Gallery of Art. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BEALL:

S. 3665. A bill to amend the Internal Revenue Code of 1954, the Social Security Act, and other laws to replace certain public assistance programs and food stamps with a family allowance system and to provide for a reduction in taxes. Referred to the Committee on Finance.

(The remarks of Mr. BEALL on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. ALLEN:

S. 3666. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, so as to provide certain benefits to law enforcement officers not employed by the United States. Referred to the Committee on the Judiciary, by unanimous consent.

Mr. ALLEN. Mr. President, I introduce a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, and I ask unanimous consent that it be referred to the Committee on the Judiciary.

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

ADDITIONAL COSPONSORS

S. 495

At the request of Mr. RIBICOFF, the Senator from Connecticut (Mr. RIBICOFF), the Senator from Tennessee (Mr. BROCK), the Senator from California (Mr. TUNNEY), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. CLARK), and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 495, the Watergate Reorganization and Reform Act of 1976.

S. 712

At the request of Mr. BELLMON, the Senator from Oklahoma (Mr. BARTLETT) was added as a cospsonsor of S. 712, to amend the Occupational Safety and Health Act of 1970, and for other purposes.

S. 3098

At the request of Mr. WILLIAMS, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 3098, to amend the Community Services Act of 1974.

S. 3494

At the request of Mr. STEVENSON, the Senator from Florida (Mr. STONE) was added as a cosponsor of S. 3494, to establish a Federal Bank Examination Council.

SENATE CONCURRENT RESOLUTION 116

At the request of Mr. BARTLETT, the Senator from Texas (Mr. TOWER) was added as a cosponsor of Senate Concurrent Resolution 116, setting forth the standards and rights of foster children.

SENATE JOINT RESOLUTION 205

At his own request, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of Senate Joint Resolution 205, to establish an Office of Hispanic Affairs.

AMENDMENTS SUBMITTED FOR PRINTING

PUBLIC PARTICIPATION IN GOVERNMENT PROCEEDINGS ACT OF 1976—S. 2715

AMENDMENTS NOS. 2018 THROUGH 2029

(Ordered to be printed and to lie on the table.)

Mr. ALLEN. Mr. President, on May 13, 1976, the Senate Committee on the Judiciary reported S. 2715, the Public Participation in Government Proceedings Act of 1976. S. 2715 had also been referred to the Senate Committee on Government Operations on which I serve. By unanimous consent the Committee on Government Operations was discharged from further consideration of S. 2715 on May 13, 1976. The Senator from Alabama thereafter asked his colleague, the distinguished Senator from Connecticut, to return the bill to the Committee on Government Operations so that the Committee on Government Operations would have an opportunity to hold hearings and separately report after its own deliberations on the bill. Chairman RIBICOFF and Mr. KENNEDY, author of the bill, graciously agreed to that request, and the bill was returned on May 19, 1976, to the Committee on Government Operations for further consideration in committee.

Mr. President, the Committee on Government Operations held hearings on S. 2715 on June 24, 1976, at which time the committee heard the testimony of a variety of witnesses. Thereafter, a markup was scheduled for the bill for July 1, 1976. Regrettably, because of the necessarily prolonged consideration of H.R. 10612, the Tax Reform Act of 1976, Chairman RIBICOFF was forced to cancel the scheduled markup of S. 2715.

The time for consideration of the bill in the Committee on Government Operations having expired the day before the recess, the committee was discharged from further consideration of the bill and the bill placed on the calendar without a report from the committee.

Mr. President, I am opposed to S. 2715, and I had hoped to offer in committee several amendments to the bill which in my judgment would have cured some of the most glaring defects in the bill. But, Mr. President, circumstances precluded opportunities to amend the bill in committee, and I therefore now submit to the Senate the amendments I intended to offer in committee. I will continue to

give the bill careful study, and I am sure I will from time to time have additional amendments to present.

Mr. President, this bill would authorize over $30 million for Federal agencies to award attorney's fees, expert witness fees, and other advocacy costs over the next 3 years to deserving members of the public. This would be in addition to any funds already authorized and appropriated elsewhere for the same purpose.

As far as I can tell, there are few, if any, types of agency proceedings exempted from the possibility of such funding under this bill, S. 2715. All licensing, rulemaking, and ratemaking proceedings are covered; in addition, it authorizes agencies to award compensation for advocacy in adjudications and other agency proceedings involving issues which relate to the health, safety, civil rights, or the economic well-being of consumers in the marketplace.[1] That is a wide net.

Proponents of this legislation argue that Federal "agencies are not capable of fully protecting the public interest without a substantial new infusion of public participation in their proceedings."[2] Such an infusion of new advocates, they argue, must be encouraged by a substantial new infusion of public money.

Opponents, on the other hand, contend that the legislation will encourage subsidized gadflys to cause further delay in agency and court proceedings. In short, they argue that this bill would create a vested interest in lengthy regulatory proceedings and court appeals for those whose advocacy would be subsidized.

We, therefore, must carefully consider whether such a major change in the Administrative Procedure Act would bring the desired benefits without further ensnarling our bureaucracy in more than $30,000,000 worth of redtape.

Alternatively, we may conclude that Congress should consider each agency separately in our efforts to allow increased public participation. I raise this possibility because I believe none of us has any idea of the numbers and scope of the proceedings to be covered by this bill.

Assuming for the sake of argument, however, that the Senate will conclude that the broad brush approach is best, we must then scrutinize very carefully the major provisions of S. 2715.

I believe that the bill's standards for dispensing public funds are too broad and vague. For example, under S. 2715 the publicly funded representation must "reasonably be expected to contribute substantially to a fair determination of the proceeding"?[3]

Under the recently passed Magnuson-Moss Warranty Act, the agency may award advocacy fees and costs to a representative of an interest which "would not otherwise be adequately represented in such proceeding and representation of which is necessary for a fair determination of the * * * proceeding taken as a whole."[4] That FTC provision is more stringent, it seems, than the broad primary condition in this bill. Has the FTC been having trouble because of its more stringent condition? Committee hearings indicate not.

Concern has also been expressed that the legislation may lack the specificity necessary for agencies to administer properly such an all-encompassing bill. What, for example, are the "obdurate," "dilatory," "mendacious," or "oppressive" reasons for which the agency can require an applicant or even a respondent to pay part or all of an award?[5]

I believe that this subcommittee should pay close attention to the matter of attorneys fees and consider the following questions:

Should we set an upper limit on "reasonable attorney fees" some of which now range as high as between $150 and $250 per hour?

Should awards be granted which exceed an agreed upon fee as is permitted under the proposed legislation?

Should there be limits imposed on the aggregate amount paid as compensation to any one lawyer or group?

Should we consider the manner in which the funds should be apportioned among the agencies?

Should we confine this bill to rulemaking, rather than fund interventions which can amount to dual prosecutions in agency adjudications?

I am also specifically concerned with the language providing for advance payments to persons prior to their full participation in agency proceedings.[6] Since lack of sufficient resources is a criterion for funding, it appears that many, if not most, applicants will be able to qualify to receive public funds prior to their full participation.

The bill states that such recipients are liable for repayment of advance funds if they do not provide the representation for which the award was made. However, it occurs to me that such recipients will, by definition, be unable to repay any money they waste or otherwise misspend. I believe that we should consider the need for additional safeguards so that advance payments are not misspent or, if they are, some form of bonding so that repayment of public funds can be guaranteed.

In addition to the $30,000,000, the bill would provide a legislative entitlement to attorneys fees, expert witness fees, and other costs of litigation incurred in judicial review of agency action by certain parties or intervenors.

It seems to me we might have a possible built-in inconsistency here. Funding is to be provided as an incentive leading toward better administrative decisions, yet, simultaneously, similar funds are anticipated as an incentive for bringing court appeals to review those same administrative decisions.

These are some of the specific questions which I hope we can address. I also hope we can look at some of the broader, underlying concepts of this bill.

What, for example, are the long-term implications of publicly funded advocacy by nongovernmental lawyers who really have no true lawyer-client relationship to control their actions. These advocates will be agents for describable, but not always identifiable principals—such as all consumers—who cannot control their self-appointed representatives.

And so, Mr. President, the Senator from Alabama feels that this bill must be given very careful consideration here on the floor of the Senate and not just casually agreed to without the very careful and detailed scrutiny the measure warrants.

Mr. President, I now submit several amendments to the bill which I intend to propose when appropriate and ask that they be printed. Additional amendments will no doubt later occur to me and to others of my distinguished colleagues. And I further do not doubt, Mr. President, that still other amendments may well come to mind during the debate that this bill merits and will be given.

[1] S. 2715, proposed 5 USC § 558a(b)(2) on page 8.

[2] Committee on the Judiciary, Report No. 94-863, p. 8.

[3] Proposed 5 USC § 558a(d)(1), on page 9.

[4] 15 USC § 57a(h)(1).

[5] Proposed 5 USC §§ 558a(e), on page 10 and (f)(4)(B) on page 11.

[6] Proposed 5 USC § 558(f)(3) on page 11.

TEMPORARY SUSPENSION OF IMPORT DUTY ON CERTAIN HORSES—H.R. 9401

AMENDMENT NO. 2030

(Ordered to be printed and to lie on the table.)

Mr. BENTSEN submitted an amendment intended to be proposed by him to the bill (H.R. 9401) to continue to suspend for a temporary period the import duty on certain horses.

WATERGATE REORGANIZATION AND REFORM ACT—S. 495

AMENDMENT NO. 2031

(Ordered to be printed and to lie on the table.)

Mr. HASKELL. Mr. President, early last month I offered an amendment to S. 495, the Watergate Reorganization and Reform Act, creating an independent Commission on Ethics empowered to promulgate uniform standards of conduct regarding potential financial conflicts of interest. Senators MONDALE, HUMPHREY, CHILES, LEAHY, MCINTYRE, and HART of Colorado joined me in cosponsoring that amendment.

Subsequent discussions between my office and representatives of both the majority and minority members of the Committee on Government Operations have resulted in a substantial revision of the amendment which accomplishes the essence of what we hoped to achieve while overcoming certain objections raised by some Senators.

The new amendment vests in the Civil Service Commission power to establish by rule standards of conduct for the executive branch with regard to financial conflicts of interest, and guidelines for use by agencies in enforcement of those standards. The amendment creates within the Commission an Office of Ethics Enforcement to render advisory opinions

and to conduct audits necessary to insure stringent agency enforcement.

The amendment will thus bring about badly needed uniformity of rules and standards of conduct, consistency of enforcement procedures, and a significant degree of external monitoring of that enforcement, while at the same time safeguarding the rights of individuals and creating a minimum of new government machinery.

The present patchwork of conflict of interests regulations is pathetically inadequate. Enforcement ranges from perfunctory to nonexistent, thus allowing thousands of real and potential conflicts to continue to exist. It is time to provide a coherent, consistent, and enforceable means of shielding public policy from the personal financial interest of public policymakers. I believe this amendment is an effective and responsible beginning in that difficult task. I hope the Senate will be able to support it.

Mr. President, I submit the amendment and ask that it be printed, and I ask unanimous consent that the text of the amendment and a section-by-section analysis be printed in the RECORD.

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

AMENDMENT No. 2031

At the appropriate place insert the following:

"(5) violations of section 408 of Title IV of the Watergate Reorganization and Reform Act of 1976;".

On page , line , strike out "(5)" and insert in lieu thereof "(6)".

At the end of the bill, add the following on page after line :

TITLE IV—ENFORCEMENT OF ETHICAL STANDARDS FOR EXECUTIVE BRANCH EMPLOYEES

DEFINITIONS

SEC. 401. For purposes of this title, the term—

(1) "agency" means an agency as defined in section 551 of title 5, United States Code; and

(2) "employee" means an employee of an agency.

CIVIL SERVICE COMMISSION

SEC. 402. The Civil Service Commission shall—

(1) establish by rule standards of ethical conduct for all employees with respect to financial conflicts of interest;

(2) establish by rule guidelines to assist heads of agencies in determining whether a conflict of interest exists, or appears to exist, under the standards established under paragraph (1);

(3) develop forms (hereafter in this title referred to as "disclosure statements") for the purpose of eliciting from all employees the information required to be disclosed in the standards established under paragraph (1);

(4) review each disclosure statement filed by an employee as required under section 405; and

(5) review, upon appeal by any employee, the decision of the agency which adjudicated a complaint against such employee as provided under section 407 (b).

ESTABLISHMENT OF OFFICE OF ETHICS ENFORCEMENT

SEC. 403. There is established within the Civil Service Commission the Office of Ethics Enforcement (hereafter in this title referred to as the "Office") which shall be headed by the Director of the Office of Ethics Enforcement (hereafter in this title referred to as the "Director") who shall be appointed by the Civil Service Commission.

FUNCTIONS OF THE OFFICE

SEC. 404. The Office shall—

(1) promulgate rules to enforce the standards of ethical conduct established by the Civil Service Commission as provided in section 402(1);

(2) render advisory opinions as provided in section 406(a); and

(3) conduct random audits of disclosure statements filed by employees in accordance with regulations issued by the Office.

DISCLOSURE STATEMENTS

SEC. 405. (a) Each employee or former employee who has held his position for a period in excess of ninety days in a calendar year shall file for such calendar year a disclosure statement in accordance with regulations promulgated by the Civil Service Commission. Such disclosure statement shall be filed—

(1) at such time and place as the Office shall require by regulation; and

(2) (A) in the case of an employee who is the head of an agency, a Presidential appointee in the Executive Office of the President who is not subordinate to the head of an agency in the Executive Office, or a full-time member appointed by the President of a committee, board, or commission, with the Civil Service Commission, or,

(B) in the case of any other employee, with the head of the agency to which such employee is assigned.

(b) The Civil Service Commission and the head of each agency shall assign such full-time employees as are necessary to examine each disclosure statement filed with such Commission or agency. The Commission and the head of each agency shall be responsible for determining, on the basis of such examination, whether a conflict of interest exists, or appears to exist, under the rules of ethical conduct.

(c) The Civil Service Commission may be rule exempt from furnishing any information required in a disclosure statement the individuals required to file the same information in a financial statement as provided in section 302 of title III of this Act. The Commission may also by rule exempt from any requirement for filing a disclosure statement special Federal Government employees, as defined in section 202 of title 18, United States Code.

ADVISORY OPINIONS; RULE-MAKING

SEC. 406. (a) (1) Upon written request to the Office by any person, the Office shall render an advisory opinion in writing within a reasonable time with respect to whether any specific transaction or activity would constitute a violation of the standards of ethical conduct established by the Civil Service Commission under section 402 (1).

(2) Notwithstanding any other provision of law, any person who requests and relies in good faith upon an advisory opinion rendered in accordance with paragraph (1) and who furnished to the Office the full and complete facts regarding the transaction or activity in question as known by such person at the time of such request, shall not, as a result of such reliance, be subject to any disciplinary, civil, or criminal sanction under this title.

(b) Notwithstanding any other provision of law, no rule may be issued by the Civil Service Commission or any agency to carry out the provisions of this title unless such rule is proposed and issued in accordance with the general notice and opportunity for public participation requirements in section 553 (b) and (c) of title 5, United States Code.

ENFORCEMENT

SEC. 407. (a) (1) Any person who believes a violation of the standards on ethical conduct established by the Civil Service Commission under section 402 (1) has occurred may file a complaint with the Office. The Office may not take any action under this section solely on the basis of a complaint by a person whose identity is not disclosed to the Office.

(2) The Director shall refer any complaint concerning an employee received by the Office under paragraph (1)—

(A) in the case of an employee who is the head of an agency, a Presidential appointee in the Executive Office of the President who is not subordinate to the head of an agency in the Executive Office, or a full-time member appointed by the President of a Committee, board, or commission, to the Civil Service Commission; and

(B) in the case of any other employee, to the head of the agency to which such employee is assigned.

(b) (1) If the Commission or the head of an agency, upon receiving a complaint under subsection (a), has reason to believe that an employee has violated the standards of ethical conduct, the Commission or the head of such agency shall conduct a hearing in accordance with the provisions of sections 554 through 557 of title 5, United States Code.

(2) Any decision by an agency may be appealed by the employee or the complainant based on the whole record.

(3) The court of appeals of the United States shall have jurisdiction of any appeal from a final decision of the Commission without regard to the amount in controversy. Such appeal shall be brought in the same manner and subject to the same limitations as an appeal from the decision of a district court of the United States under section 1291 of title 28, United States Code.

(c) (1) (A) Except as provided in subparagraph (B), the head of each agency shall be primarily responsible for imposing disciplinary sanctions on any employee of such agency who is found after a final adjudication to have violated the standards of ethical conduct established by the Civil Service Commission under section 402(1).

(B) In the case of an employee described in subsection (a)(2)(A), the Civil Service Commission shall be primarily responsible for imposing disciplinary sanctions as described in subparagraph (A).

(2) The disciplinary sanctions referred to in paragraph (1) are—

(A) reprimand;

(B) suspension;

(C) disqualification from participation in a specific transaction or activity;

(D) dismissal;

(E) recommendation to the President to remove an employee appointed by such President; and

(F) denial or rescission, as the Commission deems appropriate, of any application before it in which there has been a violation of a rule under section 402(1).

(d) Following an adjudication under this section, if the Civil Service Commission or the head of an agency determines that a civil or criminal penalty is the appropriate sanction against an employee, the Commission or the head of such agency shall refer the matter to the Assistant Attorney General for Government Crimes in the Department of Justice for action in accordance with the provisions of section 408.

CIVIL AND CRIMINAL PENALTIES

SEC. 408. (a) Any person who—

(1) fails to file a disclosure statement in accordance with this title or any rule or regulation promulgated under such title;

(2) files a disclosure statement containing false information; or

(3) violates any standard of ethical conduct established by the Civil Service Commission under section 402(1); is subject to a civil penalty which does not exceed a amount equal to the profit gained as a resu of such violation and interest thereon at

rate equal to the annual rate established in section 6621 of the Internal Revenue Code of 1954.

(b) Any person who knowingly and willfully—

(1) fails to file a disclosure statement in accordance with this title or any rule or regulation promulgated under such title;

(2) files a disclosure statement containing false information; or

(3) violates any standard of ethical conduct established by the Civil Service Commission under section 402(1);

shall be fined in an amount which does not exceed the greater of $10,000 or 200 percent of the amount equal to the profit gained as a result of such violation.

EFFECT ON OTHER LAWS

SEC. 409. Nothing in this title shall be considered to prohibit an agency from imposing on the employees of such agency standards of ethical conduct more stringent than the standards imposed by the Civil Service Commission under section 402(1).

SEC. 410. The Civil Service Commission is directed to deliver to the Congress an annual report detailing specific steps taken pursuant to this Act and evaluating the effectiveness of standards of conduct and procedures of enforcement regarding potential financial conflicts of interest or the appearance thereof.

TECHNICAL AMENDMENT

SEC. 411. (a) The Director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(105) Director of the Office of Ethics Enforcement, Civil Service Commission."

SECTION-BY-SECTION ANALYSIS

The Amendment adds a new title to S. 495: Title IV: Enforcement of Ethical Standards for Executive Branch Employees.

Section 401: Definition: Uses the term "agency" as defined in section 551 of title 5 of the United States Code—"each authority of the Government of the United States, whether or not it is within or subject to review by another agency, but does not include—the Congress, the courts, the governments of the territories or possessions of the U.S., or the government of the District of Columbia.

Section 402. Civil Service Commission: empowers the Civil Service Commission to:

(1) establish uniform standards of conduct for the Executive branch with respect to financial conflicts of interest,

(2) establish guidelines for agency use in determining whether a conflict of interest exists or appears to exist,

(3) develop disclosure statements to elicit necessary information,

(4) review the statements, and

(5) hear appeals from agency adjudication of alleged conflicts of interest.

Section 403. Establishment of Office of Ethics Enforcement:

Establishes a new Office of Ethics Enforcement within the Civil Service Commission, headed by a Director directly responsible to the Commissioners.

Section 404. Functions of the Office:

The Office is empowered to:

(1) promulgate rules to enforce the standards of conduct of the Commission,

(2) render advisory opinions, and

(3) conduct random audits necessary to insure stringent agency enforcement.

Section 405. Disclosure Statements:

Each employee or former employee who has held his or her position for more than 90 days shall file an annual disclosure statement in accordance with regulations promulgated by the Civil Service Commission.

The Commission shall review the statements, and the Commission and the head of each agency shall be responsible for determining whether a conflict exists or appears to exist.

The Commission may exempt those employees required to file the same information under Title III of the bill, and may exempt special employees as defined in section 202 of title 18 of the U.S. Code:

". . . the term 'special Government employee': shall mean an officer or employee of the executive . . . branch of the United States Government, of any independent agency of the United States . . . who is retained, designated, appointed, or employed to perform, with or without compensation, for not to exceed 130 days during any period of 365 days, temporary duties either on a full-time or intermittent basis—a part-time United States Commissioner . . . ."

Section 406. Advisory Opinions:

The Office of Ethics Enforcement may issue advisory opinions upon written request as to whether any specific transaction or activity constitutes a violation of standards of ethical conduct. A person who relies upon such an opinion in good faith, and has provided full and complete facts regarding the transaction shall not be subject to disciplinary action or criminal or civil sanction. Advisory opinions are intended to apply only to the individual case for which they are rendered.

Rules must be made in accordance with sections of the Code offering opportunity for public participation.

Section 407. Enforcement:

Any person—willing to be identified—may file a complaint with the Office of Ethics Enforcement. If the Commission or the head of an agency has reason to believe that a violation has occurred, a hearing shall be held—in accordance with sections of the Code guaranteeing safeguards and rights of due process to the employee.

Disciplinary sanctions which may be imposed include: reprimand, suspension, disqualification from participation in a specific transaction or activity, dismissal, recommendation for removal, and denial or recission of any application before a government authority in which there has been violation of the conflict of interest standards.

If the Commission determines that a civil or criminal sanction is appropriate, the matter shall be referred to the Assistant Attorney General for Government Crimes.

Section 408. Penalties:

Violation of the standards may result in fines equal to the amount of any profit gained as a result of the violation plus interest.

Section 409. Effects on other laws:

Nothing shall prohibit agencies from adopting standards more stringent than those promulgated by the Commission.

Section 410. Report to Congress:

The Civil Service Commission shall report annually on the effectiveness of specific steps taken pursuant to this Act.

TAX REFORM ACT OF 1976—H.R. 10612

AMENDMENT NO. 2032

(Ordered to be printed and to lie on the table.)

Mr. CURTIS submitted an amendment intended to be proposed by him to the bill (H.R. 10612) to reform the tax laws of the United States.

POSTAL REORGANIZATION ACT AMENDMENTS OF 1976—H.R. 8603

AMENDMENTS NOS. 2033 AND 2034

(Ordered to be printed and to lie on the table.)

Mr. DOLE. Mr. President, I am submitting today two amendments, which I plan to call up during Senate consideration of H.R. 8603, the Postal Reorganization Act Amendments of 1976. My proposals do not alter the basic structure or intent of that bill, as reported by the Senate Post Office and Civil Service Committee.

Rather, I offer my amendments as incidental perfecting devices to make this legislation more responsive to the interests of the private individual mail user. I believe these changes will better serve the long-term interests of the Postal Service, as well.

My first amendment will accomplish three tasks: It will extend the reporting date of the Postal Study Commission from February 15, 1977, to September 30, 1977; it will extend the moratorium on postage rate increases, service cutbacks, and post office closings from February 15, 1977, to September 30, 1977; and it will mandate that the Postal Service shall not initiate a request for a postage rate increase until after the Board of Governors has reviewed the findings and recommendations of the Postal Study Commission.

The second amendment will simply require that, of the four members chosen by the President to serve on the study commission, one will be representative of the private consumer—that is, the "individual noncommercial users of first-class mail."

Mr. President, I will present a full statement of considerations underlying these proposals at the time they are called up. In the meantime, I will be happy to discuss the amendments with interested colleagues.

I ask unanimous consent that the texts of both amendments be printed in the RECORD.

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

AMENDMENT NO. 2033

On page 27, line 23, strike all after the words "ending on" through the word "Congress," on page 28, line 3; and insert in lieu thereof the words "September 30, 1977,";

On page 28, line 4, strike the words "have in effect" and substitute in lieu thereof "submit a request for";

On page 28, line 7, replace the semicolon with a comma, and add the following: "it being understood that prior to the submission of any such request, the Service shall give careful consideration to the recommendations of the Commission on the Postal Service;";

On page 41, line 12, strike the word "or before February 15," and insert in lieu thereof "September 30,".

AMENDMENT NO. 2034

On page 38, line 9, strike the semicolon, substitute a comma, and add the following: "and of whom one shall be designated to represent the individual non-commercial users of first-class mail;"

NOTICE OF HEARINGS AND BUSINESS MEETINGS

Mr. JACKSON. Mr. President, in accordance with the rules of the Senate Interior and Insular Affairs Committee, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled

before the committee for the next 2 weeks:

July 19. Full committee and national fuels and energy policy study, 10 a.m., room 3110, hearing, oversight hearing to examine Federal Energy Administration policies with respect to crude oil production owned by State or local governments.

July 21. Full committee, 10 a.m., room 3110, hearing, oversight hearing on Alaska pipeline situation.

July 22. Energy Research and Water Resources Subcommittee, 10 a.m., room 3110, hearing, oversight on ERDA long-range plan.

July 26. Parks and Recreation Subcommittee, 10 a.m., room 3110, hearing, H.R. 13713, NPS omnibus bill re extension of boundaries and acquisition ceilings, S. 3430, S. 3116, S. 91, S. 2182, S. 1510, S. 1133, S. 2326, S. 3601, S. 3560, S. 3410, S. 3373, S. 2904, S. 3012, S. 2984.

July 27. Parks and Recreation Subcommittee, 10 a.m., room 3110, hearing, S.J. Res. 139, H.R. 10370, S. 400, S. 3419, and S. 3441.

July 28 and 29. Energy Research and Water Resources Subcommittee, 10 a.m., room 3110, hearing, oversight hearing on ERDA long-range plan.

July 30. Environment and Land Resources Subcommittee, 10 a.m., room 3110, hearing, eastern wilderness legislation, S. 3204, S. 3444, S. 3609.

August 2. Parks and Recreation Subcommittee, 10 a.m., room 3110, hearing, S. 2112, S. 2486, S. 2783, S. 3273, S. 3287, S. 3528, H. Con. Res. 225.

HEARINGS ON COMMITTEE JURISDICTIONS, REFERRAL PROCEDURES AND COMMITTEE SYSTEM ORGANIZATION, OF THE TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. STEVENSON. Mr. President, the Temporary Select Committee To Study the Senate Committee System has scheduled hearings for Tuesday, Wednesday, and Thursday of this week, July 20, 21, and 22. Senator BILL BROCK and I announced these hearings by letter to each Senator during the recess.

The committee's hearings will examine fragmented committee jurisdictions and multiple committee and subcommittee assignments of Senators, and will receive testimony primarily from Senators. We will convene at 10 a.m., or earlier if Senators so request, in room 235, Russell Senate Office Building.

While the Senate gave the select committee 11 months, until February 28, 1977, to report, the committee plans to give the Senate the option of approving changes before the organization of the next Congress.

The select committee has a short period allocated to its work. The Senate authorized the select committee on March 31 of this year; the leadership appointed its members in early April, and the committee organized on April 29, 1976. So, we have had approximately 2½ months to assemble a small staff, define a work plan, and conduct initial staff studies.

Nevertheless, the committee has proceeded on the assumption I have stated, that the Senate should have the option of considering recommendations for reform of key elements of the committee system before it organizse for the 95th Congress.

The committee, therefore, hopes to make recommendations before adjournment on committee jurisdictions, procedures for referral of bills, and limitations on the number and kinds of memberships a Senator is permitted to hold. The Senate then could consider these recommendations prior to assignment of new committee members in January.

Only the recommendations of Senators can provide adequate basis for the committee's report. We have asked each Senator to present his views of committee system reform proposals, preferably in person at our hearings. We hope Senators who are unable to schedule a formal statement will stop by on one of the three mornings as their schedules allow. A prepared statement is unnecessary.

We urge each Senator who is unable to attend the hearings to present his views in a systematic interview conducted by our staff, or by responding in writing to a series of questions.

I emphasize again our need to hear from all Senators in response to Senator BROCK's and my letter of July 9.

The proliferation of subcommittee assignments is one problem the committee will examine. Counting all the committees, subcommittees, panels, boards, and commissions to which Senators are assigned, there now are 1,999 places to be filled by 100 Senators—an average of 20 assignments per Senator.

But other problems have developed in the 30 years since the Senate last thoroughly revised its committees. Our staff study indicates that 17 committees and over 40 subcommittees have some jurisdiction over energy policy. The same dispersed jurisdiction is true of other subjects including science and technology and transportation.

Witnesses also are expected to discuss changes which include: Grouping all science and technology authority in a single committee; creating a new energy committee; mandatory rotation of committee memberships; mandatory rotation of committee chairmanships; limiting Senators to one major committee assignment; a major reduction in the number of committees; increasing the authority and staff of the leadership to provide overall management of the committee system.

Mr. President, a 350-page offset study prepared by committee staff, "Jurisdictions, Referrals, Numbers, and Sizes, and Limitations on Membership," is available to Senators and other interested persons. A copy may be ordered by calling 224-1848.

Mr. President, I ask unanimous consent to insert in the RECORD our letter to Senators of July 9 and a memorandum we enclosed which discusses some of the issues to be considered at our hearings.

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

LETTER DIRECTED TO ALL SENATORS, JULY 9, 1976

DEAR ———: This committee has scheduled its first public hearings for 10:00 a.m. on July 20, 21, and 22, in 235 Russell Senate Office Building, to receive comments primarily from Senators. We plan to use a seminar format to facilitate discussion (among Senators and witnesses only). Should you prefer to present a formal statement, the Committee will be pleased to hear it.

In order to give the Senate the option of adopting revisions in its committee system prior to its next organization in January, 1977, the July hearings will examine (1) the jurisdictions of committees by subjects; (2) Senate procedures for referral of legislation to committees; (3) the number and sizes of committees; and (4) limitations on the committee service of individual Senators. We hope to report on these subjects, with recommendations, by early September.

The Committee invites you to discuss your views with us on one or more mornings of July 20, 21, and 22. If you are able to participate personally, please inform our Chief Clerk. If you would prefer to meet with us at an earlier hour than 10:00 a.m., say 9:00 or even 8:00, we will convene then. If you are not able to attend, would you place your views before us (1) in a prepared statement; or (2) by scheduling with our senior staff an interview (involving a systematic schedule of questions), the transcript of which would be returned to you for vertifications; or (3) by responding in writing to a set of questions which we will furnish at your request?

While the Committee staff has assembled useful information through staff studies and interviews with the representatives whom chairmen and ranking minority members have designated, only the direct recommendations of Senators can provide a fully adequate basis for the Committee's report. Would you advise us, therefore, whether or not you expect to present your views of the committee system and in what manner?

The enclosed statements briefly enlarge upon the focus of the hearings. Committee staff will be pleased to assist your staff.

Sincerely,

ADLAI E. STEVENSON.
BILL BROCK.

MEMORANDUM

Subject—Hearings on the Senate committee system: jurisdiction, referral procedures, numbers and sizes, and limitations on membership.

JULY HEARINGS

Senators and others often state the alleged "problems" and "solutions" to be addressed in our seminar-hearings of July 20, 21, and 22 in this manner:

Too Many Assignments. "Senators don't have enough time to effectively cover their committee and subcommittee assignments, which now average 18 per Senator; the Senate should reduce the number and sizes of comm[illegible]ees and limit Senators to fewer memberships."

Unequal Workload. "Some Senators and committees have grossly unequal workloads; the Senate should bring Senators' and committees' workloads into better balance by shifting jurisdictions, changing the number and sizes of committees, and further limiting or rotating Senators' memberships and chairmanships."

Jurisdictional Overlap. "The committee system is unable to deal effectively with the complicated problems of energy, transportation, science and technology, environment, health, urban development, etc., because jurisdiction over them is spread among many committees and subcommittees; the Senate should modernize and rationalize its jurisdictional assignments and improve referral procedures to facilitate enactment of laws which state comprehensive national policies."

Underutilized Committees. "Some committees have too little legislation authority, some have too much, some are deniel legis-

lative authority which they should have, and some have authority which they should not have; the Senate should re-examine the present need for each committee, abolish or consolidate committees, and grant or deny legislative authority to them, to facilitate a more effective committee system."

Badly Organized System. "The committees of the Senate are not organized as an effective system for providing careful review of legislation, planning to anticipate crises, systematic oversight of federal agencies, and responsive representation of the needs and opinions of the people; the Senate should rationalize its committees' jurisdictions and provide more direction for committees to meet these goals."

Wasteful Scheduling. "The competition of committees with each other and with Senate floor sessions for the time of Members is wasteful; whether or not changes are needed in the jurisdictions and composition of committees, the Senate should require better coordinated scheduling of both committee and floor business."

FUTURE HEARINGS

Each Senator holds a unique view of the inadequacies of the present committee system and of the appropriate remedies.

Some emphasize problems we shall consider later this year: "runaway" staffing, proliferation of subcommittees, erosion of the "generalist" role of Senators, lack of party accountability, uncoordinated and unsystematic oversight, poor utilization of Senators' time, inadequate facilities for Senators and staff; lack of uniform rules for internal committee procedures; inadequate provision for media coverage and unworkable mechanisms for regular review and revision of jurisdictions.

Some Senators may regard these statements as untrue. Indeed, some see many of these purported inadequacies as exactly the opposite, as advantages to be perfected.

It is this Committee's obligation to identify relevant facts and describe public and Senatorial opinions on these and like questions, and to make recommendations thereon. More than 50 Senators cosponsored S. Res. 109, which authorized appointment of this committee. We hope each Senator will state his recommendations, personally or otherwise, during our July hearings.

By mid-September, following these hearings and the additional research shown to be needed, this Committee will attempt to make warranted recommendations on jurisdictions, referral procedures, numbers and sizes, and limitations on assignments.

ANNOUNCEMENT OF HEARINGS BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, the Committee on Foreign Relations will hold hearings on July 27, 1976, in room 422 of the Dirksen Senate Office Building at 10 a.m. on three international commodity agreements: coffee, tin, and wheat. The committee will hear officials of the Departments of State and Treasury and other witnesses. Any individual or organization wishing to make its views on these agreements known to the committee should contact the chief clerk of the committee as soon as possible.

HEARINGS ON SENATE RESOLUTION 486

Mr. SPARKMAN. Mr. President, I wish to announce that the Foreign Relations Committee will conduct public hearings on Senate Resolution 486, the "treaty powers resolution" on July 21 and 28. All hearings will be at 10 a.m. in room 4221 of the Dirksen Senate Office Building.

The background of this proposed legislation is the extended process, going back at least 10 years, through which Congress has been seeking to restore what we believe to be a proper constitutional balance between the executive and legislative branches in the conduct of foreign policy. The general intent of Senate Resolution 486 is to reaffirm the constitutional treaty power of the Senate by restricting the scope of executive agreements.

ADDITIONAL STATEMENTS

FUTURE OF PRIVATE COLLEGES REQUIRES REALISTIC APPROACH TO HIGHER EDUCATION PROBLEMS

Mr. RANDOLPH. Mr. President, a new research study released recently by the American Association of State Colleges and Universities shows a precipitous decline in the proportion of college-age youth going to college—any college. The study points to rising tuition and other student costs as the major factor in keeping many students from pursing higher education. AASCU's "Low Tuition Fact Book" notes that median American family income is approximately $13,000 a year. Half of all families make less. A U.S. Bureau of Labor Statistics study shows that such families have only a few hundred dollars a year left after meeting living costs. But the cost of a residential public college may be $2,500 to $3,000 a year, and even a commuting college may cost the student more than $2,000 a year.

The decline in enrollment of youths 18 to 24 years of age was 13.8 percent between 1969 and 1973, according to the AASCU study. This decrease came in the face of an overall increasing postsecondary education enrollment—more than 10.1 million students in more than 2,600 colleges and universities today. The overall figures are inflated by part-time and community college enrollments among adults, continuing and community outreach programs and new career-oriented curriculums.

The growing cost of higher education has been especially severe to private colleges and universities. Between the years 1966 and 1971, the private share of first-time students attending American colleges dropped from 29 percent to 21 percent. Other factors, such as a declining interest in attending colleges, a declining total market, a greater interest in vocational and 2-year college training, have contributed to the problem. It is the difference in the cost to the student, not the difference in the total cost of education, that underlies the private college dilemma. In the private sector, the student bears nearly all the cost, while in public education the general public bears most of the cost.

In a decision last week that holds far-reaching significance to the future of private higher education, the Supreme Court upheld the constitutionality of a Maryland law providing State assistance to private institutions, some of which are church-oriented or were founded as primarily religious schools.

Private colleges have made significant and unique contributions to American education. Their emphasis on undergraduate studies has provided important resources for the education of scholars, scientists and other professions. Private institutions, responding to the specialized needs of their clientele, have provided a personalized, value-oriented education to a degree not always possible in the public sector.

Two weeks ago, the Association of American Colleges released a comprehensive report indicating that the growing trend toward career-related studies at the postsecondary level "could eventually threaten the hundreds of private colleges traditionally geared to liberal education."

Reporters Eric Wentworth of the Washington Post and John Mathews of the Washington Star, in analyzing the report, concluded that some private colleges are holding their own thorough innovative approaches to providing what students demand, while others are increasing emphasis on traditional studies to provide broad liberal arts opportunities.

The trend toward universal jobs-oriented studies is a necessary and welcome response to career goals of young people in a highly competitive market. At the same time, we must not sacrifice the broad disciplines of liberal education. We must provide for both diversity and educational alternatives which will assure that dynamic, private institutions can continue to make unique contributions to our society.

Mr. President, I ask unanimous consent that the articles, reporting on the plight of private colleges and their struggles to survive, be printed in the RECORD.

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

[From the Washington Post, June 20, 1976]

"CAREER" TREND HELD THREAT TO PRIVATE COLLEGES

(By Eric Wentworth)

An "enormous" recent surge in student interest toward career-related studies and away from the broad liberal arts could eventually threaten the hundreds of private colleges traditionally geared to liberal education, a report on campus trends warned yesterday.

The report, sponsored by the Association of American Colleges, found most private colleges were maintaining or even increasing their emphasis on liberal education so far in the face of waning student interest. At the same time, many were offering more career counseling and placement services.

The report's authors, Prof. Howard R. Bowen of the Claremont Graduate School and consultant W. John Minter, based their finding on responses from key officials at more than 80 broadly representative private campuses.

Their survey showed that students at 88 per cent of the colleges were more concerned about career preparation this past year than in 1974. On 53 per cent campuses they were less interested than before in liberal learning, while on most other campuses the interest remained unchanged.

Career preparation involves courses in business administration, accounting, health-related subjects and other specialized fields providing practical knowledge and skills. Liberal education generally includes the arts, humanities, social sciences and other broad

disciplines stressing ideas, creativity and critical thinking.

The report's poll of college presidents disclosed that the relative stress on liberal education was being increased by 62 per cent of the private institutions, held steady by 24 per cent, and decreased by 14 per cent. More than 90 per cent of the colleges historically emphasized liberal learning for undergraduates.

These responses, Bowen and Minter wrote, "suggest that there may be some disjunction between the career interests of students and the policy of the institutions. . . . Many private institutions are probably in a position of disequilibrium and uncertainty over this issue."

On those campuses where liberal education was being de-emphasized, most presidents viewed it as "a necessary step to keep the institution abreast of the times and not necessarily harmful."

Students on public as well as private campuses have become increasingly preoccupied with careers, the authors noted. The shift from liberal education may be only temporary.

"However," they wrote, "because of the relatively heavy commitment of the private sector to liberal education, this trend, if persistent, could be especially damaging to private universities and colleges."

Bowen, an economist and former college president, said in an interview that he saw the risk of financial damage as well as loss of an institution's traditional identity. Colleges which went overboard in developing career-related programs could face burdensome new costs. Those sticking steadfastly to liberal education could wind up with fewer students.

The Bowen-Minter report, a follow-up to one issued last December in which private colleges were found to be faring surprisingly well despite economic adversity, focused more on academic quality.

The new report, citing the responses of chief academic officers on the surveyed campuses, found an "appalling decline" this past year from 1974-75 in basic reading, writing and mathematics preparation of newly admitted students. At the same time, the new students' grounding in the humanities, social studies and sciences was largely unchanged from the prior year.

The reported decline in basic skills corroborated other accounts in recent years criticizing the poor preparation of freshmen entering both public and private colleges.

On the other hand, the Bowen-Minter report found that students once in college showed "significant improvement in conscientious work and general academic achievement" this past year.

The report also concluded that private colleges were generally maintaining academic quality, increasing course offerings, and generating a "wave of innovation," including use of computers and audio-visual aids, independent study, internships and other work-study projects, and the granting of credit for simply passing exams or for prior off-campus learning experiences.

By and large, the report said, private colleges survived recent inflationary pressures with remarkably few scars. The report credited increasing federal and state aid and better management. It described their condition, while still precarious, as "steadiness without stagnancy."

[From the Washington Star, June 21, 1976]

FOR SMALL PRIVATE COLLEGES, FLEXIBILITY MEANS SURVIVAL

(By John Mathews)

Four years ago the prognosis was grim for for Hood College, a small liberal arts school in Frederick, Md.

Vital signs were failing: Enrollment was down, applications were declining, a deficit was developing.

Chances for a reversal of the deteriorating condition seemed unlikely, because Hood was a women's college—with a token male enrollment—at a time when "single-sex" colleges were unpopular. It was a liberal arts college when young people wanted schooling that would lead directly to a job after graduation. And it was an institution with a small endowment and few economic resources in the face of a recession and long-term inflation.

Although Hood does not yet have a totally clean bill of health—it is still running a paper deficit—the college now seems likely to survive. Like a number of other smaller colleges which only a few years ago seemed to be doomed, Hood realized its problem and found the right prescription for regaining its health.

Rather than retrenching, Hood, which was founded in 1893, decided to redefine and refine its appeal.

In the spring of 1973, when Hood went through its agonizing reappraisal, the trustees decided it would remain a women's college but continue co-ed in its graduate programs. They would, however, allow the small number of men taken in during the early 1970s to stay until graduation.

Luckily for Hood, the women's movement came along, giving a new rationale for a females-only college. Courses were widely redesigned to emphasize the woman's perspective and to appeal to a new clientele—the woman in her 30s or 40s who is going back to school.

Responding to student desires for education that could result in a postgraduation job, Hood began a unique internship program. In order to get a taste of the real world of work, students go off campus for up to a semester and do things like work in Ella Grasso's successful campaign for governor of Connecticut, learn about consumer affairs with Esther Peterson at Giant Food, help rebuild Harpers Ferry or even work in the office of Margaret Thatcher, the British Conservative party leader.

Some new courses were also added at both graduate and undergraduate levels to cater to the needs of Frederick's main employer, Fort Detrick, the onetime chemical and biological warfare center which has been converted to cancer research.

With a fresh female perspective, the appealing internship program and the new job-oriented courses—as well as its location in a charming small town only 45 miles from Washington and Baltimore—Hood was ready to sell itself. As President Martha Church puts it, Hood developed a "carefully targeted admissions program employing good marketing techniques." This meant that Hood went out to recruit students with glossy, new promotion materials, purchased lists of prospective applicants and established a system for bringing potential students to the campus for a carefully devised visit.

Now, Hood expects to enroll 1,500 students in September, a most twice as many as it did four years ago even though tuition, room and board costs now total nearly $4,500, up $1,000 in that period. Four years ago, only about 250 students applied to be in the first-year class of 200 students, while this year more than 800 have applied for the 300 places in the first-year class.

On a national scale, Hood's success story is not unique. Obituaries written in recent years for many smaller, private institutions have had to be discarded, although a small number have failed or merged with other colleges.

For the last half dozen years, one of the closest watchers of the physical health of private colleges has been Dr. Howard R. Bowen, former chancellor and now an economics professor at the Claremont (Calif.) Colleges. Bowen, a precise professorial type, is well qualified for the role of college diagnostician, having served as president of both the University of Iowa, a large public institution, and Grinnell College, a small private liberal arts college.

He surveys a sample of 100 private colleges and universities, said to be representative of private higher education as a whole. He omits, however, the largest private universities like Harvard, Columbia, the other "Ivy League" schools, Johns Hopkins and the Massachusetts Institute of Technology. Among the institutions in his sample are Georgetown University, and—in Virginia—Randolph-Macon College and Washington and Lee University.

The Bowen studies are sponsored by the Association of American Colleges, a Washington-based association of private institutions with a foundation grant. Institutions are not given a bill of health by name, because Bowen says they would not turn over to him financial data if disclosure were likely. And, he adds, if they were in serious trouble, public identification of their illnesses could be fatal.

In his first published study last year, Bowen looked at the 100 institutions over a four-year period and concluded that 27 were "in distress." This year, he has dropped that type of characterization, not because of pressure from the colleges to paint a more optimistic picture, Bowen says, but because he felt a more accurate system of diagnoses is possible.

Looking at how the colleges have done since 1974, Bowen concludes that they have "held their own," although he sees the long-range prospects for private colleges and universities as "precarious." With complete reports on 93 of the colleges, Bowen figures that 21 have lost ground over the last two years and that seven institutions appear to be in serious trouble. "We do not predict the demise of any of these institutions although we do not belittle the odds against which they are struggling," Bowen wrote.

Private colleges are surviving, Bowen says, because of better management, a continuing ability to keep attracting private donors and the expansion of state and federal student aid programs which make it possible for many students to afford the higher-price private institutions.

In the past couple of years, Bowen sees a remarkable renaissance for the woman-only college and the church-affiliated college. "There was a falling away from religious colleges, but now new colleges, often with a fundamentalist religious base, are being opened," he said. Over the past couple of years, Bowen found, enrollments for the private colleges are remaining steady, although competition among institutions is getting more intense and the quality of incoming students seems to be declining slightly.

In fact, academic officials at the colleges surveyed found "a distressing deterioration of students in reading, writing and mathematics," while preparation of incoming students in the humanities, social sciences and science remained unchanged. The decline in high school student preparation, Bowen concluded, is not unique to private institutions, but exists throughout higher education.

Despite economic belt-tightening, Bowen found that few of the colleges had retrenched significantly in courses, student services or auxiliary services. For every existing program of studies cut, 10 new ones were added, Bowen found. From 1969 to 1975, courses in the 100 institutions increased by 29 percent while enrollments went up only 9 percent.

Looking into the future, Bowen sees these problems:

Inflation remains a severe problem. So far, colleges have not had to sacrifice quality, "but if inflation does not come under control, the institutions may have difficulty in maintaining present levels of quality," he said. Faculty pay has not kept up with inflation and many institutions are putting off neces-

sary maintenance and repairs to keep their budgets balanced or their deficits manageable.

The dollar gap between private colleges and public institutions continues to grow, making the private schools even less competitive. New York City, however, is a welcome exception from the private college viewpoint, since the city budget crisis is forcing the City University system to impose a tuition for the first time, replacing a less costly system of fees.

Gifts from well-to-do alumni are a vital necessity for many institutions which have been using such contributions to offset current operating deficits. "The need to raise large sums of money each year to meet current expenditures slows up the growth of endowment and this impairs long-run financial security," Bowen wrote.

A shift away from the liberal arts, however, may be the most dangerous long-term problem facing the private colleges and universities. Studies showing that college graduates in the past few years, particularly those with liberal arts majors, cannot find jobs are a real threat to private institutions, many of which are primarily liberal arts institutions.

The diagnostician of private colleges sums up his current findings by saying "steadiness without stagnancy" best describes the institutions. But he adds:

"This situation can change in the future. Indeed every serious observer of private higher education knows that the position of private universities and colleges is precarious. But up to the present, they appear to have held their own."

COMMENCEMENT ADDRESS BY WILLIAM F. BUCKLEY AT OKLAHOMA UNIVERSITY

Mr. BARTLETT. Mr. President, I trust that my colleagues will find invigorating this recent commencement address by William F. Buckley at Oklahoma University, which I ask unanimous consent to have printed in the RECORD.

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

ADVICE FOR THE RAUCOUS SEASON: "GO FORTH AS TRUTH WATCHERS"

The student committee to select a commencement speaker faces an annual dilemma which usually results in a compromise. Some committee members are vocal in their insistence on securing a person highly regarded among scholars and intellectuals; others clamor for a popular personality—someone familiar to the public. Fortunately, no compromise was necessary for the University's 84th annual commencement exercises. The committee chose as its first choice a popular intellectual—William F. Buckley, Buckley—eloquent, sophistic, and, of course, witty—accepted. His address to the Class of '76 follows:

Dr. Sharp, ladies and gentlemen of the graduating class—

Since I am not running for President of the United States, perhaps you will believe me when I say I am happy to be at the University of Oklahoma and honored to be associated with your graduating ceremonies.

My predecessor as commencement speaker last year was your governor, Mr. David Boren, whom I have known since he was 19 years old when, after getting the annual bill from Yale University, he developed his well-known antipathy of high tuition rates. And the year before it was another old friend, John Kenneth Galbraith, with whom I visited in Switzerland as recently as last March. We lunched together one afternoon and looked at our calendars, attempting to find a date when we could both be in New York to fulfill a contractual commitment.

"What about the first week in April?" I asked him.

"No," he said, looking at his calendar. "During the first week in April I'll be lecturing at the University of Moscow."

"Oh," I said, "What do you have left to teach them?"

But the good news is that so long as Mr. Galbraith gives advice to the Soviet Union, there will be a market for our excess grain.

I pause, too, to remember gratefully a graduate of this university who was my mentor while I was a college student at Yale. He remained my friend and, for ten years, my colleague at National Review. He learned a great deal at the University of Oklahoma from which he graduated at the astonishing age of 17, going on to a Rhodes Scholarship in Oxford.

Alas, what he did not master was the art of getting along with people. There became something of a legend about Willmoore Kendall—that he managed his life so as not to be caught on speaking terms with more than one friend at a time. "Whenever I ask Yale for a leave of absence," he once complained, "I find it insultingly cooperative." He was a man of huge talent, perhaps even genius, and his penetration into the undisputed genius of America he always attributed substantially to his boyhood in Oklahoma and his training at this institution.

His admirers never succeeded in getting him to write about Oklahoma, but he always spoke about it in such accents as made one realize that everyone else was something of an outsider. That would especially include anyone raised and trained in the northeast section of the United States, which he treated during the many years he spent there as something of a colonizer—like Kissinger in Africa, determined to rescue the natives from barbarism. You will, perhaps, have noted that he failed.

You are graduating into a raucous season especially reserved for the politicians of America in which to peddle their nostrums. Most students pay very little attention to the promises of the politicians, and in this respect they are by and large more mature than their elders. It is widely taken as a sign of apathy that so few Americans participate at the polls. Although I understand the point, I wonder sometimes whether it isn't a sign of considerable sophistication. All too frequently it does not make a great deal of difference which candidate wins an election.

I do not share many opinions with Professor Galbraith but we do not disagree that Switzerland is probably the best-run republic in the world. And in Switzerland if you desire to know the name of the president you would have to approach a well-informed librarian. Nobody else knows his name. That is because it doesn't greatly matter who he is. The responsibilities of government are well defined and an omnipresent chief of state would be something of a presumption on the order of a cuckoo clock—which reminds one how dangerous it is to turn on the radio or the television during this season.

Here in America it sometimes seems as though everyone desires to become president and it has been observed time and again, after recent experiences, that it is well established that anyone can become president. The means by which a man becomes president, insofar as inevitably they will be of concern to you, is a subject on which I wish to say one word.

It is my opinion that the freedom to deceive is overindulged. In one of her exciting essays written a generation ago, Simone Weil remarked that Etienne Gilson's account of the history of ancient Greece was actually incorrect in respect to his description of the life of the helots. She went on to say that in a just and well-ordered world the book would be suppressed, that the author would be subject to a civil law suit—the plaintiff being the truth, which in Simone Weil's society would have legal standing.

Now this position is obviously something of a caricature but it is crankily instructed if you think about it in an age where freedom of expression has brought virtual immunity to those who deceive. Foremost among those who do so is a class; or, of course, the politicians. But in a society like ours in which there is also the freedom to criticize, the politicians would probably not get away with it except for the indulgence of the only class of citizens professionally trained to isolate untruth and to shoot—bang, bang—right down to earth. I mean the educated class. I mean your class.

I do not seek to codify this proposition by giving it statutory form. No Norman manifesto is about to be born. But I do suggest, as you graduate into the regulatory class, that you meditate more extensively than my generation has done, the simple consequences of the extraordinary immunity of the politicians from the bar of critical opinion. We are supposed to be terribly concerned over the dissimulations of our secret agents abroad, but at home we have come to accept with great complacency the rhetoric of those who, piping us down the road to serfdom, make the music of abundance and justice and joy.

It is perhaps the most frequently summoned jape at the expense of representative democracy to recount the story of the earnest legislator who sought one day late in the 30s to lighten the load of the school children of Indiana by introducing a bill that would trim down the value of pi from 3.1416 to a more manageable figure of 3. The response was instantaneous. It didn't come only from the mathematicians capable of handling calculus. It came from the entire social class who brought the fatuity down quickly to earth.

I am in Norman for only a few hours, returning tonight to the nerveless center of the cultural world, groaning under the weight of the greatest density of intellectuals per acre this side of Plato's Academy. But I have heard it asserted by two New Yorkers in the past hectic year that no respectable canon of redistributive justice asserts the beauty and residence of Detroit or West Virginia or Key West, let alone of Norman, to subsidize the costs of rapid transit in New York City. The governing superstition is that any dollar voted out of Washington, D.C., is spontaneously generated. Its corollary appears to be that a dollar is virtuously spent insofar as we elongate the distance between where it is collected and where it is deployed.

There is a great deal that we simply do not know, but there are some things that we do know and self-respect requires that we stimulate the social sanctions against that which is misleading, let alone preposterous. But Ralph Nader, the only social hero of our time, is obsessed by how many corn flakes are missing from the package sold at the grocery store while undisturbed by how many middles are undistributed in the speech of a typical politician of the left. The social success of freedom requires something of an extra ideological devotion, as Dr. Sharp was suggesting, to analystical rigor and the integrity of language. You will find, I think, as necessarily your minds focus on political problems, if only because political problems will focus a new course upon you, that even as the intellectual case against socialism becomes by experience and analysis firmer, the forms of socialism become paradoxically more and more binding. I find myself wondering whether the soupy indulgence shown by the majority of American intellectuals toward those who deceive in order to play out their ideological passions and seduce the favor of

voters does not emerge less as an act of intellectual charity than of moral despair.

If freedom requires an alert class of truth watchers, but the designated class—your class—does not perform its duties, what happens to freedom? How can the delinquent class be persuaded to do its duties?

Indeed we are entitled to ask—what can we say with confidence about the future of freedom? Why is it so widely disdained? Why is the freedom of the marketplace so universally scorned? Is it not perhaps related to that unreason in which the politicians traffic again with the acquiescence of the intellectual class?

Perhaps Samuel Johnson went too far when he remarked 200 years ago that man is seldom so innocently engaged as when in pursuit of progress. But I confess to being much more shaken by the complementary suggestion made by Professor Galbraith that the free marketplace introduces mutual aggressiveness. Surely that, not Johnson's, is the climatic effrontery, the notion that this lack of aggressiveness to lay before the individual a choice whether of canned soups or of economic textbooks or of newspapers. The ethical case against the free marketplace retreats perhaps, but leaves us facing the entrenched positions of the critics of our society whose complaint is against dehumanization of Western arrangements as summarized by Professor Galbraith's haunting conclusion in his most recent book that "man has become the tool of his tools. ceasing to be an end in the value of himself," and reminding us that the search for young revolutionists is for the restoration of the individual as once again an end and value of himself.

I view the mechanization of the individual as the principle commitment of American secularists who have lost whole metaphysical arguments, leaving them with a philosophy of postulism to which they now conjoin with such great facility a kind of phenomenological opportunism leaving them without the philosophical framework from which to judge even the reasons, let alone the dimensions of freedom.

Professor Ross Terrill of Harvard University, author of the two most influential articles that have appeared in our time on the subject of Red China—articles read avidly by the President of the United States and all the newsmen who traveled with him to Peking four years ago—is to be sharply distinguished from the famous apologists of Stalin's Russia who made their way by simply denying the crimes imputed to Stalin during the 30s, 40s and 50s.

Terrill denies nothing. He doesn't disguise the description of life in China today—not for a minute. After informing us that in China there is no freedom to practice religion, nor to vote, nor to express oneself freely, nor to read books or periodicals one desires to read, nor to join labor unions, nor to change one's job, nor to travel to another city or another country, he says ingenuously, "People ask me, 'Is China free?'" He answesr that question with great difficulty. "It depends what you mean by freedom," he says. "Freedom is always defined with reference to the limitations of the relevant entity. In the United States it just happens to be the individual, in China it happens to be the whole state." And he illustrates. "Consider the writer Hua Mojo," he says. In the 30s Hua Mojo wrote books for a mere four or five or at most 8,000 people. Now he is required by the state to write books that will appeal to 20 or 30 or 50 million people. "Is that wrong?" the Harvard professor asks. Then, there is the researcher at Peking University whose affinity has been for abstract science, but who was recently directed to concentrate all of his time on pest control. "Is that wrong?" Professor Terrill asks once again.

I think we begin to understand the phenomenon, the ideologist egalitarianism that rushes in after practical diplomacy, such that Richard Nixon went to China to establish a dialogue with Mao Tse Tung, ended by likening Mao's revolution to George Washington's revolution, ended by proclaiming that we would have a long march together, as if to say that Mao, too, is entitled to his Via Dolorosa. Why should we not ecumenically share our own with him? Where is Vatican III? There is Mr. Nixon, seated next to Madame Mao Tse Tung, watching resignedly in the little chamber, anti-capitalist ballet become agitprop—a violation of art as well as of manners. It was as if he had invited the presidents of the black African republics to the White House, there to show them a ballet on the theme of little Black Sambo. And Mr. Nixon, returning to the United States, proclaimed at Andrews Air Force Base the great enthusiasm the Chinese people feel for their government. Indeed, the Chinese have done a great deal to show means of generating enthusiasm for their government and no doubt Mr. Nixon was professionally fascinated by it.

But we saw through him the movement of Western opinion which makes it so difficult to issue sharp, critical judgments. What really is so bad about Red China? Their ways are not our ways to be sure, but is it seriously proposed that we should be prepared to die if necessary in order to avoid living by their world rather than by our own which is in any case corrupt, racist, decadent and above all materialist?

The ongoing search in which you will participate for a new American revolution or even for the ratification of the revolution we experienced 200 years ago, that would restore meaning to the individual, is up against the most conspicuous and melancholy precedence of this century, the two great revolutions whose extirpative passion, however, proved to be the elimination of the individual. Indeed we note that the revolutionary radical of today pays only formalistic attention to the individual, preferring always to refer to the people. Indeed, mataphysical defenses of many are somehow just a little bit embarrassing, irrelevant. Even Whittaker Chambers, the ardent and lyrical counter-revolutionist, would make gentle, private scorn of the inflexible defenders of the individual—of the late Mr. Frank Meyer, for instance, whose implacable book "In Defense of Freedom" was current when the Republicans suffered their great congressional defeat of 1958. "If the Republican Party does not find a way to appeal to the mass of people," Chambers wrote at that time, "it will find itself voted into singularity. It will become then something like the little shop you see in the crowded parts of great cities in which no business is done or expected. You enter it and find an old man in the rear fingering for his own pleasure oddments of cloth, caring not at all if he sells any. As your eyes become accustomed to the gas light, you are only faintly surprised to discover that the old man is Frank Meyer."

I submit to you, ladies and gentlemen, that the critics of American society, if they are truly concerned about your survival as individuals, should focus on the needs of individuals—focus on those oddments of cloth by familiarity with which a few men and women know to hesitate not at all when someone asks the question, "Is it wrong for the state to tell the writer what to write? Is it wrong for the state to tell the scientist what to study?" Those few who do not hesitate will answer, "Yes, it is wrong. It was always wrong. It is now wrong and it will forever be wrong."

The old man with the oddment of cloth is fingering some of the great truths that have enabled us to penetrate the sophistries by which we are somehow persuaded that we can serve the individual by moving against that principle institution through which the individual asserts what freedom of movement the social architects have left him with. Or, that we can make a profitable beginning by a revolutionary renouncing of that religion which tells us in the words of Ecclesiastes that God has made man upright.

The subject is strangely and widely saddening as we meet here to celebrate your freedom to touch on the free market. In Russia the people crowd to the only free market left—it is, of course, the black market—and pay their 80 rubles, a month's wages, for a single novel by Solzhenitsyn. And there in Russia, whose rulers renounced the marketplace 60 years ago with a blaze of trumpets and a rain of bullets aimed righteously at the temples of teenage girls and a hemophiliac boy in a cellar of central Asia; there in Russia, 60 years after the advent of the socialism for which now Professor Galbraith preaches—there are old men and old women and young men and young women who transcribe by hand, not for profit, from Radio Liberty—risking prison by the very act of listining to it, the latest novel of Solzhenitsyn word after word, sentence after sentence, page after page, a process that takes them weeks and months to complete, resulting not in thousands, let alone millions, of copies, but in a few dozen or perhaps a few hundred the oddments of cloth. But is it worth it—worth everything to preserve those oddments which are the patrimony of your education at the University of Oklahoma, to make them available to those who are blessed with a thirst for them. And so the books of Solzhenitsyn accumulate, even as the disdain for the institutions of freedom diversely accumulate for an understanding of which paradox we find no help at all in Marx but considerable help in Jesus whose servant Paul observed that though our outward man perish, yet the inward man is renewed day by day.

THE THIRD CENTURY AND NATURAL RESOURCES

Mr. MOSS. Mr. President, a very thoughtful article by Louis B. Lundborg appeared in Saturday Review of July 10 entitled "Making a Living in the Third Century."

There are a host of needs awaiting us for our third century—replanting, rehabilitating, and reclaiming our land and water from misuse; recycling materials, and rebuilding and repairing public buildings, water systems and other public facilities.

There is much to be done, and it will take a combination of all of us—business, government, consumer, media and academe.

As Mr. Lundborg states, we cannot sustain our exponential rate of growth in industry gased on a finite supply of nonrenewable natural resources.

This article points up the need for a National Materials Policy and allows me to call attention to S. 3637, a bill which I have just introduced that will go a long way toward helping us make a living in the third century. I ask unanimous consent that the article be printed in the RECORD for the information of the Senate.

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

MAKING A LIVING IN THE THIRD CENTURY

(By Louis B. Lundborg)

Have we Americans changed direction since our country's founding in 1776? If we have, are we satisfied with the change?

Finally, is there anything we can do to influence our national direction from here on?

If these questions are valid in the political, social, and cultural spheres, certainly they are valid in regard to how people make a living, where they produce things, and where they daily buy and sell. In this Bicentennial Year the whole skein of things we call economic activity should be examined. Certainly this economic area of our lives is full of more myths, more solemn truths that just are not true, then the tales of Baron Munchausen.

Most of my adult life, I have seen and heard businessmen go into a state of apoplexy over any trend or movement that they considered a threat to what they have called the American Way of Life or the American Free Enterprise System.

For example, I have always been quite sure that the basic reason for the violent reaction of conservative businessmen against the long hair and sloppy dress of the hippies a few years ago was that, consciously or unconsciously, they considered the hippies a threat to the production-consumption syndrome of our market economy.

Anyone might suppose, after listening to decades of these impassioned defense of our American system, that our economy had gone unchanged during the whole 200 years of our history. But the fact is that there has been hardly a generation without substantial and significant change. As a result, what we see around us today no more resembles what people were doing in 1776 than a Boeing 747 resembles an oxcart.

The most dramatic part of the change has come in the whole rationale of production and consumption, especially since World War II.

With the post-World War II miracle of production, it was not long before the post-war backlog of consumer demand had been caught up with, and yet the capacity to produce went right on climbing. To absorb the output, it became necessary to stimulate and create markets for more and more of everything.

In part, this was accomplished by bringing more and more people into the mainstream of the market who had never been there before—large minority segments of our own population at home and comparable blocs in the developing nations throughout the world. But to a great extent it involved developing a pattern of greater consumption among previous consumers. The manipulation of consumer demand involved pushing out new models of everything and discarding the old to make room for the new. It became a tremendously wasteful pattern—a fact that was not overlooked by those concerned with protecting the environment.

Before we proceed to project ourselves from this history into the third century, there is one other piece of the picture puzzle that needs to be put into place—the political interface with the economic realities. The political myths and misconceptions about the nature of our economy are myriad. We refer to our economy in various ways. We call it a free enterprise or a private enterprise or a capitalistic economy and society.

These labels obscure the truth. Our economy is not and never has been purely capitalistic or purely free enterprise or purely anything. It is and has been for a long time a mixed economy. Since the New Deal days of the early thirties, the power of the government over business has become broad and pervasive.

If we are to have any hope of containing government within manageable bounds, any hope of limiting the encroachment of government on individual freedom, it will be only by defining the proper role that government should play in the marketplace. The mix of government and business is vital to our future. And what is our future?

Obviously, no one can be precise in foreseeing and foretelling the events of a whole century. But it is not idle to try to identify some of the key ingredients that will interact and will shape and guide the directions of these next hundred years.

It will be an era of restrained industrial growth. We cannot sustain our exponential rate of growth in industry based on a finite supply of nonrenewable natural resources.

As a corollary, we shall have to face the fact that our brief venture into a throwaway economy was a short-range success and a longe-range mistake. Our pattern of junking useful things—of discarding such items as clothes, appliances, and cars just to make room for new annual models—never had a sound foundation in basic economics and will have to yield to a more sustainable mode.

It will again be socially acceptable, as it has been many times in our history—including in wartime but also in most peaceful periods up to World War II—to repair, maintain, and even patch things that have some useful life in them.

The investment world will have to develop new criteria for selecting stocks and for evaluating performance other than the "growthmanship" standard that has prevailed for the past decade or two.

We, like the other industrialized nations of the world, will no longer be able to take the natural resources of the world for granted and assume that our access to them is only a matter of reasonable negotiation. The OPEC role in the Mideast-oil scenario will be replayed many times in other parts of the world and with other scarce materials as the prize.

Either we work out international agreements and international machinery to deal with the problem equitably, or we can expect to see cartels, worldwide tensions, threats, and confrontations, always with the overhanging danger that someone will want to resort to military intervention. Even our own Secretary of State allowed the words "military intervention" to enter into the Middle East oil discussions.

Whichever scenario is played, the action will include a sizable transfer of wealth from the northern to the southern hemisphere and a corresponding shift of a part of the economic, as well as of the political, balance of power.

In spite of growing nationalism, the multinational corporation will play an increasing role on the world's economic stage; and because the managers of those multinational corporations will have to learn to live with and respect the differing national interests, the multinational corporation may become one of the most potent forces for world peace and order.

The slowing rate of industrial growth will flatten, even shrink, the number of jobs in industry. This will call for further acceleration of the shift to the service industries. There will be the growing need for repair and maintenance that I have mentioned; but there is a host of other needs waiting to be filled, and most of them are what we call labor-intensive. The replanting and rehabilitation of our abused forests, the restoration of our soil, the recycling of materials, the reclaiming of polluted water bodies—these are only a few examples. The roadbeds of our railroads have got into such rough condition that a friend of mine speaks facetiously of freight cars being derailed while standing still.

While the shifting, retraining, and retooling involved in moving the excess workers from factory jobs into the new service jobs will at first be painful and cause some dislocation, the final result can be much more satisfying jobs. The skills required for repair, maintenance, and rehabilitation can be higher skills and the new jobs more rewarding than many of those on the assembly line they will replace.

There is a world of cultural and recreational pursuits to be developed; and if that sounds trivial or superficial, we should remember that most of what we produce now in industry is no more essential to survival than is back-packing, bird-watching, or playing the piano. We are only talking about a shift from one kind of use of discretionary time and money to another.

There are signs on the horizon that the American buying public may be ready for some of these changes. A recent survey by the Louis Harris Organization showed that the American public may be turning its back on a life-style that is based so heavily on material consumption. An overwhelming majority reported a lack of interest in having new annual models of cars and appliances, in changing clothing fashions every year, in discarding clothes before they wear out.

There was a positive expression of more interest in quality than in quantity, a desire to have things made better and made to last longer; but there was an equally vocal deploring of the wastefulness of our consumption.

These were not spokesmen of any conservation or ecology group testifying; this was a cross-section sampling of the American public.

So we can reasonably assume that the majority of Americans would view without much alarm the kind of future I have been sketching.

But that does not mean that the transition will be made smoothly and easily. There are many possible roadblocks and booby traps. We will survive them better if we face them realistically. Even better than that, we should use this period to do something more affirmative and positive; we must sort out what is important and work for it as a positive value.

So what are the important values that we should strive to keep as ingredients in any mix that may evolve?

The first I would name as a continuing national objective is maintaining the vigor of the private sector—keeping private initiative as dominant, as central, as we humanly can in the whole process of making things and selling things and providing jobs for people. There is going to be an inescapable role for government, both nationally and internationally, in the control of scarce raw materials; and there is going to be a natural tendency to turn to government to do everything else whenever the going gets rough—to provide all the jobs for the displaced and to take over and operate enterprises that seem to be faltering. We already have plenty of evidence here in the United States that there is no magic in government—that it still is an institution run by human beings and subject to human fallibility; and we have overwhelming evidence in other countries that when government gains enough power, it is hard, if not impossible, to appeal to that power when the power is scattered among private hands. So with all its warts and imperfections, we should keep private initiative vigorous and keep government in its proper role of rule maker and regulator.

In this third century, when jobs and places of work may be jolted and dislocated, it should be a national goal that everyone who is physically able should be encouraged and helped to be self-sufficient through gainful work, rather than kept in idleness. This may sound like the Puritan work ethic, but it is more nearly the Buddhist ethic. We have done a cruel, inhuman thing: we have pauperized people by maintaining them, generation after generation, on welfare rolls instead of putting our national stress on restoring those people to self-sufficiency.

This is something we should have addressed ourselves to long ago, in our second century; but it becomes much more critical, more imperative, in our third century because then it will not be a fringe issue but a central one.

Let me try to sum up what all this means—what it adds up to for each of us:

If we accept the thesis that the need in our third century will be to attempt to make this a more humane world for human beings to inhabit, there is much that needs to be done; and because it involves some reshaping of values in areas where there has been wide disagreement, there will have to be much consultation between people who have not been in the habit of conferring with one another.

There needs to be much broader consensus on quality of life as the guiding goal of national policy, in which production and consumption may be important, yet secondary. This means getting away from myths and looking at the world as it is; and it also includes recognizing that we must move toward a more restrained pattern of industrial growth.

If we are to do this successfully, without losing our basic freedoms, we must be constantly watchful and guard against the danger that overexpansion of government will destroy the vigor of private initiative.

It is not an easy course to steer, especially since it is not anything that can be done by a handful of people. We are all in this big boat together. The business community has tended to view itself as something apart, something walled off from the society as a whole, and the business community should not be surprised if the rest of the community has picked up the feelings and reacted with some suspicion and hostility.

The fact is that we are all tremendously dependent on one another.

Business, government, the consumer, the media, academe—we are all interdependent. It is time to stop throwing rocks at one another; to stop using cliché epithets to describe others; to recognize that for all the special interests that divide us, there are more common interests that should unite us; and to recognize that there is much to be done, and time is running.

BUREAUCRATIC ABSURDITIES AND CITIZEN HARASSMENT

Mr. HELMS. Mr. President, I do not need to remind my colleagues of the rising complaint of the citizenry over ever-increasing harassment by Federal bureaucrats. This harassment often is coupled with an arrogant attitude on the part of many bureaucrats that we are doing this for your own good because we know what is right—we know what is better.

But rather than wisdom from the bureaucracy, what we are seeing is a plethora of absurdities. One of the more notable examples of that ever-so-easy transition from the sublime to the ridiculous was the recent bureaucratic opinion meant to lead to the banning of father-son, mother-daughter affairs at public schools on the phony grounds of sex discrimination. Yet this is only one small example, which just happened to gain notoriety in the national media. Daily, there are hundreds of other bureaucratic puerilities inflicted on the people of this country in the name of "safety," or "equal rights," or whatever euphemism is the latest rationalizing shibboleth.

Occasionally, there is an effort to correct these abuses, to create rational standards, and to foster uniformity. One such effort began approximately 3 years ago. The Equal Employment Opportunity Coordinating Council was established for the purpose of creating uniform guidelines in the area of employment discrimination, especially pertaining to testing and examinations given to prospective employees. The EEO Coordinating Council is composed of representatives from the Department of Labor, the Department of Justice, the Civil Service Commission, the Civil Rights Commission, and the Equal Employment Opportunity Commission.

For 3 long years, Mr. President, these various Federal departments and agencies have endeavored to establish uniform guidelines. But these bureaucrats, these experts, who claim to know so much more than the rest of us, cannot agree among themselves what the guidelines should be. And, as might be expected, it is none other than the so-called Equal Employment Opportunity Commission, an incompetent and unmanaged—in fact unmanageable agency—with a backlog of 100,000 cases, that is the holdout. The EEOC refuses to accept guidelines developed by the other four agencies that at least have some semblance of sanity. Not only have the EEOC bureaucrats rejected the consensus recommendation of the other four agencies, they have even refused to suggest alternatives, or show any spirit of compromise and flexibility. The EEOC is determined to stay with its present guidelines, guidelines which are notoriously vague, expensive to administer and apply, and, speaking bluntly, contain a certain element of vengeful nastiness.

One example of the EEOC attitude is contained in the present EEOC guidelines which require the employer to prove that there are no suitable alternative testing procedures available which have a lesser adverse impact on the preferred minority. These guidelines not only present the impossible task of proving a negative, but even require an employer to set aside a study on which he may have spent hundreds of thousands, or even millions of dollars, if someone should discover a selection standard—which may not even have been validated—which has a lower adverse impact.

The uniform guidelines offer what all reasonable men, except for vengeful ideologues, would consider fair and just. They provide that while a person is conducting a study of the validity of an examination standard, he should search for procedures which have as little adverse impact on minorities as possible, but once the legitimacy of his testing standard, and its validity, has been demonstrated, he may continue to use the procedure, regardless of adverse impact.

The present lack of reasonable and uniform guidelines has led David L. Rose, the Department of Justice Staff Representative to the EEO Coordinating Council, to comment:

> It is little wonder, therefore, that there has been little effort by industry or state or local government voluntarily to comply with the EEOC guidelines.

A fine citizen of Raleigh, N.C., Mr. J. Franklin Krieger, president of Capital Associated Industries, Inc., stated the problem succinctly:

> The inconsistencies and lack of uniform guidelines have been a serious problem for industry ever since the acts became effective. The uniform guideline is the first ray of hope for some relief in eliminating the conflicting confusion which now exists.

Yet this first ray of hope is being blotted out by the obdurateness of EEOC bureaucrats.

Mr. President, frivolous employment discrimination charges may be of little concern to some people because of the assumption that only business is being harassed. Unfortunately, some people are not very concerned about the welfare of business. The fact is that the endless harassment of employers by the EEOC has a tendency to cause employers to retain incompetent employees because employers fear the possible hassle resulting from such dismissals. And this development does nothing less than threaten the lives and safety of our citizens.

I cite a recent example that occurred in the Presbyterian Hospital of Charlotte, N.C., wherein an obviously incompetent practical nurse, fired for demonstrable incompetence that was literally jeopardizing the lives of the patients, filed a discrimination charge. I will ask that the facts of this situation, as set out in a letter from the hospital attorneys be printed in the RECORD at the end of my comments.

Mr. President, what happens if the Presbyterian Hospital, or any other, fatigued and intimidated by frivolous discrimination charges, becomes lax in dismissing incompetent minority employees? What if someone dies as a result? This year we hear much of love, and compassion, and justice in Government, as if certain persons have a monopoly on these virtues. Where is the love, and compassion, and simple justice for the patient who dies because an overzealous ideologue encouraged the retention of incompetent medical personnel?

Are love and compassion and simple justice reserved only for certain preferred groups? We hear about how Government leaders should emphasize with the pains of the people. Whose pains? What about the pain of a businessman who sees his whole life's work being gradually eroded away because of the never-ending burdens imposed on him by this Congress? Or are his pains not in vogue now? It seems that some people are developing a very selective sense of compassion, justice, and fair play which casts grave doubt on whether those who talk about compassion, justice, and fair play really mean what they say.

Mr. President, I ask unanimous consent that the letter from Mr. Morrision Johnston to Mr. Byron Bullard of the Presbyterian Hospital, and a relevant memorandum to the Deputy Attorney General from David L. Rose, staff representative to EEO Coordinating Council and Chief, Employment Section of the Civil Rights Division be printed in the RECORD.

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

MILLER, CREASY, JOHNSTON & ALLISON,
Charlotte, N.C., May 5, 1976.

Mr. BYRON BULLARD,
Presbyterian Hospital, P.O. Box 10157, Charlotte, N.C.

In Re: EEOC—Lula B. Miller.

DEAR BYRON: For your use in submitting a report to Congress, I would like to outline

the relevant facts of this case. The facts are as stated hereinafter:

The charging party, Lula Bell Miller, had been an employee of the Hospital for many years. She originally was employed as Nursing Assistant and in keeping with the Hospital's program of up-grading its employees, she took courses leading to a degree as a practical nurse. As I understand the matter, when a Graduate Practical Nurse passes her State Boards she is then a Licensed Practical Nurse or LPN.

Ms. Miller failed to pass the State Boards on her first attempt; therefore she was classified as a GPN. As such she was not authorized to give medication, except under supervision of another nurse. It became obvious to her supervisors that she had difficulty in comprehending the proper disbursement of medication, including the administration of I-V fluids. As a result, she was switched to a floor where there would not be as much pressure on her to administer medication. She continued to experience difficulty in medication areas and the Head of Nursing suggested to her that she agree to be reclassified as a Nursing Technician (a level in between the Nursing Aid and GPN) and then attempt to improve her skills so that she could qualify as a GPN or LPN. She advised the Head of Nursing that she was not interested in taking a lesser position, that she had gone to school in order to be a GPN or LPN and she would not consent to a reduced position. Consequently, because of even additional problems after that and her inability to cope with the proper administration of medication, she was discharged on July 26, 1973.

Following her termination the Hospital authorities received at least two requests for recommendations from other institutions on Ms. Miller. Since her discharge had involved questions of health and safety for the patients, it was felt necessary and appropriate to advise the inquiring parties that she had been discharged because of her inability to properly administer medication.

On November 11, 1974 Ms. Miller filed her complaint with EEOC alleging retaliation by the Hospital by furnishing negative references to prospective employees.

On March 9, 1976 Ms. Sadie Pye investigated the charge on behalf of EEOC. After a preliminary investigation, she advised the Hospital officials that she was confident the Hospital had in fact discriminated against Ms. Miller. She based this conclusion on the fact that there were white employees who had more medication error slips in their files than Ms. Miller, and also because the Hospital had given some whites a "second chance" by allowing them to take a pharmacy course and in Ms. Miller's case, the course was not offered to her.

When it was pointed out to Ms. Pye that there were also some blacks who had more medication error slips in their files than Ms. Miller and that there were also some blacks who had been given a similar "second chance" with the explanation that it is a subjective opinion to be made on the basis of professional experience whether a person can be properly trained through additional instruction and guidance and that the decision here had been made on a non-discriminatory basis that Ms. Miller did not possess the aptitude for this function, Ms. Miller stated that such facts were not relevant. She made it very clear that her function was to compare how she was treated against how other whites were treated without considering treatment to similarly situated blacks.

Based on her conclusion that there had clearly been discrimination against Ms. Miller, she recommended that the Hospital enter into a predetermination settlement which would provide Ms. Miller with a back pay award. She made it very clear that if the Hospital did not enter into such an agreement, she would issue a report concluding that there had been a discriminatory act and she would expand her finding to a class action.

At the present time, we are attempting to learn from Ms. Pye the alleged discriminatory reference given on behalf of Ms. Miller since the charge was filed for such a long period after her termination.

If you need any additional facts, please advise.

Yours truly,

MILLER, CREASY, JOHNSTON, & ALLISON.
H. MORRISON JOHNSTON.

MEMORANDUM FOR THE DEPUTY ATTORNEY GENERAL

RE: SELECTION GUIDELINES

Pursuant to your request, I am setting forth a summary of the major differences between the proposed Uniform Guidelines on Employee Selection Procedures approved by the staff representatives of Labor, Justice and Civil Service (hereafter "Uniform Guidelines") and the EEOC Guidelines on Employee Selection Procedures (29 CFR 160) (1970) (hereafter "EEOC Guidelines"). Because the differences are numerous and the issues are complex, a full explanation would require a great many pages. I will attempt to summarize in this paper the major differences as I see them.

1. *Definitions of Adverse Impact, and the Bottom Line Concept.* The use of an employee selection procedure is unlawful under Federal equal employment opportunity law only if it has a disproportionately adverse impact on a racial, ethnic, or sex group and has not been shown to be a valid predictor of successful job performance. *Griggs v. Duke Power, Co.*, 401 U.S. 424; *Albemarle Paper Co., v. Moody*, 422, U.S. 405.

Unless adverse impact is shown on grounds of race, etc., there is no need under Federal law for conducting a valid study. The EEOC Guidelines do not define adverse impact, but are written in a way which suggests that any selection procedure which has any adverse effect on a particular group is unlawful, unless validated. By contrast, the Uniform Guidelines define adverse impact in terms of the whole selection process (rather than its individual components); provide a four-fifths rule of thumb for guidance as to what adverse impact is significant (i.e., a selection process which selects minorities at 80% or more of the rate at which majorities are selected does not have an adverse impact), and directs government agencies to recognize overall progress made by an employer or other user in determining whether to prosecute. The Uniform Guidelines thus direct Federal enforcement resources to those practices which have significant impact, and where Federal effort is warranted, whereas the EEOC Guidelines require validation for virtually every selection procedure used by any employer since almost all have some adverse impact on some racial, ethnic or sex group.

2. *Coverage.* The EEOC Guidelines call for validation of every selection procedure which has an adverse impact—even such matters as background investigations, prior experience, etc. The Uniform Guidelines recognize that there are procedures and circumstances for which it is not feasible or appropriate to utilize the validation techniques contemplated by the guidelines. Similarly, the staff representatives of Labor, Justice and Civil Service Commission are in agreement that a bona fide seniority system may be used for promotion, assignment, transfers and demotion without a validity study (see § 703(h) of Title VII, 42 U.S.C. 2000e-2(h), and recent Supreme Court decision in *Frank v. Bowman*) and would recommend that any guidelines so state.

3. *Parity of Validation Strategies.* The present EEOC Guidelines state a preference for criterion-related validity studies, and only permit evidence of content or construct validity of criterion-related studies are infeasible. Criterion-related studies typically take much longer and cost much more than content validity studies. The Uniform Guidelines place three strategies on a par, depending upon the nature of the test or other selection procedure and the setting.

4. *Clarity and Explicitness.* The EEOC Guidelines are somewhat shorter, but they are in many respects unclear and vague, subject to many interpretations. While these things depend in part on the eye of the beholder, I believe that the Uniform Guidelines generally provide more clarity and explicitness and therefore more guidance to the user.

5. *Consistency with the Standards of the Profession.* Since publication of the EEOC Guidelines in 1970, we have had the benefit of six years additional experience and professional standards (the American Psychological Association "Standards" were published in 1974; the earlier version to which the EEOC "Guidelines" refer was published in 1966). Moreover, the Uniform Guidelines have been the subject of informal hearings and extensive comments filed by industry, state and local government, psychologists and civil rights groups; whereas the EEOC Guidelines were published without hearing and without opportunity for comment. While this, too, may depend upon the eye of the beholder, I believe that most psychologists would agree that the Uniform Guidelines are closer to the standards generally accepted in the psychological profession than the EEOC Guidelines.

6. *Transportability.* Even where the validity of a test for a particular job has been shown, the EEOC Guidelines require, as a practical matter, that another user validate the test over again for the same job. The Uniform Guidelines encourage cooperative validity studies and an employer to rely upon the weight of evidence developed elsewhere, if the job and the kind of work force are the same.

CURRENT DEVELOPMENTS

7. *Search for Alternatives.* Even where validity has been shown in a study by the employer for a job, the EEOC Guidelines require the employer to prove that there are no suitable alternative procedures available which have a lesser adverse impact. The Supreme Court appears to have rejected the concept that such a burden is on the employer. *Albermarle Paper Co. v. Moody, supra.* Regardless of where the burden lies, however the EEOC Guidelines appear to oblige an employer to set aside a study on which he may have spent hundreds of thousands of dollars if anyone calls to his attention a selection standard (which may not even have been validated) which has a lower adverse impact. It is little wonder, therefore, that there has been little effort by industry or state or local governments voluntarily to comply with the EEOC Guidelines. The Uniform Guidelines provide that while a person is conducting a validity study he should search for procedures which have as little adverse impact as possible, but once that search has been made and validity has been studied and shown, he may continue to use the procedure until such time as the new study is required, or until he is shown a procedure with less adverse impact and with at least equal validity.

As you may recall, EEOC has not taken a formal position except to reject last Fall the 9/24/75 draft Uniform Guidelines which its staff representatives had recommended. A draft was prepared by its General Counsel in February which moved forward on the Uniform Guidelines on the parity issue (#3 above), but otherwise adhered largely to

the present EEOC Guidelines. The Commission has not acted upon that draft in over six weeks; even to present it as a basis for negotiation. Indeed Chairman Perry has stated his opinion that the Commission is presently inclined to stay with its 1970 guidelines.

The only argument openly made by EEOC in favor of staying with this present (1970) Guidelines is that they have been approved by the Court, and that therefore they should not be changed. But the courts have approved the guidelines as representing the Government's best judgment as to what is called for by the standards of the psychological profession in the highly technical and complex field of test validation. And the function of guidelines should be to provide guidance to those who wish to bring themselves into compliance with the law.

An unstated or covertly stated reason may underlie the apparent EEOC refusal to modify its present guidelines. Under the present EEOC guidelines, few employers are able to show the validity of *any* of their selection procedures, and the risk of their being held unlawful is high. Since not only tests, but all other procedures must be validated, the thrust of the present guidelines is to place almost all test users in a posture of noncompliance; to give great discretion to enforcement personnel to determine who should be prosecuted; and to set aside objective selection procedures in favor of numerical hiring

The major difference then between the EEOC Guidelines and the Uniform Guidelines can be summarized as follows: The EEOC Guidelines require validation of virtually all selection procedures and make it difficult for any employer or other user to show that any objective selection procedure is in fact valid. The Uniform Guidelines, while adhering to Federal Law as developed by the Supreme Court and other appellate courts and the standards of the psychological profession, provide some definitive standards which enable those employers and other users who wish to do so to bring themselves into compliance with Federal law.

DAVID L. ROSE,
Staff Representative to EEO Coordinating Council and Chief, Employment Section Civil Rights Division.

THE CONTROL OF NUCLEAR PROLIFERATION

Mr. SYMINGTON. Mr. President, I would comment on the new section of the Foreign Assistance Act, section 669. This section is designed to control and reduce the proliferation of materials which could be used by any country to produce nuclear weapons.

The section was adopted unanimously by the Foreign Relations Committee. It would deny U.S. economic and military assistance to any nation which either delivers or receives nuclear enrichment or reprocessing equipment without certain safeguards.

The acquisition of such equipment could well signify a desire to develop nuclear weapons; therefore the trade in such equipment must if possible be controlled.

We believe section 669 provides a step toward such control.

If any country decides upon such a dangerous and costly effort, the United States should not help to underwrite that effort, directly or indirectly.

Mr. President, I ask unanimous consent that the language of section 669 be printed in the RECORD.

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

NUCLEAR TRANSFERS

SEC. 305. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 669. NUCLEAR TRANSFERS.—No funds authorized or appropriated under this Act, the Arms Export Control Act, or any other Act (other than title II of the Agricultural Trade Development and Assistance Act of 1954 for disasters, famine, or other urgent or extraordinary relief requirements) may be used for the purpose of—

"(1) providing economic assistance;

"(2) providing military or security supporting assistance or grant military education and training; or

"(3) extending military credits or making guarantees;

to any country which—

"(A) delivers nuclear reprocessing or enrichment equipment, materials, or technology to any other country; or

"(B) receives such equipment, materials, or technology from any other country; unless before such delivery—

"(i) the supplying country and receiving country have reached agreement to place all such equipment, materials, and technology, upon delivery, under multilateral auspices and management when available; and

"(ii) the recipient country has entered into an agreement with the International Atomic Energy Agency to place all such equipment, materials, technology, and all nuclear fuel and facilities in such country under the safeguards system of such Agency.".

Mr. SYMINGTON. Mr. President, as the result of the work of the Committee on Armed Services, Foreign Relations, and the Joint Committee on Atomic Energy, on all of which I serve, it is clear that the most serious problem the world faces today is that of nuclear proliferation.

As illustration, the world's stockpile of nuclear weapons has grown to where it contains the destructive capability of some 1 million, 300 thousand Hiroshima bombs. That bomb, we know, killed 85,000 people.

One plane can now carry an explosive force surpassing that of all the bombs dropped in World War II, the Korean war, and the wars in Cambodia, Laos, and Vietnam.

Apparently the talks between the United States and the Soviet Union have stalled; and both sides are now moving to develop newer and more powerful weapons.

Regardless of the outcome of talks between the two so-called superpowers, however, a growing number of countries, through ordinary commercial channels, are obtaining the capacity to produce nuclear weapons.

Whereas formerly there were only two countries which possessed nuclear weapons, today there are at least seven; and the number is growing steadily.

Five scientific experts, headed by Dr. George Kistiakowsky, chief scientific advisor to President Eisenhower, stated recently:

> Nuclear war in some form is likely before the end of this century, and will probably occur as the direct result of a proliferation of nuclear powers and weaponry.

It may be too late to control this dangerous development, one which began as an atoms for peace plan, but now appears to have turned into an atoms for possible war plan.

Adoption of section 669 on nuclear transfers, as part of the overall security assistance measure now before us, would demonstrate to the rest of the world that United States gives highest priority to the control of nuclear proliferation, and is ready to demonstrate that belief in practical fashion.

I ask unanimous consent that the description of this section contained in the Foreign Relations Committee report on S. 3439, pages 51–53, be included in the RECORD at this point.

REPORT OF THE COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE ON S. 3439

TO AMEND THE FOREIGN ASSISTANCE ACT OF 1961 AND THE FOREIGN MILITARY SALES ACT, AND FOR OTHER PURPOSES

Section 669. Nuclear Transfers

The purpose of Section 669 is to require the termination of economic assistance, military assistance, security supporting assistance, grant military education and training, and military credits or guarantees to any country supplying or receiving nuclear enrichment or reprocessing equipment, materials and technology, unless:

(1) the supplier and recipient agree to place transferred equipment, materials and technology under multilateral auspices and management, when available, to avoid control by the recipient nation alone, and

(2) the recipient agrees to International Atomic Energy Agency (IAEA) safeguards on everything transferred and on all nuclear fuel and facilities.

Upon the motion of Senator Humphrey, the total termination of economic assistance is qualified to allow the continued provision of assistance under Title II of the Agriculture Adjustment Assistance Act in the event of natural disasters or to meet other urgent relief requirements.

By adopting this section, the Committee intends to discourage inadequately controlled and safeguarded arrangements which could give a nation without nuclear weapons uncontrolled access to nuclear enrichment or reprocessing—key elements in the development of nuclear weapons. The Committee intends also that the legislation will further the fullest possible application of IAEA safeguards, which are particularly important in instances involving the transfer of reprocessing and enrichment equipment.

Accordingly, the Committee concludes that it is both reasonable and prudent to seek the application of IAEA safeguards on all the reprocessing materials, equipment and technology transferred as well as to all nuclear fuel and facilities in the receiving country. A purchaser of fuel and enrichment equipment, materials and technology who agreed to these full safeguard would be subjected to the most thorough scrutiny and oversight that the IAEA is capable of providing.

The concepts of a multilateral approach to reprocessing and enrichment and of full safeguards was widely supported in hearings held last year and this year by the Subcommittee on Arms Control, International Organizations and Security Agreements, chaired by Senator Symington. The Committee believes that the goals of this section are consistent with the policy objectives of the executive branch. If properly implemented this section would reinforce Executive Branch efforts to impress upon other governments the United States' desire to control the dangerous spread of nuclear enrichment and reprocessing material. The Committee believes that the consequences of proliferation are so serious that the United States should be willing to impose penalties upon nations proceeding on a pos-

sible course to nuclear weapons without taking the reassuring steps this section is designed to promote.

As Senator Symington, the sponsor of this amendment, noted, "In effect, this amendment says to other nations, if you wish to take the dangerous and costly steps necessary to achieve a nuclear weapons option, you cannot expect the United States to help underwrite that effort indirectly or directly."

Since no multilateral auspices and management exist at present, the Members agreed, upon the motion of Senator Javits, that such arrangements should be required "when available." The Members anticipate that there may be attempts to create international and regional auspices and management which could be utilized in transfers. It is the intent of the legislation to bind supplier and recipient nations to avail themselves of any appropriate auspices and management and, when such are not available, to make a strong effort, in good faith, to create multilateral auspices and management. It is recognized, however, that the absence of any appropriate multilateral auspices and management, despite good faith efforts to create them, would not invoke the termination of assistance.

If there is no existing appropriate means and the supplier and the recipient attempt to create, on their own, the called-for auspices and management, the resulting arrangement should involve fully both principals, as well as providing for full participation in direction and management by other parties. The supplier should take pains to avoid agreement to an essentially uncontrolled arrangement with the form, but not the substance, of multilateral involvement.

The Committee expects further that the executive branch will do its utmost to encourage a multilateral approach to enrichment and reprocessing and that the executive branch will work diligently to plan for and assist in the creation of appropriate auspices and management.

WHITHER AMERICA?

Mr. GOLDWATER. Mr. President, at this point in the history of our country there are many issues of extreme importance to the security and well-being of the American people which are not receiving sufficient public attention. And I hasten to emphasize that, unfortunately, many of them went unnoticed at the recent Democratic National Convention.

My reference here is to question such as why we have practically dismantled our selective service system, when we might easily be forced through emergency to depend once again on the military draft to supply our needs for military manpower. In the same connection there is a question of why this country is so reluctant to face up to the need for civil defense planning and implementation comparable to that currently going on in the Soviet Union. And why have we dismantled the single operational antiballistic missile base which was designed for defense at great cost to the American people.

It almost seems Mr. President, that some of our leaders have concluded either that war will never erupt again or that if it does it will be relatively mild and not an occurrence of unimaginable violence.

Mr. President, one of this Nation's leading experts on military and defense matters has raised these and other questions in an article published in the New York Times of May 16, 1976. He is former Gen. Matthew B. Ridgway, who served as supreme commander of allied powers in both Europe and the Far East and who served as Army Chief of Staff from 1953 to 1955. I ask unanimous consent that this article entitled "Whither America?" be printed in the RECORD.

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

WHITHER AMERICA?

(By Matthew B. Ridgway)

PITTSBURGH.—Behind all the rhetoric of our current political perplexities there stand in stark outline some national issues scarcely mentioned, much less seriously debated.

Why have we practically dismantled Selective Service for the will-o-the-wisp of a "volunteer" military shield, inadequate to meet the demands that overnight can be made upon it by reason of our treaty commitments to more than forty governments?

Could we afford the months of delay in starting up the machinery for meeting the critical need for replacements after the small core of our volunteer forces have had the heavy casualties, they would inevitably suffer at the outset of war today?

Why have we insisted on the admission of women to our service academies when the sole, essential and proved purpose of those academies is to produce combat leaders, and when our laws prohibit the use of women in combat?

Why do we insist on involuntary separation from the armed services of many hundreds, if not thousands, of trained officers who would be so critically needed in a national emergency?

Why have we ceased to develop our embryonic base on Diego Garcia when the world situation so imperatively indicates our possible need for it?

Why have we dismantled the single operational anti-ballistic missile base we had built at such great cost?

Why do large segments of our people continue to seek to disarm law-abiding citizens, on the false theory that this will materially lower our crime rate?

Why, in the face of known and ever-increasing relative strength of the military capabilities of the Soviet Union in conventional warfare forces, do many in our Congress and among our people clamor for major cuts in Defense Department spending?

Why do we tolerate continued huge budget deficits, when collapse of our economy could be a severe, if not a crippling, blow to our country?

Why are we so reluctant to face the need for rational Civil Defense planning and implementation, the need for which so many thoughtful and concerned Americans, including the commander in chief of the American Legion, have clearly and forcefully explained?

Do we imagine that war will not again erupt? That if it does it will be anything like the relatively mild horrors of past conflicts—and not an occurrence of unimaginable violence? Do we believe that human nature has so changed that power-hungry expansionists will cease trying to subvert the governments of the Western free world, or, if the chance of success seems to them to be high, that they will not attempt by force to take over the world's greatest treasury of material and human resources, of technological and managerial competence, of skilled labor, and of food-producing capabilities? Do we soberly think we shall indefinitely escape an attempt by aggressive predator powers to plunder this unexcelled wealth?

Or, lulled into complacency and apathy, are we content to accept the risks—already on the threshold of a national menace to our survival, as the former Defense Secretary James R. Schlesinger has publicly stated—too reluctant to plan, too irresolute to act, too unwilling to accept the sacrifices that the situation demands, sacrifices that can only greatly increase in severity the longer they are postponed?

The answers to these and to other key questions can be fateful. Do we have the moral courage to choose and to implement the right ones? Or will our adversaries answer them?

The world will know shortly. Our Bicentennial elections next November will be among the most critical in our history. Both political parties must find the will and toughness of mind to choose all of their candidates with particular care. Events and the future of the Western civilization demand, in this our 200th year, that our citizenry put forth the very best that is in us.

Candidates are no better or worse than those who choose and elect them, and therein lies the answers to what we are to become.

ALCOHOLISM EDUCATION

Mr. MOSS. Mr. President, the effects of alcoholism, the third leading cause of death behind heart disease and cancer, are well known. However, despite the great deal of publicity this disease has received it is still the most neglected health problem we have. As a result, it is a saddening and very disappointing when we realize the number of people who suffer from this illness is increasing.

Since February 1972, the cottage meeting program, an experimental program in alcoholism education, has been operating in Salt Lake City, Utah. From its inception this program has utilized specially trained volunteers to provide education about alcoholism to small groups of people who have gathered together in homes, clubs, churches, and places of business.

Because education efforts with large groups and mass meetings have proved generally ineffective, the cottage meeting program breaks with normal alcoholism education methods by concentrating on small groups. As a result, the cottage meeting program is providing a new direction in the prevention and the early treatment of alcoholism by allowing people, in a small group setting, to discuss various aspects of alcoholism, how to recognize it, how to prevent it, and how to treat it.

The goal of the cottage meeting program has been the entire community, and not just those who are personally affected by alcoholism. To date it is estimated that the total impact in the Salt Lake City area has been 60,912 people.

I ask unanimous consent that a series of articles which appeared in the Murray, Utah, Eagle-Advertiser which describes this highly successful program be printed in the RECORD.

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

BATTLE AGAINST ALCOHOLISM BEING WON

(By Jan Dowse)

HOLLADAY.—"Our volunteers come from all walks of life, any age, any background. We have students, we have retired people, laborers, business people.

You name it, and we have a representative."

These are the words of Jim Turner, director of the Holladay Cottage, 2251 E. Murray-Holladay Road.

The Cottage program has the approval of many leaders in the field of alcoholism as a program having the potential to really do something about America's number one health and social problem, alcoholism. The program uses trained volunteers to deliver to other people the skills which reduce and contain alcoholism.

There are three Cottage centers in the Salt Lake valley, with the program rapidly expanding on a nationwide basis. The Salt Lake centers are sponsoring a weekend volunteer training session beginning tomorrow (Friday) evening and continuing during the day on Saturday, plus Sunday afternoon. The session will be held at the Foothill Cottage, 1616 Foothill Dr. The public is being invited to attend the meetings.

According to Bud Magleby, chairman of the Cottage program's six-member Concerned Citizens Council, it is being proven daily that the Cottage program works.

Barbara Reinartz, another Cottage volunteer, explained, "We come to you. That's what the Cottage is all about. We go into the homes, the schools and the churches. This (alcoholism) is a real family illness. We try to reach the people around the alcoholic."

According to the Cottage program's "red book," a booklet prepared by the Cottage, "The rise in the disease of alcoholism in the United States has reached devastating proportions and is increasing today at an alarming rate."

The "red book" continues to explain that alcoholism ranks with cancer, mental illness and heart disease as a major threat to the nation's health. About 57 percent of adults and 42 percent of youth are regular (at least once per month) consumers of alcohol. Of these, there may be as many as 10 million suffering from the disease of alcoholism.

The total cost to the nation is 25 billion dollars a year due to absenteeism, health and welfare services, property damage and medical expense.

"Education, early detection and community treatment facilities are the greatest forces operating today for the prevention, control and reduction of alcoholism," according to Bernie Boswell, originator of the Cottage program.

"The Cottage program saves the taxpayer dollars," emphasized Turner. "We use volunteers, people acting as people, not professionals. Of course, we need professionals in the field too, but Cottage meetings can be delivered effectively by the layman. We come to people in the privacy of their own homes. The only cost is a little time and an open mind."

Area residents interested in learning more about the Cottage program or in attending one of the weekend volunteer training sessions may contact one of the Cottage centers. The Holladay Cottage may be reached by calling 272-5246. The Foothill Cottage is 583-3399 and the Central Cottage is 532-6815.

SERVICES TO ALCOHOLIC, FAMILY ARE VARIED

(By Jan Dowse)

HOLLADAY.—Alcoholism is the most neglected health problem in the United States.

Each year, about 100,000 drinkers develop alcoholism.

The number of known women alcoholics has doubled since World War II.

These facts come from a booklet published by the Cottage, an alcoholism education program associated with the Utah Alcoholism Foundation.

The booklet continues, "Stigma and fear prevent people from seeking treatment at a period when recovery is possible. The moral issue associated with alcoholism causes the condition of denial to be widespread. Lack of education prevents individuals from recognizing early symptoms of the disease, at a time when something can be done."

According to Jim Turner, director of the Holladay Cottage, 2251 E. Murray-Holladay Road, large public gatherings and mass education meetings have proven ineffective in educating people about alcoholism. The Cottage program does work because small groups of residents are being brought together and are being provided education and awareness of alcoholism in their own homes, schools and churches.

"The Cottage program is people working with people," Turner explains. "We have now developed a volunteer advisory board and counsel which meets every Thursday evening. We are training volunteers to deliver the skills needed to reduce and contain alcoholism in this country to other people."

The Cottage program's Concerned Citizens Council is currently led by Bud Magleby, a Holladay area resident. Other members of the council are Bryan Jones, Brenda Handley, Kay Edgar, Barbara Reinartz and Doug Christensen.

This council, together with other volunteers and staff from the Cottage program, presented a recently held weekend training session for Cottage volunteers.

Other programs being developed in the Salt Lake Valley centers include "Walk-In" hours at the various Cottages for people who simply want to talk about the program or who perhaps feel they need some assistance.

The Holladay Cottage is open daily, with the "walk-in" time specifically listed as Saturday mornings from 10:30 to noon. The Foothill Cottage, 1615 Foothill Dr., has its open house Wednesday nights from 7 to 9 p.m.

The Holladay Cottage is also open for visitors the first and third Thursday nights of each month. Study meetings will be held beginning at 8 p.m.

Council member Barbara Reinartz explains, "This is a time when concerned people can get together and discuss the disease of alcoholism and learn more about its effects on their lives and the lives of everyone around them. We'll study books, have speakers and films and take field trips to some of the other alcoholism centers around this area. Anyone is welcome to attend these meetings."

The council is advised by William T. Fairbourne, Dr. John Grimmett and John Holmquist.

VOLUNTEER AID TO ALCOHOLICS

(By Jan Dowse)

HOLLADAY.—One of the three centers in the Salt Lake Valley for alcoholism education under the Cottage program is here at the Holladay Cottage, 2251 Murray-Holladay Road.

A division of the Utah Alcoholism Foundation, the Cottage program utilizes volunteers to reach out into the community. According to Jim Turner, director of the Holladay Cottage, the Foundation offers many services for the alcoholic, the family and the general public. These services include live-in centers for both men and women, after care services, group sessions, referrals, group education and information for everyone who may want it.

"It is safe to say," explained Turner, "we can now map out a road to recovery for the alcoholic and the family although there may be some detours. The problem is getting the alcoholic's foot on the road. The Cottage program is now working to bridge this gap, but to do this we need volunteers."

In addition to the volunteer advisory board and counsel formed by the Cottage, interested persons can assist in many other ways. People are needed to moderate Cottage meetings, to serve on the Youth Alcoholism Council, to answer telephones, to type and do office work and to do community outreach work (knocking on doors and talking with people in their homes.)

"We are trying to get concerned people interested in the problem of alcoholism," Turner explained. "In one way or another, this disease affects all of us and we can all do something about it. We can learn skills needed to reduce the problem. And, more importantly, we can learn skills that can help all of us in our day to day relationships with the people around us."

Volunteers come from all walks of life, according to Council president Bud Magleby. "We have high school and junior high students, housewives, college students, laborers, business people, professionals in all fields, boy and girl scouts. Just about anyone can help in the Cottage program."

Persons interested in learning more about the Cottage program are being asked to call the Holladay Cottage at 272-5246. Regular study meetings are held on the first and third Thursday of each month at 8 p.m. and the Cottage is open daily and on Saturday mornings from 10:30 to noon.

ANNOUNCEMENT OF POSITION ON VOTES

Mr. STEVENS. Mr. President, because of long-standing obligations which required my presence in Alaska, I was unable to attend the session of the Senate on Friday, July 2. If I had been present, I would have voted as follows:

Roll call No., subject, and position:

383, S. Res. 413, Radio Free Europe Coverage of the Olympics, yea.

384, S. 2228, Public Works and Economic Development, yea.

LOCKS AND DAM NO. 26, A BOTTLENECK

Mr. SYMINGTON. Mr. President, in an article in the June-July issue of Today's Farmer, Mr. Fred V. Heinkel, president of Missouri Farmers Association, presents clearly and forcefully improvements on the 38-year-old Locks and Dam No. 26 on the Mississippi River above St. Louis.

As one of America's preeminent farm statesmen, Mr. Heinkel describes the bottleneck effects that Locks and Dam No. 26 now has on the Mississippi River transportation. Handling 30 million barge cargo tons less than any other facility below or above it, this structure needlessly wastes hours, fuel, and manpower, all at a loss to the consumers of many millions of dollars each year.

An emphasis is placed on the proposed construction only bringing "the facility at Alton up to the standards of the remainder of the system." Not only does Mr. Heinkel believe the present inadequacy of the Alton facility is an unfair cost to the farmer, but also depresses the economy in mid-America.

I recommend this article to my colleagues as we prepare to consider the authorization of Locks and Dam No. 26, and 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:

WHAT TO DO ABOUT LOCK AND DAM 26?

(By F. V. Heinkel, President of MFA)

A chain is no stronger than its weakest link. A river transportation system, likewise, is no better than its weakest lock and dam.

And right now, there's a problem that

needs attention on the Mississippi River—Midcontinent Agriculture's "doorway to the world."

Focal point of current concern is Lock and Dam 26 at Alton, Ill., just a few miles upstream from St. Louis.

Built in 1938, Lock and Dam 26 is deteriorating. Added to that, it is inadequate to handle present river travel.

Gravity of the situation was emphasized in April when one of two locks at the dam had to be closed for emergency repair. More than 900 barges were tied up above and below the facility. Fertilizer and fuel shipments coming up the river were delayed for days. And grain prices in the upper Midcontinent dropped because grain could not be moved down-river to market.

Even when it's operational, the old lock and dam is a bottleneck in the river transportation system.

The locks and dams above Alton can handle 108-million tons of barge cargo per year, according to engineer reports. With already-approved plans for expansion, they'll be capable of moving 148-million tons annually. Below Alton, there's only one lock and dam. It has a capacity of 148-million tons per year. But Lock and Dam 26 has a maximum capacity of only 73-million tons per year.

Even when the old lock and dam is fully operational, tow boats have to wait an average of eight hours to get through the locks, I'm told. That waiting costs money—extra fuel, extra labor—which must be added to the cost of fertilizer and fuel for farmers, or added to the cost of transporting their grain to market.

What's needed, obviously, is an adequate Lock and Dam 26.

Back in 1969, plans for a new dam and larger locks, submitted by the Army Corps of Engineers, were approved by the Secretary of the Army. Specifications were written and bids were taken.

But in 1974, one day before bids were to be opened, a coalition of 21 railroads and two environmentalist organizations filed for an injunction to prevent construction of the new dam. The injunction was issued, pending preparation of an environmental impact statement by the Corps of Engineers.

The impact statement was prepared. But it is yet to be approved by a federal judge. Meanwhile, nothing has been done to replace the old Lock and Dam 26, which continues to deteriorate.

Already, it's too late. At least eight years will be needed to build a new lock and dam, engineers suggest. Considering the present condition of Lock and Dam 26 and the projected growth of river traffic; that could be a lo-o-ong eight years!

I can appreciate the concerns of those who oppose construction of a new lock and dam. But, in my judgment, they have exaggerated facts and fears in order to make their arguments.

The proposed construction is not the first step in a plan to build a whole new series of bigger locks and dams on the Mississippi and its tributaries. Rather—it would bring the facility at Alton up to the standards of the remainder of the system.

I have a real concern for wildlife conservation. But I have an even greater concern for people. So if and when the two concerns conflict—and I find no solid evidence of such conflict in the Lock and Dam 26 question—I tend to opt for "people benefits."

The railroads, understandably, resent river barge competition. But projected growth of transportation needs indicates that there will be plenty of business for both modes of transportation. I think we need both.

Already, the inadequacy of Lock and Dam 26 is costing farmers and penalizing the economy of the Mid-continent. Further delay will only increase the penalty.

Legislation which would authorize construction of a new and bigger lock and dam just below the present Lock and Dam 26 has been introduced in the U.S. Congress. It merits prompt and favorable consideration.

DECLINE OF A NATIONAL ASSET

Mr. GOLDWATER. Mr. President, a few years ago this body made what I considered at that time to be one of the major mistakes it has ever made. As time progresses, I become more and more convinced of the feeling I had that day. A speech was made recently by Mr. R. W. Rummel, vice president for technical development of Trans World Airlines, and who is also a leading contributor to the engineering development of the air transport field both from the manufacturing and air carrier sides. He talked about the "decline of a national asset." The day we took the vote on the supersonic transport and this body defeated it, I mentioned in one of my speeches that to deny the United States the progress that would be involved in the development of the supersonic transport would seriously threaten this one national asset that we continue to maintain over the competition of all other nations. That was an amazing vote as we now look back on it. Men who have been engaged in business all of their lives, men who do business from the domestic and international fields, members of academic background who understood full well what would happen when the U.S. hold on the air frame industry began to slip, and others who just plain didn't know—these men voted to kill the supersonic transport and their vote is now proving to be a dagger in the very heart of the one business that the United States has remained dominant in during the years since that vote. It may be that I am prejudiced to the point that I may be unreasonable about this whole matter. It may be that the more than 46 years I have spent as an active participant in aviation causes my feelings to be the way they are. But I say to my colleagues today that one cannot continue to look at the record, one cannot continue to travel abroad and look at the vast improvement in the air frame industry of foreign countries and not be convinced that we in truth did make a disastrous mistake when we voted not to build the SST.

I am hopeful that American domination and American ingenuity plus probable help from the Government will result in our country constructing an SST—or if it has to, to go into combination with another country and construct an aircraft that can fly supersonically, carry passengers and baggage and get the United States back into the competition we so thoroughly enjoyed in air frame business.

I ask unanimous consent that Mr. Rummel's article, appearing in the June 21 issue of Aviation Week and Space Technology, be printed in the RECORD.

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

DECLINE OF A NATIONAL ASSET

We are witnessing the decline of a vital national asset—the airlines and supporting manufacturing industries—which through years of aggressive pioneering undertakings have produced the finest transportation system ever known. The safety, convenience, comfort and reliability standards established by U.S. air transportation, and the aircraft developed by the U.S. aircraft manufacturers, are without parallel as demonstrated by dominant worldwide usage of U.S. aviation products, which, not incidentally, produced a very significant contribution to the balance of payments record for our nation.

The financial strength of the U.S. airline industry has been sapped too long at a critical rate because of energy costs and inadequate tariffs. The general economic recession and inflation also aggravated the economic plight of the U.S. airlines. While the current recovery of the economy will tend to alleviate this situation, adequate economic offsets for increased fuel, material and labor costs do not seem likely to be available. The financial strength of the U.S. airline industry has eroded to the point that future growth leans on a very shaky foundation of debt and uncertainty. Further, threatened restructuring of the airline industry undermines any reasonable business basis for major fleet additions and the development of new energy-efficient, quieter transport aircraft . . .

The U.S. airframe manufacturers who have consistently relied on substantial orders to provide the financial backing for their programs are now and apparently will remain unable to launch new transport aircraft programs because of lack of airline customers with money. This situation will continue until a reasonable level of profitability is allowed and sustained by the airlines. In this regard, the current airline economic upturn must be kept in proper perspective. [It was] said earlier that the U.S. airlines' earnings prospects for 1976 at current fare levels and traffic outlook now range from $100 million to $300 million but that at least $800 million per year will be needed by the airlines to compete satisfactorily for funds in the capital market. And, of course, the airlines still have to pay for the aircraft they have already bought!

To make matters prospectively worse, without additional transport aircraft development programs, the U.S. manufacturers will be unable to maintain experienced and effective design/production teams and facilities. These capabilities are an important national asset which cannot be readily reestablished.

The key to maintaining a strong airframe and vendor industry able to satisfy the needs of the U.S. and to cope effectively in the world marketplace is the return to profitability of the U.S. airline industry. U.S. leadership in aviation must be constantly earned—it did not happen by accident and it will not be sustained by inaction. For example, development of aircraft up to 50% more energy-efficient could be undertaken today, but not without customers with money. The timely development of more energy-efficient, ecologically acceptable and economic aircraft is clearly in the best national interests of the U.S. Essential technologies are well advanced. However, the development and production of such aircraft in the U.S. is not apt to occur until the confidence of the financial community in the airline industry is restored.

In the meantime, as should be expected, the European airframe industry, supported by its governments, is preparing to develop new transport aircraft in furtherance of its ambition to capture a larger share of the world aircraft market. It has adequate technical and financial capability to do this. The potential adverse balance of trade impact on the U.S. is obvious, especially considering that the percentage of aircraft sales to non-U.S. airlines has been increasing and the percentage of aircraft sales to U.S. airlines has been decreasing since 1965!

Future aircraft development and procurement programs cannot be privately financed

until regulatory stability and a reasonable level of earnings are sustained for a reasonable period. Leading bankers and insurance company executives have made this more than clear. Without reasonable regulatory stability, including route franchises, what manufacturer or airline can rationally determine what type, size or range of plane is needed? What airline management can define in confidence its needs not knowing what routes it will serve or even what general level of competition—how many new entrepreneurial airlines and how many existing airlines—will serve any given market or any combination of markets? The air travel market is quite obviously not like some sort of balloon that will automatically expand to fill seats provided by any number of aircraft schedules that happen to show up at any given time and place. While the market is somewhat elastic, historically it does not rapidly yield to changes in either flight schedules or fares. And what financier could reliably predict what airlines, new or old, would survive the span of years required to develop new aircraft under the chaotic conditions that would exist under deregulation and free market entry and exit conditions? It is my considered judgment that any prospects for the development of new transport aircraft that might otherwise develop would be brought to a screeching halt for years if these things come to pass. If anyone doubts that the application of advantageous new technologies can exceed the economic wherewithal to implement them, consider the plight of the U.S. railroads.

A number of plans to enable the development of new aircraft which involve the direct participation of the U.S. government have been advanced lately. These range from direct subsidy to the formation of a Comsat type corporation, to federally developed aircraft designs, to government loan guarantees. . . . While some sort of interim federal assistance such as loan guarantees may be needed, the soundest approach is to enable the airlines to generate sufficient profits to permit private ventures to get on with the job. I reemphasize that long-term airline regulatory stability and profits are needed to restore investor confidence and to maintain a viable system.

The historic formula for the development of U.S. transport aircraft, i.e., the manufacturers working directly and in close liaison with airline customers supported by a solid foundation of federally sponsored technology developments, has reported produced the world's best aircraft. This practice has no equal in other countries. It would be a serious mistake to change the important working relationships which this successful formula represents. . . .

THE NEW AMERICAN REVOLUTION

Mr. HATHAWAY. Mr. President, the Nation is still awash in the red, white, and blue celebration of the 200th birthday of the United States of America. In Maine and in Washington I have seen the celebrants singing, playing, and praising the form of government which offers the highest degree of personal freedom of any other government on the globe. It is truly a celebration of our ability to self-govern, and I hope the pride expressed during this Bicentennial Year will remain with us.

The day following our July Fourth, the Washington Post ran an article on its editorial pages by Theodore A. Wertime, an archeologist and historian. I found it to be a fascinating prolog of our Nation's, and the world's, potential, and wish to share it with my colleagues and other interested parties.

Mr. President, I ask unanimous consent to have the article, "The New American Revolution," printed in the RECORD.

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

[From the Washington Post, July 5, 1976]

THE NEW AMERICAN REVOLUTION

(By Theodore A. Wertime)

This week the United States celebrates its birthday, the 200th anniversary of its independence. In fact, as a nation and Republic we have many birthdays. Not least is that revolutionary year 1789 during which George Washington became our first President under the new Constitution. One can take the analogy a step further and say that the acts of birth of the Great American Mother have been almost continuous; whether the Civil War of the 1860s; the Great Depression and Drought of the 1930s; the two World Wars of 1917 and 1941; and the scientific breakthroughs since 1940 that have given us access to the atom, life, tectonic earth, and space.

To measure the magnitude and ferocity and variety of our natal processes one must ask oneself again and again what George Washington would have thought of the social artifacts of the New Deal and Great Society. What would he have said of the technical artifacts of the skyscraper and filling station and automobile and bikini and tranquilizer and miniaturized computer and Viking space ship?

If we learn anything from the procession of these modern progeny of America past the placid fields of Mount Vernon, it must be these three facts:

(1) The nearly 200 years in which the United States has been on this earth have been possibly the most revolutionary two centuries in the history of mankind.

(2) The American experiment was born in four revolutions of the 17th and 18th centuries, not one. They were the revolution against colonialism (American), the revolution against medievalism and traditionalism (English and French), the revolution of modern technology (British Industrial), and the Scientific Revolution. These revolutionary surges have turned Saint Augustine's City of God into the World City. They have erected the squatter metropolis and machine and supermarket and bureaucratized government and economic growth into the symbols of the late 20th century.

They have brought us to the third fact:

(3) The threshold year of 1976 in which we now exist may be our most crucial moment of birth and rebirth in American history, more so than the year 1776. We may be marking the wrong anniversary. The birth we are observing may be our own, now.

It is a new American Revolution that entails the reform of the world's urban culture from the countryside—call it the new traditional or the new rural society. It seeks a periodic overthrow of large governmental bureaucracies as they become incapable of governing. It seeks correspondingly a new federal relationship of central governments to regional governments everywhere. It brings to bear a regimen of non-energy-wasting technologies—such as sun and wind and hydrogen and electronic communication—that nurture economic and social activity in small corporations and communities.

It offers possibly the only reasonable formula for the future ecologic, psychologic, and humanistic health of mankind—a desaturation of the world's populations. It reasserts the centrality of Earth and man in the scheme of the universe.

Call it the New American Maoism in a post-Copernican Age.

Bluntly put, the great majority of the world's problems relate to the growing saturation of populations of all kinds, hiding under the rubric of the World City. By the best census estimates, these populations are no myth: 7.5 billion persons by the year 2000, 2–3 billion pigs and cows, possibly 60 billion industrial machines, and several billion housing units. Of the humans estimated for the year 2000, possibly 60 per cent will live in cities, the majority in the developing countries.

Though some savants would have us believe that the Earth can safely entertain 15 billion humans, the early 1970s had already witnessed the first shudders of curtailment. This occurred through rises in prices of energy, inflation in the costs of materials, and recession. But food remains the great arbiter of human fate. The Washington Post of June 16 carried the warnings of experts in the United Nations that developing countries face a shortfall of 85 million tons of grain by the year 1965.

One need not go back to the rise of agriculture and cities 5000 years ago to find an explanation for the present trauma of the city, from Calcutta to New York. We may more fittingly ask why the United States, the least traditional and today one of the most urban of societies, is called upon to inaugurate the movement to reform the city. Is it because at least four of our great metropoli, New York, Detroit, Philadelphia and Washington, D.C., are now in dire financial straits? Is it because the already large migration of whites to the suburbs has contributed to the death and ghettoizing of our inner cities, while showing us that deurbanization could just possibly be made to work under other vastly different circumstances? Is it because the dispossession of the farmer has reached such a crisis point in other societies? Or is it because only we have the resources and vision to try to flank the world problem by making a major effort at home to deghettoize our cities? The answer obviously is a combination of all four.

In February, the U.S. Census Bureau released statistics showing that, for the first time in recent decades, the trend to city life had been reversed, notably in the migration to smaller communities in the South and the Southwest. They were statistics not unlike the announcement in 1890 of the end of the land frontier in the continental United States.

Even before the tightening of the belt of employment and welfare had begun in the straitened cities of the North and East, the great hegira of the young and blacks and women toward these one-time meccas had begun to die away. A trickle outward from the ghetto has now been discerned, inspired by unemployment and the discovery that life in the rural South has considerably improved. But it remains to be discerned how whites will be lured back to the inner city.

One cannot even begin to describe the forces that after World War II culminated abroad in the greatest wave of city-building in the history of man. The Malthusian explosion, engineered in some part by antibiotics; new seed varieties, the mechanization of agriculture and the application of fossil energies to fertilizer, all subsumed under the title of "Green Revolution"; the dispossession of the farmer through agribusiness and the lure to the cities; the feeding of developing societies from American farm surpluses; the encouragement of countless new industries through foreign investment and multinational corporations; and the general wave of exponentialism in populations of all types, all contributed to the resettlement of persons on a scale far vaster than that conceived by Stalin, when he moved whole nationalities around the U.S.S.R.

Much has been good about the elimination of the self-sufficient traditional society. Men now have the highest expectancy of life in all of history, a proverbial Golden Age. TV and the newspaper have taken the boredom out of life and have introduced a kind

of constant antiphylactic shock into it. Women have gained a larger role in both the bedroom and the society at large.

The costs we are now beginning to learn. The initial phases of a famine in fossil energy has come upon us even as we were making our greatest discoveries in science. The world was changed during the 1950s and 1960s through a process of exponential growth that can never be repeated in the history of mankind. Electric power consumption doubled every seven years, the amount of scientific knowledge every 10, the number of automobiles every 11, and the number of human beings every 30 or 40 years.

World iron and steel production was 500,000 metric tons in the year 1800. It rose to 320 million tons in 1953 and more than a billion tons in 1970.

Simple finiteness thus brings the 20th century to a close. One can say with finality that the old Industrial Revolution, based on fossil fuels, has run its course. So, too, have governments that take their mandates from the American, French and Russian Revolutions. The search for the new traditionalism will not be the end of rapid technologic change, but the accommodation to a lesser saturation of life on this globe.

In the United States, our presidential campaign of 1976 has made some gestures to these facts, largely as promises to review the bureaucracy or to scrap the programs of the New Deal and Great Society. Its most significant gesture, to date, has been the apparent selection of a presidential candidate from a Southern village (Plains, Georgia) of no more than 300 souls.

The myth that we could somehow do anything that we wanted to do was born out of World Wars I and II, the Manhattan and Apollo projects, and the conquest of polio. We are less sure about the war against cancer. And syphilis and tuberculosis, once thought to be eradicated, are again widespread endemic diseases, syphilis reaching epidemic proportions.

True, in the short 36 years since 1940, the human mind has brought science fiction alive. We have discovered a new inner coherence to all things.

There is much that we even now can barely guess at—forces of antimatter, unbelievably small and evanescent particles, pulsars, neutron stars, and those most horrid of nightmares, black holes. For all that we know, the universe could all be a one-time entropic thing, death and stillness and cold lying at the end. But there is also the life and intelligence that we know from ourselves and Earth. We project them outward. *Cogitamus et videmus, ergo sumus et alii sunt.*

The Viking ships will probably not find life on Mars. I hope and pray I am proven wrong. But the previous Mariner flights to Mars, the Apollo landings on the moon, and the flybys of Venus and Mercury do not give cause for optimism. Mars seems to have been stilled in some very early cold phase of planetary evolution, even as Venus went too far toward suffocating heat, now fenced in by its tarry clouds.

Earth peculiarly shaped life with its volcanoes and its ionized seas and its tectonic shifts of continents and climates. In the oxygen atmosphere and the microbial laydown of limestone and banded iron deposits, life in turn helped peculiarly to shape Earth. Out of both came man. The perception of this fact and how it happened is the great integrated discovery of our age. We are Earth-centered as Ptolemy could never be.

No Ptolemy could have suspected the symbiosis of life and Earth as he fixed Earth at the center of concentric circles of the sun and planets. Nor could he have guessed by what narrow margins we missed being Mars or Venus. Having been six million miles closer to the sun possibly could have precipitated Earth into the greenhouse state of our strange sister planet, Venus. Sixty more years of man's burning of fossil fuels may move us in the same direction. But a new ice age may equally well move us more toward the condition of Mars.

Viking may thus give us a final negative answer on life on any other planet in this solar system. In a similar negative vein, the great dish receiver of Arecibo in Puerto Rico so far has failed to elicit an answering voice from another solar system in space. The lesson, if it comes to this, is not that we are alone, but that we can never be sure that we are not alone.

In Viking we *have* kept faith with Copernicus and Galileo when they speculated that Aristotle's Earth was not the immobile center of the universe of revolving sun and planets and distant stars, but a planet not unlike the rest. Yet we ironically will terminate their age.

We are quickly learning that our science and technology are not infallible and our wealth is not inexhaustible. Perhaps only during the A.D. 1960s of the total calendar of human history will there have been a society with sufficient unity of direction and will and wealth to have landed a man on the moon.

It must become part of our technocratic lore of the 20th century that the great revolutions in human affairs occur mainly through happenstance. Ideology, technology, inventiveness, planning, and human design all have their place in revolution. But accident, governed by cumulative necessity, error, miscalculation, and sheer ignorance, has always been the arbiter of change in human history. History transfigures the ideas of one generation into the caricatures of the next. Plato's "ideas" become the Christian angels.

These facts explain to us why the world currently stands on a threshold of change that may just as well take us into a new Dark Age as into the promised land of the new traditionalism. The strategy of change is to flank the future, not to seek to take it frontally by a storm of governmental edicts.

History tells us that the periods following 1000 B.C. and A.D. 300 were moments of rapid depopulation and deurbanization and dehistorization and decentralization of Western civilization. These periods, as well as the founding revolutions of the 18th century, demonstrate that men innovate institutionally only when their backs are pressed to the wall. For two great religions, Judaism and Christianity, came out of these moments of regression, along with such new technologies as the metal, iron, and the water wheel.

Today, mankind cannot survive such a slide away from the urban and civilized estate. Our technologies will not permit it. We Americans must therefore seize the present threshold moment without the flailing about that marked the vestibules of the last Dark Ages.

We must do so as did our Founding Fathers. We must accept that reform comes only when the curve of deterioration in Western urban civilization meshes with the curve of appreciation: when men act rather than philosophize about change; when bureaucracies are so full of folly and inequity—as the Internal Revenue Service—as to be capable of utter transformation.

We have the advantages not conferred on other societies of never having been traditional. We have climbed the peaks of affluence and have begun to climb down. We are continental in size, boasting great rural, agricultural lands along with our cities.

We Americans can identify and act upon the threshold that events have opened up to us:

(1) Just as our reduced growth patterns as biological individuals now tell us humans that we are at the end of a period of enriched nutrition, so the first evidence of the resettlement of our population into towns and villages offers a crack in the door of mounting urbanization. Blacks need to be helped out of the ghetto, whites back into the inner city.

(2) With the purchase of houses now available to only 16 per cent of the American population, we have rapidly joined the ranks of the non-affluent societies in individual family dwellings. The answer clearly does not lie in the dehumanizing tenements or apartments into which countries from the Soviet Union to Ghana now crowd their citizens. Solarized trailers are one answer. So are new small and individualized forms of architecture dependent on such technologies as spray concrete and spray insulation.

(3) The mythology of the "service" or "post-industrial" society must go, simply to permit us to see that societies thrive as their individuals are involved in direct production. Each society of necessity must produce the great majority of its own food.

(4) It must next tackle the greatest contemporary problem, that of world unemployment and underemployment, especially of youth. Capitalism and industrialism and urbanism have brought with them an endemic problem of persons without means of earning a living, a problem that requires societies to find jobs not at the rate of 7 per cent per year (the usual rate of economic growth) but 75 per cent per year. Societies must accordingly once again become labor intensive.

(5) The restoration of indigenous life and institutions—down to the mudbrick house—is now an objective of many countries. Efficient farming along labor-intensive lines is the first requisite of the new revolution from the countryside, along with village architecture and village modes compatible with the 20th century.

(6) To keep persons on the farm and in the country in the modern day requires traditionalizing not in the old mode but the new. As education moves from the classroom via TV and radio and satellite, and jobs move from the large industries to smaller but efficient ones, one can envision education's being made available to every nook and cranny of the countryside—along with the services of doctors, lawyers, and county agents.

(7) Diversification and smallness will return not simply because large concentrations of industry become less supportable as energy grows more expensive and cities more anarchic, but because new technologies and practices will also encourage them. As solar and wind electricity become practicalities, they will offer localized sources of electrical energy and also tie into national grids. Industry and agriculture must necessarily diversify and return to smaller units. A new industrial revolution is in the wings.

(8) The revolution betakes itself into the higher realms of politics not as the dismantling of the New Deal and Great Society and social democracy but as a deliberate effort to restore regionalism, diversification, a new ruralism, and freedom from bureaucracy to American life and that of Greece, Turkey, Iran and other places in the world. The federal system of the United States—both the tripartite government and the relationships of Washington to the regions—will provide the basis of its own overhaul.

(9) The highest realm of revolution is that personally determined by the individual: the demographic. Even as late pagan Romans elected not to form families and not to reproduce (bringing the early wrath of the Catholic Church upon their heads), so even Western society or the superculture finds itself in two great demographic transitions.

The value phases of urbanism are encroaching slowly, all-too-slowly on the rural masses of India, Mexico and Turkey and will be rapidly augmented as food supply decreases, squatter cities expand, and women move out of traditional serfdom.

But the urban middle classes of the world are already in a second transition: non-mar-

riage, one-parent families, few children, and sequential divorce. Urbanism, inflation, uncertainty, the technologies of birth control, abortion, women's liberation, rising homosexuality, and the shadow of the geriatric future have contributed to the effect. The transition is already profoundly affecting the shape of the World City through its value systems and the competence of its children.

A tiger of change is upon us in this year of 1976. Since it was born in some part in the womb of the American frontier in the Age of Copernicus, we must, in the new Earth-centered Age now beginning, elect to be the first to ride it. In this way the new America will emerge.

DIVESTITURE OF MAJOR OIL COMPANIES

Mr. TOWER. Mr. President; there has been much discussion in this body about forcing the vertical and horizontal divestiture of the major oil companies. There will, I fear, be a great deal more such discussion before the year is out.

Proponents of vertical and horizontal divestiture have gone on and on at great length about the sins—mostly imagined—of the major oil companies that would be rectified by passage of this bill, and of the benefits—mostly illusory—that would accrue to consumers as a result of passage of this bill.

These spurious arguments require a sound rebuttal, and they have gotten it in a recent radio commentary by Mr. Phil Nicolaides of Houston, which I would like to share with the Members of this body.

Mr. Nicolaides thoroughly and brilliantly dissects the arguments that have been made in favor of divestiture, and leaves them in shattered ruins. It would profit both the supporters and the opponents of divestiture to read them.

I ask unanimous consent, Mr. President, that Mr. Phil Nicolaides' commentary entitled: "Big Oil Divestiture" be printed in the RECORD.

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

BIG OIL DIVESTITURE

On April Fools' Day a Senate subcommittee voted to break up the 18 largest oil companies. The date was appropriate! Recently the full committee voted to bring the bill before the Senate. "Big Bad Oil," favorite whipping boy of cheap-shot politicians, thus moves closer to the chopping block. The Senate debate promises to be quite a show: brought to you by those wonderful people who did such a great job reorganizing the U.S. Postal Service. In a moment we'll take a closer look.

The Arab oil embargo started the chase. OPEC price boosts accelerated the pace. And now a publicity hungry posse of politicians is in hot pursuit of the scapegoat: America's major oil companies.

They accuse these companies of being in cahoots with OPEC in a plot to fleece the American consumer. If so, they've been plotting against their own interests, because when Arabian crude oil was selling for $3.50 a barrel three years ago the oil companies were making 35¢ a barrel. Since OPEC drove up the price to $11.50 a barrel, oil company profits dropped to 20¢. In other words, while the price of imported oil has gone up, oil company profits per barrel have dropped.

What about those "obscene profits" Senator Jackson keeps talking about? Well, in the first place profits aren't obscene. Without them no company can survive—much less grow to create new jobs, goods, and services. In the second place oil companies make only about 1½¢ profit on every gallon of gasoline you buy. Uncle Sam pockets 2¢, and state taxes average almost 8¢. Five times as much of your gasoline bill goes to pay taxes as goes to corporate profits.

Meet myth number two: the oil industry is too concentrated. Let's look at the facts. Almost 10,000 American companies produce oil and gas; 130 refine petroleum products, and 30% of the refining is done by independent companies—a percentage that's been increasing. The Industry has 15,000 wholesale marketers and 95% of the country's 300,000 filling stations, are owned by independent businessmen. They sell 180 brands of gasoline; and in ¾ of the states motorists have at least 50 brands to choose from.

No single oil company accounts for even 8½% of crude oil production, domestic refining, or gasoline sales.

At least 25 industries are more concentrated than oil. Will they be the next targets? What about commercial television where three networks dominate the airwaves? . . . or the automotive industry where one company makes half the automobiles and the four biggest make 91% of all the cars, trucks, and busses?

Make no mistake about it. The oil industry just happens to be in an easy line of fire. The ultimate target of those who are calling for divestiture of the oil companies is the whole structure of American business. By dismembering companies they will make them inefficient. Profits will fall and prices will rise.

Next there will be a call for a federal takeover. They won't call it "socialism"—that's too scary. But the results will be the same: More concentration of power in the government. Lower output. Less innovation. If you need proof, look at England. Let's not let it happen here!

STATE DEPARTMENT POSITION ON INDIA'S NUCLEAR EXPLOSION

Mr. RIBICOFF. Mr. President, today's Washington Post devotes a front page story and its lead editorial to a problem of the utmost urgency for the national security of the United States. It is the problem of assessing India's nuclear intentions and assurances to determine whether the United States should continue providing India with reactor fuel and other forms of material and technical assistance for its so-called "peaceful" nuclear program.

The article by Don Oberdorfer follows up on disclosures I made last month in the CONGRESSIONAL RECORD that the United States provided India with an essential ingredient, heavy water, for use in an unsafeguarded research reactor that produced the plutonium used by India to set off its nuclear explosion in 1974. The United States never publicly acknowledged that shipment of heavy water to India either before or after the Indian nuclear test; nor did the State Department divulge the details of India's formal disagreement with the U.S. position that a nuclear explosion does not constitute a "peaceful use" of our nuclear assistance.

Instead, the State Department, at the time of India's nuclear explosion, sought to pin the blame on Canada, which exported the research reactor used by India to produce the plutonium for its explosion. Furthermore, the State Department has sought to paper over our disagreement with India over the meaning of the term "peaceful use." These actions can have a profound impact on the weapons implications of the nuclear program of India and the nuclear programs of other developing countries which, like India, have refused to ratify the Treaty on the Nonproliferation of Nuclear Weapons—NPT. These countries, particularly Pakistan, are closely watching how the United States responds to India's misuse of our nuclear assistance as a signal as to how serious they should take our nuclear nonproliferation efforts.

In this regard, the world nuclear community will focus its attention on an historic hearing by the Nuclear Regulatory Commission to begin tomorrow regarding the pending license application for the export of additional enriched uranium fuel for the two U.S.-supplied power reactors in Tarapur, India. It will be the first public hearing on a proposed nuclear export in the history of the atomic age. The issuance of nuclear export licenses until very recently has been a routine administrative procedure at the NRC, as it was at the NRC's predecessor agency, the Atomic Energy Commission. A public hearing on an export license has never been held, a proposed license has never been withheld, and, until last month, there has never been a dissent from an AEC or an NRC decision to grant an export license.

Tomorrow's hearing results from an intervention by a coalition of environmental groups—the Sierra Club, the Natural Resources Defense Council, and the Union of Concerned Scientists—which opposes continued U.S. nuclear fuel shipments to India on the grounds that such shipments will contribute directly to the technical equivalent of a nuclear weapons program.

India insists that nuclear explosions can be used for peaceful purposes; the U.S. position, based on the technical findings of our Plowshare program, is that there is no practical use for a nuclear explosion other than as an atomic bomb. The intervenors contend that the United States has been providing nuclear assistance to India under inadequate, incomplete or nonexistent safeguards for two decades despite India's refusal to refrain from using this assistance for its nuclear-explosion program. With the substantial support of such distinguished authorities as former Under Secretary of State George W. Ball, former Ambassador to the United Nations Charles W. Yost and former presidential science adviser George B. Kistiakowsky, the intervenors argue that future nuclear fuel shipments to India should be withheld altogether, or at least be conditioned upon the understanding that India refrain from any additional reprocessing of plutonium, a nuclear explosive material, from the spent fuel of its reactors.

The official State Department response to the assertions of the intervenors indicates a reluctance to press India on the reprocessing issue, leading the Washington Post to comment today that "the State Department's July 8 submission to the NRC on the reprocessing question

reads as if it had been written in New Delhi."

The Post editorial goes on to say—and I wholly support its position—that—

. . . the NRC can and must hang tough until it has been given the proper assurances by the people in charge at State and in the White House that the Indians will be denied the opportunity to reprocess any fuel that is licensed and that this condition has been made a part of our arrangement with them.

Mr. President, I wish to note that I am still awaiting a response from Secretary of State Kissinger to a series of questions on India's nuclear program, including the status of all plutonium that has been produced in India as a result of U.S. nuclear assistance. In this latter regard, I asked:

What action is the United States now prepared to take to ensure the peaceful use (i.e. no applications for explosions) of the heavy water and of all plutonium now in India as a result of United States nuclear assistance, including the plutonium in the spent fuel of the U.S.-supplied Tarapur reactors? For example, are we prepared to buy back the heavy water and all U.S.-derived plutonium?

I hope very much, Mr. President, that since this and the other questions were posed to Secretary of State Kissinger more than a month ago, his responses will be forthcoming so that they soon may be available to the NRC, as well as to Members of Congress. The Washington Post editorial correctly observes that the NRC does not have the authority to impose acceptable terms on the Indian Government, but "can impose terms on the U.S. Government by refusing to approve the Indian license until the appropriate executive branch agencies have imposed the required terms on India." This represents an independent check on executive branch policymaking in the nuclear export area that was contemplated in the Energy Reorganization Act of 1974, which established the NRC to take over the export—as well as domestic—licensing and other regulatory activities of the AEC.

I also wish to note that S. 1439, the Export Reorganization Act of 1976, which was reported by the Government Operations Committee on May 13, and which has been rereferred until August 31 to the Joint Committee on Atomic Energy and the Senate Foreign Relations Committee, seeks to strengthen the independent role of the NRC and to establish a system of checks and balances within the executive branch to upgrade controls over U.S. nuclear exports.

Mr. President, the future course of U.S. nuclear relations with India will have a profound impact on inhibiting or accelerating the spread of nuclear weapons capability around the world. The central issue is how should the United States implement an agreement for cooperation in the peaceful use of atomic energy with a nation with which we have a formal disagreement as to what constitutes "peaceful use." India's nuclear explosion has demonstrated the dangerous flaw in the conventional State Department argument that the United States must remain a "reliable supplier" of nuclear material, equipment and technology in order to attain nonproliferation objectives.

The key problem is that the United States has been an "automatic supplier" of nuclear assistance to India, as well as to other non-NPT nations that refuse to give adequate peaceful-use assurances, refuse to accept safeguards on all their nuclear activities, and refuse to foreswear the development of nuclear explosives. The situation is further complicated by the recent decisions by France and West Germany to export to non-NPT nations nuclear fuel facilities which are extremely sensitive from the weapons-development standpoint. These exports to Pakistan and Brazil respectively have been made over U.S. objections.

Tomorrow's nuclear export hearing before the NRC represents a turning point in the nuclear history of our Nation and of the world. It represents the best opportunity to date to place the full dimensions of the nuclear proliferation problem in the public record and to establish tough conditions on any further nuclear assistance to nations whose peaceful-use assurances are questionable at best. In this way, the United States can exert leadership in the world community by setting the proper example for other nations to follow in their "peaceful" nuclear dealings. It will then be incumbent upon the State Department to follow through with some very hard bargaining to bring nuclear supplier and customer nations into line. Without such effective leadership by the United States, I fear that the spread of nuclear weapons may soon be out of control.

Mr. President, the article and the editorial in today's Washington Post provide a valuable review and commentary on the key nuclear proliferation issues. I ask unanimous consent that they be printed in the RECORD.

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

U.S. TRAINING, AID IN INDIAN A-BLAST CITED

(By Don Oberdorfer)

U.S. engineering assistance, training and possibly a crucial U.S. chemical ingredient contributed to India's 1974 atomic explosion, according to data filed for an unprecedented public hearing this week on future U.S.-India nuclear cooperation.

Government documents obtained under a freedom of information action by lawyers in the case show that the United States received clear signs over many years of India's growing capability and interest in exploding a nuclear device, but did little to stop it.

The newly released documents and other sources reveal that late in 1970, more than three years before the epochal atomic blast under the Rajasthan desert, India rebuffed a written U.S. warning against the use of American-supplied "heavy water" (deuterium) in manufacturing a nuclear explosive device. Despite earlier statements to the contrary, there are growing indications that this ingredient was used in making the materials for the Indian blast.

The May 18, 1974, explosion brought India into the "nuclear club" and set off powerful shock waves in the capitals of other underdeveloped nations. The Indian explosion is blamed for a concerted drive by Pakistan to obtain the means for nuclear explosions and, to a lesser degree, for similar drives in Brazil and Iran.

The history of U.S. involvement is of major importance to a Nuclear Regulatory Commission hearing scheduled for Tuesday on whether to continue shipping enriched uranium fuel for India's atomic program. Canada has permanently cut off nuclear supplies to India because Canadian equipment and technology were used in the 1974 explosion, but the United States continues to sell India nuclear fuel.

The controversy marks the first time that U.S. export of nuclear materials has been publicly contested and the first time that a public hearing has been held on such an issue. The outcome is expected to have serious repercussions here and overseas.

The Natural Resources Defense Council, Sierra Club and Union of Concerned Scientists are seeking to block the sale of more uranium to India under present conditions. They said in a brief submitted for the hearing that in the most critical areas of policy toward India "United States action (and inaction) disastrously sets the stage for further weapons proliferation."

Joining the opposition groups in written statements have been a number of well-known former officials, including former Under Secretary of State George W. Ball, former Ambassador to the United Nations Charles W. Yost and former presidential science adviser George B. Kistiakowsky.

The State Department, in a written response, said failure to approve the fuel shipments would cause "severe economic and social damage" to 80 million Indians in areas dependent on nuclear power and would be "a major setback in our relations with India."

The department maintained that the United States is committed to continue the sale of enriched uranium under longstanding contractual agreements, and that U.S.-Indian arrangements preclude its use for atomic bombs.

To produce its 1974 explosion, India used a Canadian-supplied research reactor known as CIRUS to make irradiated atomic fuel. Then this material was treated by an Indian-built "reprocessing plant" to make weapons-grade plutonium. Though there was no indication of this at the time of the explosion, the new evidence indicates that the United States played a role in both processes.

In 1956 the U.S. Atomic Energy Commission agreed to sell 21 tons of "heavy water" to India for use in the Canadian-supplied research reactor, which requires this rare and expensive substance for its operation. The contract provided that the "heavy water" could be used only for "research into the use of atomic energy for peaceful purposes."

Recently disclosed files indicate that some AEC commissioners were concerned about this matter as early as Oct. 8, 1956, when "problems with respect to the safeguard provisions" on the Indian "heavy water" were raised at an AEC meeting.

A memorandum says that this was the first time for the commissioners to discuss "safeguards"—which include strict measurement and inspection requirements—in connection with a sale of "heavy water" abroad. The staff was instructed to work on a "safeguards" policy which was applied to future sales, but this action was considered too late to affect the deal that had just been made.

From 1959-61 India constructed a "heavy water" manufacturing plant using Italian, French and West German equipment, with the aid of two American firms, Vitro Corp. and National Research Corp. At that time, U.S. companies were authorized to provide many types of nuclear engineering services, including those connected with "heavy water" without special government permission. Later they had to get special permission, which would be difficult for a company wanting to assist a country without nuclear weapons to obtain today.

In the late 1960s India also began building a "reprocessing" facility capable of making weapons-grade material from fuel rods that had been subjected to radiation in a

nuclear reactor. An American official familiar with the matter said the United States was "well aware" of the Indian plan to build the facility and offered "some training assistance to Indian nationals" and help in using information on reprocessing that had been declassified by the U.S. Goverment.

At the time, reprocessing facilities—which also have civilian uses—were not seen by the United States as a major bomb proliferation problem.

AEC correspondence indicates that the U.S. firm of Vitro International, a subsidiary of Vitro Corp., participated in the design of this plutonium reprocessing plant, evidently without any requirement for special U.S. permission. But when the AEC asked Vitro about the facility during the final stages of construction in January, 1963, India directed the firm to say nothing.

The United States was told that any information about the plant would have to come directly from Indian atomic authorities, but AEC files do not show any follow-up. "Apparently there was no follow-up because the AEC wasn't that interested," said Jerry Helfrick, director of international program implementation of the Energy Research and Development Administration, successor to some AEC functions.

An AEC memorandum of Sept. 12, 1966, said U.S. agencies agreed to sponsor and finance training for Indian officials at the AEC production works at Hanford, Wash., in "plutonium recycle." Weapons-grade material as well as reusable fuel can be made in such a process.

Hanford records show that at least two Indian scientists studied there in the late 1960's or early 1970's. According to an AEC compilation, 939 Indians were trained in various skills in AEC facilities from 1949 to the time of the 1974 explosion.

The Chinese explosion of a nuclear device in October 1964, sharply increased Indian anxiety and interest in bomb manufacture. Nearly 100 members of the Indian parliament signed a petition urging nuclear weapons development, and U.S. agencies received many press reports—and no doubt diplomatic and intelligence reports—of the growing Indian interest and capabilities.

In January, 1970, by far the largest U.S. atomic project in India—the Tarapur nuclear power station—was dedicated by Prime Minister Indira Gandhi. Late that summer, Gandhi and her atomic energy chairman began speaking publicly of their interest in underground nuclear explosions "for peaceful purposes."

Seriously concerned U.S. officials secretly notified India in writing in November, 1970, that a nuclear explosion—no matter how it was labeled—did not qualify in U.S. eyes as a "peaceful purpose" under the agreements to supply "heavy water" and other materials.

Although the United States had promoted the idea of "peaceful nuclear explosions" in earlier times, officials realized by 1970 that an Indian blast of any description would be considered a military threat by neighbors and might spur worldwide atomic bomb proliferation.

India rejected the U.S. interpretation and a similar approach by Canada, declaring itself free to use nuclear energy for any purpose that it considered peaceful. An AEC memorandum of January, 1971, reported that Indian atomic research chief Homi Sethna—who eventually had charge of the Indian explosion—was "disturbed" over the U.S. approach and insistent that India was far away from a "clean" explosive capability.

"They (India) asserted a position which made us worried," said a participant in Washington discussions of the time. "But they had not actually violated anything and so we didn't take any action."

In May, 1971, Prof. Lincoln Bloomfield of the Massachusetts Institute of Technology passed along to Washington the disclosure by Svinivasa Khrishnaswami, joint secretary of the Indian Defense Ministry, that Gandhi would be making the decision "in the next few months" on whether to proceed with an atomic bomb.

The U.S. embassy in New Delhi estimated in April, 1973, that India probably would not be in a position to make an atomic bomb until 1976, or later. But in May, 1973, a Malaysian official, in a letter to the AEC, reported that the Indian atomic research chairman had spoken of India's "own nuclear explosive, which has been painfully accumulated over the years."

No report has been made public showing any U.S. attempt to dissuade India in the months preceding the May, 1974 underground blast.

Immediately following the explosion, the United States expressed displeasure, though in mild terms considering the worldwide alarm. For a short time the United States held up regularly scheduled shipments of enriched uranium fuel for the Tarapur reactor in an effort to obtain explicit Indian assurances that it would not be used for any sort of nuclear device. When India refused, the United States agreed to a much vaguer statement in an exchange of letters and resumed fuel shipments.

Shortly after the 1974 blast the AEC said there was "no reason to believe" that U.S.-supplied material was involved. Secretary of State Henry A. Kissinger subsequently said India's explosion did not violate U.S. supply agreements and thus "we had no specific leverage on which to bring our objections to bear."

Kissinger's "no violation" statement was evidently based on a July, 1974, letter from Indian Ambassador T. N. Kaul saying that "100 per cent Indian material" had been used in the atomic explosion. However, American officials now concede that Kaul's words did not rule out the possibility the U.S.-supplied "heavy water" in the Canadian reactor was utilized to make "Indian material for the blast.

Sen. Abraham A. Ribicoff (D-Conn.), who publicly raised the U.S. "heavy water" issue last month, said, "There now are strong and disturbing indications that India did use it to produce plutonium for its nuclear explosion in 1974 and is still using it for its nuclear explosion program."

At the heart of the discussion of the past is the question of current American policy.

Those who intervened in the NRC case say they see no reason why the United States should withhold foreign aid from India—as it currently does—but continue sales of potentially dangerous nuclear fuel. They also maintain that "business-as-usual" U.S. nuclear sales are a clear encouragement to other nations contemplating atomic weapons programs.

Those on the opposite side maintain that the practical effect of a U.S. cutoff might be to send India to the Soviet Union (the only other worldwide supplier) for the necessary enriched uranium.

They also say the United States can exercise greater influence on India and other potential atomic weapons nations by a continuing role as a nuclear supplier.

[From the Washington Post, July 19, 1976]

STOP THE BOMB-PEDDLING

What is so rare as a day in June? An American public official who professes to think that the spread of nuclear weapons would be a good thing. And yet, if we may mix our authors a little, everyone talks about the danger of nuclear proliferation, but nobody does anything about it. That last formulation may be a little harsh, but it is manifestly true that both Congress and the executive branch—never mind their noble professions—seen incapable at this point of designing and acting on any coherent policy to curb the spread of a nuclear weapons potential to countries all around the world. Yes, at U.S. initiative the supplier-nations of peaceful nuclear technology have organized themselves into a group and drawn up some guidelines and standards intended to diminish the dangers that flow from their exports. And, yes, the bills being introduced in Congress to curb the outward flow of weapons material have begun to take on the aspect of a good confetti-fling. But none of this begins to come to grips with the choices and problems facing this country in respect to our proliferation policy at the moment.

Let us name the parts. It is a well known fact that nuclear suppliers in other nations, principally the French and Germans, have been entering into negotiations and deals with non-nuclear countries for the export of technology and plant that have a very high bomb-making potential—and that the United States, by contrast, has been much more cautious over the years in both supplying and safeguarding nuclear materials it sends abroad. It is not so well-known, however, that this country has some 30 agreements with other countries concerning our provision of peaceful nuclear technology and that many of these have failed to keep step with changing circumstance and expanded knowledge. The point is that what seemed safe and airtight, say, 20 years ago when some of these deals were made, no longer can be said to be sufficient.

Can we renegotiate these deals upward, so to speak, tightening their terms and sharpening their precautions? That is where a second big problem comes in: Neither formally and officially on paper, nor informally and unofficially in the practical world of real-life Washington, does the government have either the focus or instrumentality or (evidently) the will to produce a plausible and consistent policy.

The Department of State has some of the action; so does the Arms Control Agency; so do the Nuclear Regulatory Commission, the Office of Management and Budget, ERDA and the Congress. Thus when these things are argued out, a multiplicity of competing institutional interests is likely to come into play, along with a certain heavy fatalism. Your average country desk at the Department of State can understandably almost always find a diplomatic reason why it would be harmful to our relations with country X to put new limits on the materials we are sending; the long-term prospect of country X's bomb-making potential hardly seems worth exacerbating the current crisis or snarl we are otherwise experiencing with its leaders. And besides, what would be the point of tightening the rules on this reactor or that when we don't have complete control over its *other* reactors? And, anyway, if we deny them what they want, isn't it possible that they will shop elswhere and that we will lose whatever limited control we might have had if we closed the deal? And, when you get right down to it, isn't it already too late to halt the inevitable development around the world of nuclear arsenals?

To hear these arguments repeatedly stated you could get the idea that the United States has as little leverage in these matters as it apparently has policy. But that is not the case. We remain the preferred supplier of technology and the best-stocked supplier of fuel (although to maintain the latter position much more is going to have to be done to increase this country's capacity to produce enriched uranium).

What is needed is some focus and decision and muscle at the top. It is even conceivably possible that a policy review and examination would lead to the conclusion that we might as well toss in the towel on our fitful antiproliferation efforts. But if that is not going to be the case, then a whole lot of

tough questions are going to have to be addressed: If we cannot prevent the spread of these weapons, can we not at least retard or better control that spread? Is it possible or even credible for this country to complain about French and German sales of enriching and reprocessing equipment if we ourselves do not act to make our own contracts more consistent with such a position? And if we are to pull ourselves together on this question, will not our very doing so require that we also consider ways to meet the legitimate concerns of client countries that: 1) we will be a reliable producer of the materials they need for their nuclear energy plants and 2) by depriving them of a nuclear weapons capability we are not diminishing their security. Other commitments, in other words, might have to accompany such a policy.

If you want an example of how the thing is working now in the absence of a coherent, consistent government point of view, you need only consider the dilemma of the Nuclear Regulatory Commission, which must license nuclear exports, but which has no authority to impose conditions on the importing countries themselves.

That must be done by other agencies of the executive branch. At the moment the question before the NRC is whether it should grant approval for new fuel supplies for two American-built reactors at Tarapur in India—yes, India, exploder of that famous "peaceful" bomb in 1974, which we now know was made with the help of heavy water supplied by the United States for other (peaceful) purposes. Given that record, it would seem undeniable that the United States is not just entitled, but actually obliged to impose some very strict conditions on what may and may not be done with any further fuel we supply. Yet since the only practical way to do this is to deny the Indians permission to extract plutonium from that fuel, the actual imposition of proper terms lies outside the NRC's jurisdiction.

The NRC, however, *can* impose terms on the U.S. government by refusing to approve the Indian license until the appropriate executive branch agencies have imposed the required terms on India. There seems to be anything but a disposition to do so in certain important reaches of the State Department. Indeed, the State Department's July 8 submission to the NRC on the question reads as if it had been written in New Delhi. But we think the NRC can and must hang tough until it has been given the proper assurances by the people in charge at State and in the White House that the Indians will be denied the opportunity to reprocess any fuel that is licensed and that this condition has been made a part of our arrangement with them.

The point is simple: If the United States does not act in the Indian case to ensure that our nuclear exports will not be misused or contribute even indirectly to enlarging the Indians' nuclear arsenal, then the game will more or less be over. What credibility will we possibly have in urging the French to abandon their plan to sell dangerous reprocessing equipment to the Pakistanis? What authority will we bring to our efforts to negotiate strict safeguards on the nuclear reactors we have offered to provide to countries in the Middle East? What license in the future will be ever be able to question or curb—at least with a straight face? We can only hope the NRC will insist on the proper commitment from the administration before it releases this fuel—and that the rest of government will get off the dime and start thinking about and acting on its obligations in this dangerous and supremely important field.

PAPERWEIGHT

Mr. SCHWEIKER. Mr. President, last week the Wall Street Journal ran an enlightening article on the paperwork burden faced by our Nation's businesses. The Journal presented the case study of Vulcan, Inc. of Latrobe, Pa.

One paragraph summarizes the avalanche of paperwork faced by Vulcan:

An inventory of the federal, state and local government paperwork processed by Vulcan shows that the company will file at least 480 forms this year. The company estimates that 20 employees will spend a total of 7,000 hours compiling the forms, at an annual cost of $88,000 in salaries and fringe benefits.

On May 5, I introduced S. 3382, the Federal Reports Act Amendments of 1976. This measure would establish strict standards for Federal paperwork and require Congress to take an active role in overseeing the preparation of such forms. It would require the General Accounting Office, as the agent for Congress, to approve each new form prepared by Federal agencies for use by persons outside the Federal Government.

Mr. President, with the thought that it will vividly demonstrate the need for remedial legislation like S. 3382, I ask unanimous consent that the Wall Street Journal article on paperwork be printed in the RECORD.

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

[From the Wall Street Journal, July 16, 1976]

PAPERWEIGHT—COMPANIES OFTEN FIND THEY MUST PUT FORMS AHEAD OF SUBSTANCE; VULCAN INC. FORGOES ATTACK ON PRICE PROBLEM TO DEAL WITH PENSION PAPERWORK; CASE OF THE PHANTOM MOLDS

(By David Ignatius)

LATROBE, PA.—Ed Nemanic, secretary-treasurer of Vulcan Inc., is a sweet-tempered, charitable man. He doesn't hate bureaucrats and he doesn't believe politicians are out to destroy the free-enterprise system.

But the government is beginning to try Mr. Nemanic's patience.

The executive learned in May that one of Vulcan's divisions had been unwittingly underpricing a product. The division manager needed prompt help, but, unfortunately, the auditor best able to handle the problem was enmeshed that week in Department of Labor paperwork—his desk piled high with densely-worded EBS-1 pension plan reports. An exasperated Mr. Nemanic told the auditor to complete the reports to end the "mass confusion" they were causing. The problem of the troubled division had to wait.

Vulcan's cost-accounting problem eventually got solved. But the paperwork headache continues, threatening at times to turn this producer of ingot molds, cranes and molded plastic parts into a government errand boy. "You never really catch up," Mr. Nemanic says. "Before you know it, some other screwy form is coming across your desk."

7,000 MAN-HOURS THIS YEAR

An inventory of the federal, state and local government paperwork processed by Vulcan shows that the company will file at least 480 forms this year. The company estimates that 20 employes will spend a total of 7,000 hours compiling the forms, at an annual cost of $88,000 in salaries and fringe benefits.

By comparison with larger companies Vulcan—with $90.3 million in sales last year—is a paperwork piker. A billion-dollar giant like pharmaceutical-maker Eli Lilly & Co. calculates that it fills out a total of 27,000 forms annually at an estimated total cost of $15 million. And the new Commission on Federal Paperwork estimates that government form-filing's total cost to the economy is $40 billion a year.

But because Vulcan strives to be a lean company, without a layer of bureaucratic fat that could absorb the demands of government regulators, its paperwork problem is highly visible, directly affecting top executives in every major department of the company.

IMPACT ON WASHINGTON

Vulcan's experience is probably fairly typical of small and medium companies, which are hardest pressed by government paperwork demands. Protests from these companies are currently having some impact in Washington, spawning a number of proposed legislative curbs on the paperwork load. So far, though, the proposals haven't gone beyond the stage of—well, paperwork.

Meanwhile, Vulcan struggles to keep its head above paper. Interviews with key company personnel show that the paperwork burden far exceeds its direct cost in salaries and fringes. For the blizzard of forms often diverts the company from projects that might better serve its shareholders, employes and consumers.

For example, Lawrence Jeffries, a Vulcan plant personnel manager, reasons that if he weren't spending some 20% of his time handling the record-keeping requirements of the Occupational Safety and Health Administration (OSHA), he might be able to complete a safety-training manual for the company's Latrobe foundry advising new employes on the safest way to use each piece of equipment. "It needs to be done," he says, "but the record keeping never stops."

A YEAR BEHIND SCHEDULE

Down the hall, Charles Suprock, the company's chief engineer, reflects ruefully that he's a year behind schedule in drawing up plans for a foundry modernization program expected to save Vulcan about $450,000 a year. The most important reason for the delay: His three-man engineering staff spends at least twelve man-weeks a year filing some 40 state reports on anti-pollution equipment. He is convinced some of the forms (which run as long as 42 pages) never get read.

The corporate personnel director, James Donnelly, looking toward the company's coming contract negotiations, says he would like to be able to consider offering new benefits like a dental plan and a legal-services plan to employes. But because he has to draw up and annually update Vulcan's affirmative-action plans for minority hiring, oversee pension and welfare-plan reports, and send off regular employment data, he fears he won't have to consider such matters before negotiations begin.

In some instances, the cost of Vulcan's paper shuffling is matched by obvious benefits. A quality-control technician recalls the days before strict emission-control standards, when the sky above the company's Latrobe plant was always gray, and cinders from the iron-melting cupola "would float out across the parking lot, land on your car, and burn right into the paint." And at management headquarters, an executive says that safer, cleaner plants required by OSHA will benefit the company and its shareholders by making it easier to hire conscientious workers who have stayed away from foundry work in the past.

But more often, the paperwork burden seems like a Sisyphean labor. Take the "sand permit" that chief engineer Suprock has to file in Michigan. In an effort to police emission of pollutants, the state requires separate permits for every major piece of equipment at the Wayne County foundry, including a storage container that held 91,353 tons of sand last year. "Discharge of pollutants from the sand," Mr. Suprock notes, "was zero."

Another Michigan regulation requires weekly monitoring of the 88,000-gallon-a-day

flow of water that passes through the plant's storm drain. The authorities apparently don't realize that the water passes directly onto the neighboring property of another company, where it is monitored once again. "It's entirely duplicated effort," Mr. Suprock contends.

Many of the government reporting requirements make no sense to Vulcan executives, but they say they try hard to provide accurate information. Given the effort, they get especially angry when the data are compiled in an inaccurate or unusable manner.

Consider the case of the phantom ingot molds. As a major producer of the iron molds that are used to form ingots out of molten steel, Vulcan has for years filed the Census Bureau's form M-33A, a monthly summary of the company's production of "Molds for Heavy Steel Ingots." The Census Bureau uses the data to compile its own regular monthly summary of industrywide production of the ingot molds.

Several years ago, these summaries by the Census Bureau began to make Vulcan's management very nervous. They showed a dramatic increase in total production of ingot molds for commercial sale, even as Vulcan's own commercial production remained relatively constant. Salesmen were called in for anguished consultations on the causes of the company's declining share of the growing market. Sales accounts were reviewed and exhortations delivered. But to no avail; Vulcan's share of the market kept slipping.

Finally, after a year and a half of worry, the company began to get suspicions about who was producing all the additional commercial molds. Nobody, it turned out. The monthly figures had been inflated by accident. The Census Bureau later admitted the error and issued revised figures. But the ingot-mold experience, says Vulcan president Gerald N. Potts, has made him "more wary" about his use of such statistics.

The company has similar, if less dramatic, problems with other government reports that it helps compile. Personnel director Donnelly, for example, finds that the wage statistics gathered from Vulcan and other companies and published by state employment services "are meaningless to us, even at bargaining time." The wage categories, he says, are too broad and often inapplicable, so the company conducts its own survey of industry wages at contract time. "We are able to arrive at a much more meaningful wage survey," he says. The states' reports end up in the wastebasket.

Another problem that has Vulcan employes muttering things like "abomination" from behind their paper-clogged desks is the duplication of effort required by many state and federal regulatory bodies. Joseph Schwemmer, an auditor who fills out state income-tax forms, says his job would be "much simpler" if states could agree to use a standard tax reporting formula. Instead, he says, the trend seems to be in the opposite direction, with many states devising special tax and reporting requirements.

FEDERAL DUPLICATION

Federal agencies, too, often duplicate each other by requesting the same basic information in a plethora of different forms. The Federal Trade Commission's quarterly financial report MG-1 asks for data available in Vulcan's quarterly 10-Q filing with the Securities and Exchange Commission. The Industry Class Supplement to the Bureau of Labor Statistics' form 790 asks for information about raw materials and final products that's available in the FTC's form NB-1. Even when the data requested is easily available, the forms are still a major distraction. "They come in at various times," notes auditor Robert Reed. "You have to go back time and again for the same information."

The government's inability to handle its own paperwork may be the surest sign that the problem has gotten out of hand. After a lengthy OSHA inspection of Vulcan's Cook County, Ill., foundry last October, Vulcan awaited a formal record of the citations, promised by the inspectors within four weeks. The company was still waiting last May when a second pair of OSHA inspectors showed up for an inspection. "We told them fine, but that we'd never received our first set of citations," Mr. Suprock recalls. After a hurried phone call back to headquarters, the embarrassed inspectors departed. Several days later the first citations, somehow misplaced for over six months, arrived at the plant.

Every form has its amusing nuances, but for Mr. Nemanic the ultimate monument to bureaucratic confusion remains the ever-changing set of pension-plan reports, the latest version of which distracted his auditors from investigating the internal cost-accounting problem last May.

Mr. Nemanic recounts the history of the pension reports to explain why he believes that the federal government is using companies as "guinea pigs" in a trial-and-error search for the perfect form. Until last year, he says, Vulcan was required to file a D-1 description of any new pension plan, a D-2 annual report on all existing plans, and a D-1 Supplement, which was supposed to capture any significant information not included on the two other forms.

REVISED IN 1975

Then, in 1975, the Labor Department revised its forms in accord with the Employe Retirement Income Security Act and mailed out the new EBS-1. The 1975 version was 12 pages (plus attachments), but only the first and last pages had to be completed. This year, with companies perhaps beginning to understand the first EBS-1 format, the form was altered to six pages, all of which had to be completed. (The Labor Department insists that under the new system, paperwork will actually be less than it was before the recent changes.)

Along with the EBS-1 filings, the act also requires companies to inform employees about pension-plan benefits. But the laborious process of compiling the necessary "layman's language" plan descriptions was halted at Vulcan this spring after the Labor Department decided the descriptions could wait a year. Instead, companies could simply provide employes with notification that such information was available from the company pension-plan administrator. Vulcan duly sent out six-page mimeographed notification forms, using the Labor Department's "recommended language" (which included such layman's terms as "fiduciary" and "vested benefits").

The reaction of retired employes who received the letters was near-hysteria, says Mr. Donnelly, personnel director, who is the company's pension-plan administrator. He says nearly half of them called the company, desperate to learn whether the gobbledygook meant their pensions were going to be raised or cut.

But that isn't the end of the pension-plan paper chase. The Internal Revenue Service—which used to require completion of forms 4848, 4848A, and 4849 (which had replaced earlier form 2950) as well as the 990-P—moved this year to a consolidated form 5500. Vulcan employes hope, in defiance of past experience, that the new "streamlined" form will actually simplify things.

The last straw: The SEC, apparently unwilling to go across town to look at the EBS-1 forms, requires companies to file a separate, consolidated SEC pension-plan report, the R-41. "Everybody's in the ball game," Mr. Nemanic says, "but nobody knows what's going on."

TRIBUTE TO DR. VICTOR HOFFMANN

Mr. HARTKE. Mr. President, I wish to print in the RECORD the remarks delivered at the annual convention of the National Lutheran Parent-Teacher League on Friday, June 25, 1976. Unfortunately I could not be on hand to deliver it personally because I had to be on the Senate floor the night of June 25 to vote on amendments to the tax reform bill, including my own.

This was the last speech that my chief legislative aide, Dr. Victor Hoffman, assisted me on, before his sudden and unexpected death from a heart attack on June 28. I relied upon his advice and counsel in the preparation of this speech and in countless other ways. Dr. Hoffmann was not only an old and dear friend of mine, but was a key member of my staff who had spent his entire life in the service of his fellow man. For more than 3 decades the thrust of his life had been first as a minister and later as a university educator. He was a fearless and dedicated humanitarian and it was his concern for people and their problems that drew him into Government where his dedication and integrity contributed enormously.

His help to me was invaluable and he will be sorely missed by his hundreds of friends in religion, education, and government. His wife and children have my deepest and most heartfelt sympathy.

Inclusion of this speech in the CONGRESSIONAL RECORD would honor this man, an ordained Lutheran minister, whose thoughts and standards of living it represents.

I ask unanimous consent that the speech may be printed in the RECORD.

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

SPEECH FOR SENATOR VANCE HARTKE

INTRODUCTION

Senator Vance Hartke is "home folk." More than that, he is a Lutheran, a member of the Lutheran church—Missouri Synod. His seven children have all been confirmed in the Christian faith, as articulated by the theology of the Lutheran Church—Missouri Synod.

Of particular note is the fact that his oldest son and his wife were married by Dr. Oswald Hoffmann, the Lutheran Hour speaker. The Senator has kept in touch with the dilemmas and successes of American Lutheranism.

Let me present one of our well-known Lutherans.

Mr. HARTKE. There are times in the lives of all of us when we deal almost exclusively with our kind of people, people with whom we are in tune.

For me, this convention is one of those times.

Like all of you, I am a Lutheran.

I am a member of the Lutheran Church—Missouri Synod.

Like all of you, I am interested in the activities of parents and teachers. Martha and I are the parents of seven children.

As a father, I have had some experience with freedom in the family structure.

More than that, you and I are Christians. As Christians, as Christian parents and teachers, you and I have important roles to play while we are here—between the cradle and the grave. Those roles come to primary focus in the family unit.

In the family structure, we have our first

experiences with the problems and potentials of the human enterprise.

In the first place—as Christians, as Christian parents and teachers—we at least learn and know in the family structure the kind of world in which we and our children live, move, and know their being; mainly because we know something about ourselves. Because of what we humans are, we handle our freedom very badly.

Standing by ourselves in the family structure with some room for freedom of choice, the best of us are not good enough. The good we intend and know we should do, we choose not to do. The evil we know we should not do, we choose to do so easily without much effort and so often with a great deal of enthusiasm.

Ultimately, however, the family unit only reflects the dynamics of the general human condition.

All of us can cite countless passages from our sacred literature to explain our condition. For example:

1. "All men have sinned and come short of the glory of God."

2. "That which cometh out of the man, that defileth the man. For from within, out of the heart of man, proceed evil thoughts, adulteries, fornications, murders, thefts, covetousness, wickedness, deceit, lasciviousness, an evil eye, blasphemy, pride, foolishness, all these evil things come from within, and defile man."

These are tough words, but true. This catalogue of condemnation embarrasses us for they decribe you and me very accurately.

Certainly these words describe the kind of society in which we live. It is easy to run the scale of evil in our society:

1. The Bobby Baker scandals;
2. Watergate;
3. The "dirty tricks" of recent administrations;
4. The corporate bribery of political leaders at home and abroad;
5. The deviant behavior of oil and grain corporations;
6. The waste in the Pentagon and its procurement policies;
7. The recent revelation of what one weekly journal has called "capitol capers".

Obviously, it is not difficult to ring the changes on the tendencies to evil in man and woman in the human condition. In deed and in fact, this is the human predicament.

Given these circumstances, how can the human being be free, even talk about freedom?

Given these aspects of the human predicament, how can there be freedom in the family structure?

The Constitution of the United States recognizes this state of affairs with its principles of separation of powers, checks and balances, and federalism. According to the thinking of our Founding Fathers, a division and distribution of powers prevents the usurpation of centralized power on the part of any one person (like the President), or any group of people (like Congress), or on the part of any one set of constitutional intellectuals (like the Supreme Court).

Bluntly speaking, the power of one set of corrupt men is checked by the power of other corrupt men. In the process, freedom is preserved for all men and women in our American democracy.

In the family and educational structures we tend to neutralize one another, restraining at the least the coarse outbursts of evil.

But there is more to the human predicament.

Men and women are finite creatures with limited equipment and partial knowledge to answer the important questions of their lives such as:

1. Who am I?
2. Where am I going?
3. What ought I to be doing in the human enterprise in the limited time span granted to me?
4. What is this life all about anyway?

However tough it is to answer these questions, they bear on everything I must deal with as the senior Senator from Indiana like:

1. War and peace;
2. Tax reform;
3. Gun control;
4. The right to life;
5. Multi-national corporations;
6. Foreign aid;
7. World hunger.

How I deal with these issues as your Senator from Indiana tells me and you what I am, where I am going, what I ought to be doing, and what I think life is all about.

But, speaking very honestly, I had to deal with these issues and perspectives long before I became your Senator in dealing with the dynamics of family interaction and interrelationships.

Learning from my experience as a family man and as your Senator, I am sure of one thing: I have very few final answers to the ultimate questions of my life.

I see now but darkly.

The platform of the Democratic Party which I represent acknowledges our limitations in these matters:

"We acknowledge that no political party, nor any President or Vice-President, possesses answers to all the problems that face us as a Nation."

When you and I think deeply about the human compulsions and tendencies to evil and corruption—when we think about our inabilities to answer the basic questions of our existence, we are forced to think about the irresistible and irrepressible forces that dominate and determine our lives. In addition, we understand full well that we were born into cultural prisons like Lutheranism, or being German, or the State of Indiana, and the Midwest. Furthermore, we know that no matter the extent to which we build up our human existence with material successes, it will all some inevitable day end in death.

No matter how much we talk about freedom and how much we dedicate our lives to freedom, we are dominated and determined by forces and events beyond our control. Death, war, depression, inflation, unemployment, the breakdown of our intimate lives, and the prevalence of violence and hostility appear to rule our lives with a relentlessness that makes a mockery of our aspirations to freedom.

As a consequence, more often than not, men and women perceive themselves to be like peanut shells tossed to and fro upon the Atlantic Ocean. As parents and teachers, dealing with the irrepressible forces that dominate, we feel very often as if we are just whispering into the cavern of the winds. In reality, parents and teachers—and young people—have lost the stabilizing forces at the center of their lives.

If so—men and women—parents, teachers, young people—are walled in by meaninglessness, emptiness, and a sense of futility.

How can men and women—families—live positively and affirmatively with nothing at the center of their lives?

What are the options when men and women are beset by emptiness and meaninglessness. Well—one can eat, drink, and be merry for one will be dead tomorrow anyway. Many have chosen that way out. Or—one can employ the power game to its fullest to guarantee one's comfortable existence between birth and death—and let it go at that. Many have chosen that approach. Or—one can just withdraw and wait in a form of suicide or abdication until death comes. Many are playing the waiting game.

Where is freedom in all that—in these options?

How can there be freedom in the family structure in competition with these options?

There are dangers.

"To escape the anxiety implicit in the experience of total doubt and meaninglessness," according to Rabbi Bernard Martin in his book, The Existentialist Theology of Paul Tillich, "the individual may decide to surrender his freedom to ask and answer questions for himself, submitting to some authoritarian system under which all questioning and doubt are silenced."

There is little freedom in submitting one's self and life to the whims and whimsicalities of another.

Add to all this the prevalent tendency to self-rejection. Running through man's feeling of inadequacy, evil, emptiness, and meaninglessness is a deep sense of guilt and self-condemnation.

When one travels as much as I do, when one works with people as much as I do—when one is forced to look at himself as much as I have been forced to look at myself—one realizes that the forces of non-freedom are abroad in the land:

1. Anxiety;
2. Doubt;
3. Despair;
4. Self-rejection;
5. Self-condemnation;
6. Futility;
7. Inadequacy;
8. Corruption;
9. Meaninglessness;
10. Emptiness.

To fight these tendencies, coping skills must be taught and learned in the family unit and in the educational system.

But, let me say: You and I, resting in our Christian perspectives, are not doomed to despair about this world and the human predicament. We will not put out our candles with our tears. Perhaps—for those of us who are Lutheran—Dr. Martin Luther said it more aptly and graciously in the battle-hymn of the reformation:

"And take they our life, goods, fame, child, and wife,
Let these all be gone, they yet have nothing won,
The kingdom ours remaineth."

In the July-August 1976 issue of Portals of Prayer, Herman W. Gockel reacts to the dilemma and suffering of our world in this manner: "What a different world this world becomes when we remember that this is our Father's world. No blind force, no blind fate, but our Father's love still guides and shapes the destiny of all his children in things both great and small. He who guides the flight of the sparrow and traces its final fall has promised to guide us safely through all the perils of life and bring us safely home . . the world in which I shall go to sleep tonight is still my Father's world—his world to govern, guide, and keep for me and all his trusting children."

As parents and teachers, dedicated to cooperation between the educational system and the family unit you and I are committed to this premise: We were born into and are living in an absurd and complex world that we never quite understand and comprehend, but we will not surrender. This is God's world and with his help we will make the most of it. That is our purpose in life.

All the talk about corruption, evil, sin, anxiety, self-rejection, and the like disturb us but do not overwhelm us. We have been this way before in our conversations about the cross which is at the center of the Christian religion. The cross is an apt symbol of the realities of our lives—of our suffering, corruptions, and inadequacies.

At the same time, the Cross is also a symbol of our liberation of our freedom from the ills and the evils that beset us each day. The symbolism of the Cross tells us that someone cared enough about each and every one of us to die for us—to redeem and regenerate us, to lift us above the ills and the evils of the human enterprise.

This is careless, reckless love, delivered almost with gay abandonment.

The narrative of the Cross is really telling us that there is nothing wrong with this world that a good, solid prescription of love wouldn't cure.

Just at this point is the noble and high-minded secret of all of our human activities.

Just at this point we must talk about the key to the complicated dynamics of human interaction.

Just at this point we must talk about the problems and potentials of love in the family unit inasmuch as the family is the first and basic laboratory in the intimate life of love, training and rearing youngsters in the arts of reconciliation they will need to live the complete life in the wider world.

Despite all the talk about love in the new testament, love is hard to talk about.

Perhaps, it is a little like a case of measles: You do not know what it is, but you do know when you have it.

At any rate, as Christian parents and teachers, we know some of the components in love that dominate the context of freedom in our family lives.

1. Every member of the family, every member of the human race, is to be granted freedom in the pursuit of his talents and preferences.

2. Love is tough and fights the human perversity ". . . that sometimes makes us wish the very worst is true," as in the case of ". . . the slander of a careless tongue," or ". . . the gossip of an idle mind."

3. "Love prays for the best; how, then, can it hope for the worst?"

4. Love is sacrificial. It does not count the cost. In that respect, it is heedless, careless, and reckless.

5. Love presupposes power and justice. Love assumes delivery services. It assumes that, if one loves the poor person, one will develop the capacity to help that person.

6. Love casts out fear. In some miraculous manner, love prevails over evil, corruption, anxieties, guilt feelings, estrangement, and self-rejection.

7. In my judgment, all this constitutes the key to human existence.

And it all lies at the center of our Christian lives.

That is what we are all about in the family, the church, and in politics: the social ministry of understanding, love, and forgiveness.

UNIONIZATION OF THE MILITARY

Mr. GOLDWATER. Mr. President, one of the most ludicrous and dangerous proposals that I have heard during my 20 years in the U.S. Senate is one which would permit unionization of our men in uniform. The proposal is being made by the American Federation of Government Employees and is to be taken up at that union's convention in September.

One of the interesting aspects of this outlandish proposal is how it will be handled by the AFL-CIO, to which the AFGE is affiliated. I say this because the AFL-CIO has been one of the really strong proponents of adequate military strength. Through the years it has repeatedly stressed the need for this Nation to be strong and alert to the threat posed by the Soviet Union.

Mr. President, it stands to reason that unionizing the uniformed military personnel of this Nation would not strengthen but seriously weaken America's preparedness for any eventuality, be it a threat from the Soviet Union or some other aggressor. It would destroy the military chain of command and ruin the discipline so necessary for the proper performance of military missions.

Mr. President, the union in question makes a big point of contending that our military personnel are merely civilians working in uniforms and that they should be represented by a union bargaining agent in the same fashion as civilian employees of the Department of Defense. Of course all of the union's statements configure military personnel in a peacetime setting. Further they argue that our men in uniform have selected the military solely as a means of livelihood and not for patriotic reasons. The facts certainly do not support the latter contention and the fact remains that we are not always assured of a peacetime setting.

When you project a military man's right to strike into a combat situation you come up with a ridiculous situation which cannot be explained away under any circumstances. Mr. President, as I said at the beginning, this proposal is ludicrous on its face, yet it persists as an active goal of a powerful segment of the AFL-CIO. Even the suggestion is fraught with danger. The ramifications of the proposal are far reaching and explosive. And because of its importance to the Nation and the security of our people, I ask unanimous consent to have printed in the RECORD a position paper published by the Air Force Association, entitled "Air Force Association Position Paper: Unionization of the Military."

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

AIR FORCE ASSOCIATION POSITION PAPER: UNIONIZATION OF THE MILITARY

(The following statement was adopted unanimously by the Air Force Association Board of Directors, meeting on May 29, 1976 in Colorado Springs, Colorado.)

Any plausible reaction to the military unionization movement must begin with the acknowledgement that unions are a fundamental element in our democratic system, and that organized labor is a major contributor to our defense posture.

Beyond that, the AFL-CIO must be recognized as a potent force in keeping our citizens alert to the threat posed by the Soviet Union and to the resulting need for a strong American military establishment. Indeed, during the past twelve months the Air Force Association has issued three special reports to its leaders, each directly related to the AFL-CIO, and each recommended as a valuable source for remarks in support of AFA objectives.

The first of these reports carried a message from the AFL-CIO Executive Council which called upon "the President, the Congress, and the American people to do what must be done to provide for the common defense." We hailed it as "a perceptive and concise analysis of our defense position vis-a-vis the Soviet threat."

The second report was the reprint of an article by Aleksandr Solzhenitsyn, the Nobel Prize-winning Russian author who was exiled from his native country in 1974. The article was entitled "The Third World War Has Ended." Author Solzhenitsyn had visited this country under the sponsorship of the AFL-CIO and his message to America was a breakthrough in obtaining wider recognition of the nature and criticality of the Soviet Threat.

Our third report carried excerpts from an article by George Meany, President of the AFL-CIO, which featured an incisive analysis of detente. It strongly supported the theme of our current Statement of Policy.

If, as surveys indicate, there has been a swing in public opinion toward greater recognition of the Soviet Threat and greater interest in a larger U.S. Defense Budget, the AFL-CIO deserves much credit for this important shift in public attitude.

Against this background, it would seem that Mr. Meany and the majority of other labor leaders, plus the rank and file of organized labor, will find it difficult to support the proposal to be considered by the American Federation of Government Employees, an AFL-CIO affiliate, at its convention in September. This proposal would have the AFGE serve as bargaining agent for uniformed military personnel.

Clyde M. Webber, the National President of AFGE, in testimony before the Defense Manpower Commission, reported that "the mutual benefits of bringing military personnel into AFGE" was based on the premise that the pay systems of uniformed military and civilian government employees were linked by statute. AFGE claims to represent more than 390,000 civilian employees in the Department of Defense.

Mr. Webber makes the point that pay scales for both civilian and uniformed government personnel are based on comparability with industry pay scales, and that budgetary considerations of defense personnel costs always include both the expenses for civilians and for the uniformed military as a single entity.

Although noting that the original concept of military unionization centered primarily on pay, Mr. Webber told the Commission that "other areas of mutual concern have also come to the fore." He identified several of these areas as "common or similar problems in the pension subsidies of both civilian and military personnel, changes in the health care system for both groups, identification of military and civilian positions in the regular operation of military installations . . ."

In all of his statements on the subject, Mr. Weber has, in effect, configured military personnel in a peacetime setting, as civil servants in uniform.

Leo Pellerzi, General Counsel of the AFGE, put it more succinctly to the Wall Street Journal when he stated, "It is a volunteer Army, and that means people are selecting a military career as a means of livelihood, and not for patriotic reasons. Servicemen today aren't responding to an attack on the country. They want to be paid."

Our initial reaction to this is clear cut. If, as Mr. Pellerzi states, the All-Volunteer Force is producing people who select military careers merely as a means of livelihood, and "not for patriotic reasons," the nation has only one logical alternative: go back to the draft.

As for Mr. Webber's comparability argument, we have long since noted that the comparability concept is based on the assumption that military and civilian jobs are "comparable" to begin with.

More than a year ago, in a special report to AFA leaders, we commented on this assumption with the question, "'Are they'", and added: "Are many civilian employees called upon to uproot their families involuntarily every few years . . . to endure 24-hour alert duty assignments . . . to work overtime without additional compensation . . . to serve in remote and isolated areas . . . to give up certain freedoms and rights . . . risk injury, personal disability, or death, in battle?"

Proponents of military unionization invariably respond to this with the argument that firemen and policemen are unionized, and even go on strike now and again. While we believe that these jobs, for which we have the greatest respect, can be compared to military service only in relation to hazardous duty assignments, it behooves us to consider what can happen when firement and policemen strike.

Admiral John S. McCain, Jr. (USN-Ret.),

in a recent newsletter published by the Public Service Research Council, describes an incident and poses a question which deserves serious consideration: "During the fireman's strike in Kansas City, Missouri, late last year," the Admiral reports, "firefighters from surrounding communities would not cross the so-called 'picket lines' of the striking Kansas City firemen. The situation became so dangerous to the citizens that the National Guard was called in to help quell the raging fires throughout that city. If the military is unionized this would also mean the National Guard. Would they, under unionization, eschew as firemen in areas surrounding Kansas City, the moral law of helping a neighbor, and not cross the so-called 'picket lines'?"

When you project a military man's right to strike into a combat situation you, of course, come up with an impossible situation which turns critics of military unionization into fanatics.

But the leaders of the American Federation of Government Employees have made it clear that they are referring to the peacetime training mode of military people when they talk about unionization—and we are inclined to believe them. We can't believe that union authority could extend into warfare, or that union leaders could sell the idea, or would even try.

The Supreme Court has repeatedly ruled that only the military has the constitutional authority to participate in defense activity. As recently as March of this year, the Court stated (*Greer* v. *Spock*): One of the very purposes for which the Constitution was ordained and established was to 'provide for the common defense,' and this Court over the years has on countless occasions recognized the special constitutional function of the military in our national life, a function both explicit and indispensable."

It also seems logical to assume that union leaders, at least at the outset, would shy away from supporting the right to strike for unionized military personnel. The specter of a military unit being unable to cross a picket line to save lives, as projected by Admiral McCain, presents another unsalable item for union leaders. On the other hand, the right to strike (or sit-down, stay-home, play-sick maneuvers) is a union's ultimate weapon. This presents something of a dilemma. But it is not the immediate problem.

Assuming wartime duty and the right to strike are eliminated from the equation, how does military unionization stack up?

First, it's worth considering the observation of AFGE's legal counsel, Mr. Pellerzi, that "servicemen today aren't responding to an attack on the country" as part of his justification for unionizing servicemen.

This betrays complete misunderstanding of the training function in military life, and no appreciation of what military readiness really means. You can't separate training from combat that neatly—not without the danger of unnecessarily losing military lives and failing to carry out missions in the process. Again it points to the basic fallacy in the union's argument—that of thinking of military people as civil servants in uniform.

With this as a basic premise, AFGE leaders argue that uniformed military people deserve access to the same rights—through unionization—as those available to civilians who work for the Department of Defense. All this, presumably, as a part of the "democratic process" and supported by the First Amendment.

But the Supreme Court doesn't seem to agree. The Court stated (again in the *Greer* v. *Spock* decision of March 3, 1976): "A military organization is not constructed along democratic lines and military activities cannot be governed by democratic procedures. Military institutions are necessarily far more authoritarian; military decisions cannot be made by vote of the interested participants . . . (T)he existence of the two systems (military and civilian) (does not) mean that constitutional safeguards, including the First Amendment, have no application at all within the military sphere. It only means that the rules must be somewhat different."

In 1974 the Supreme Court enlarged on the latter point (*Parker, Warden, et al.* v. *Levy*) in these words: ". . . while military personnel are not excluded from First Amendment protection, the fundamental necessity for obedience, and the consequent necessity for discipline, may render permissible within the military that which would be constitutionally impermissible outside it."

Indeed, the Supreme Court, in repeated decisions over the past twenty-five years, has drawn a clear distinction between military people and civilians. The Court in 1955 (*U.S. ex rel. Toth* v. *Quarles*) had this to say on the subject: "This Court has long recognized that the military is, by necessity, a specialized society separate from civilian society. We have also recognized that the military has, again by necessity, developed laws and traditions of its own during its long history. The differences between the military and civilian communities result from the fact that 'it is the primary business of armies and navies to fight or be ready to fight wars should the occasion arise.'"

Note the reference to "or be ready to fight wars" in that decision. That's what the military training mission is all about. Anything that might compromise that mission presumably would not be upheld by the highest tribunal in the land.

Could unionization compromise it?

In 1953 (*Orloff* v. *Willoughby*) the Supreme Court had this to say: "'An army is not a deliberative body. It is the executive arm. Its law is that of obedience. No question can be left open as to the right to command in the officer, or the duty of obedience in the soldier.'"

And the Court enlarged on this point in 1974 (*Parker, Warden, et al.* v. *Levy*) in these words: "... within the military community there is simply not the same autonomy as there is in the larger civilian community. The military establishment is subject to the control of the civilian Commander in Chief and the civilian departmental heads under him, and its function is to carry out the policies made by those civilian superiors."

What if union policies do not agree with those of the Commander in the field or with those of the Commander in Chief in the White House or with "the civilian departmental heads under him"?

The answer, of course, is that military people have no alternative but to fulfill "the duty of obedience in the soldier" or face prosecution under the Uniform Code of Military Justice—a Code which the Supreme Court has ruled (*Parker* v. *Levy*, 1974) "'cannot be equated to a civilian criminal code.'"

Military people must not be faced with this dilemma. If they are, something must give—and it could be national security. The stakes are too high for that risk.

In courtroom parlance, the evidence is overwhelmingly *against* military unionization, and adequate statutory provisions seem to exist to prevent it. Thus, in expressing our unalterable opposition to unionization of the military, the Air Force Association calls upon the Administration to exercise its authority and prohibit it.

HUMAN RIGHTS IN THE AMERICAS

Mr. PROXMIRE. Mr. President, on a recent trip to Chile to attend a meeting of the United Nations Economic Commission on Latin America, Secretary Kissinger spoke on the very important issue of protection of basic human rights.

In his speech, the Secretary reminds all of us of the critical task before developed and developing nations, as we push for greater political cooperation and economic progress. America and all Americas have the responsibility of recalling and acting in accord with the fundamental freedoms which are the right of all mankind.

We are approaching a critical time in our political and economic relations with the people of Latin America. Understanding and concern for the protection of the basic human rights of the peoples of these developing nations is vital now more than ever.

Mr. President, I ask unanimous consent that Dr. Kissinger's speech be printed in the RECORD. He is addressing a vital issue at a vital time.

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

HUMAN RIGHTS

One of the most compelling issues of our time, and one which calls for the concerted action of all responsible peoples and nations, is the necessity to protect and extend the fundamental rights of humanity.

The precious common heritage of our Western Hemisphere is the conviction that human beings are the subjects, not the objects, of public policy; that citizens must not become mere instruments of the state.

This is the conviction that brought millions to the Americas. It inspired our peoples to fight for their independence. It is the commitment that has made political freedom and individual dignity the constant and cherished ideal of the Americas and the envy of nations elsewhere. It is the ultimate proof that our countries are linked by more than geography and the impersonal forces of history.

Respect for the rights of man is written into the founding documents of every nation of our hemisphere. It has long been part of the common speech and daily lives of our citizens. And today, more than ever, the successful advance of our societies requires the full and free dedication of the talent, energy, and creative thought of men and women who are free from fear of repression.

The modern age has brought undreamed-of benefits to mankind—in medicine, in technological advance, and in human communication. But it has spawned plagues as well—in the form of new tools of oppression as well as of civil strife. In an era characterized by terrorism, by bitter ideological contention, by weakened bonds of social cohesion, and by the yearning for order even at the expense of liberty, the result all too often has been the violation of fundamental standards of humane conduct.

The obscene and atrocious acts systematically employed to devalue, debate, and destroy human life during World War II vividly and ineradicably impressed the responsible peoples of the world with the enormity of the challenge to human rights. It was precisely to end such abuses and to provide moral authority in international affairs that a new system was forged after that war—globally in the United Nations and regionally in a strengthened inter-American system.

The shortcomings of our efforts in an age which continues to be scarred by forces of intimidation, terror, and brutality fostered sometimes from outside national territories and sometimes from inside have made it dramatically clear that basic human rights must be preserved, cherished, and defended if peace and prosperity are to be more than hollow technical achievements. For technological progress without social justice mocks humanity; national unity without freedom is sterile; nationalism without a

consciousness of human community—which means a shared concern for human rights—refines instruments of oppression.

We in the Americas must increase our international support for the principles of justice, freedom, and human dignity—for the organized concern of the community of nations remains one of the most potent weapons in the struggle against the degradation of human values.

HUMAN RIGHTS CHALLENGE IN THE AMERICAS

The ultimate vitality and virtue of our societies spring from the instinctive sense of human dignity and respect for the rights of others that have long distinguished the immensely varied peoples and lands of this hemisphere. The genius of our inter-American heritage is based on the fundamental democratic principles of human and national dignity, justice, popular participation, and free cooperation among different peoples and social systems.

The observance of these essential principles of civility cannot be taken for granted even in the most tranquil of times. In periods of stress and uncertainty, when pressures on established authority grow and nations feel their very existence is tenuous, the practice of human rights becomes far more difficult.

The central problem of government has always been to strike a just and effective balance between freedom and authority. When freedom degenerates into anarchy, the human personality becomes subject to arbitrary, brutal, and capricious forces. When the demand for order overrides all other considerations, man becomes a means and not an end, a tool of impersonal machinery. Clearly some forms of human suffering are intolerable no matter what pressures nations may face or feel. Beyond that all societies have an obligation to enable their people to fulfill their potentialities and live a life of dignity and self-respect.

As we address this challenge in practice, we must recognize that our efforts must engage the serious commitment of our societies. As a source of dynamism, strength and inspiration, verbal posturings and self-righteous rhetoric are not enough. Human rights are the very essence of a meaningful life, and human dignity is the ultimate purpose of government. No government can ignore terrorism and survive, but it is equally true that a government that tramples on the rights of its citizens denies the purpose of its existence.

In recent years and even days, our newspapers have carried stories of kidnappings, ambushes, bombings, and assassinations. Terrorism and the denial of civility have become so widespread, political subversions so intertwined with official and unofficial abuse, and so confused with oppression and base criminality, that the protection of individual rights and the preservation of human dignity have become sources of deep concern—and worse—sometimes of demoralization and indifference.

No country, no people—for that matter no political system—can claim a perfect record in the field of human rights. But precisely because our societies in the Americas have been dedicated to freedom since they emerged from the colonial era, our shortcomings are more apparent and more significant. And let us face facts: Respect for the dignity of man is declining in too many countries of the hemisphere. There are several states where fundamental standards of humane behavior are not observed. All of us have a responsibility in this regard, for the Americas cannot be true to themselves unless they rededicate themselves to belief in the worth of the individual and to the defense of those individual rights which that concept entails. Our nations must sustain both a common commitment to the human rights of individuals and practical support for the institutions and procedures necessary to insure those rights.

The rights of man have been authoritatively identified both in the U.N. Universal Declaration of Human Rights and in the OAS's American Declaration of the Rights and Duties of Man. There will, of course, always be differences of view as to the precise extent of the obligations of government. But there are standards below which no government can fall without offending fundamental values—such as genocide, officially tolerated torture, mass imprisonment or murder, or comprehensive denials of basic rights to racial, religious, political, or ethnic groups. Any government engaging in such practices must face adverse international judgment.

The international community has created important institutions to deal with the challenge of human rights. We here are all participants in some of them—the United Nations, the International Court of Justice, the OAS, and the two Human Rights Commissions of the United Nations and the OAS. In Europe an even more developed international institutional structure provides other useful precedents for our effort.

Procedures alone cannot solve the problem, but they can keep it at the forefront of our consciousness and they can provide certain minimum protection for the human personality. International law and experience have enabled the development of specific procedures to distinguish reasonable from arbitrary government action on, for example, the question of detention. These involve access to courts, counsel, and families; prompt release or charge; and, if the latter, fair and public trial. Where such procedures are followed, the risk and incidence of unintentional government error, of officially sanctioned torture, of prolonged arbitrary deprivation of liberty, are drastically reduced. Other important procedures are habeas corpus or amparo, judicial appeal, and impartial review of administrative actions. And then there are the procedures available at the international level—appeal to, and investigations and recommendations by, established independent bodies such as the Inter-American Commission on Human Rights, an integral part of the OAS and a symbol of our dedication to the dignity of man.

The Inter-American Commission has built an impressive record of sustained, independent, and highly professional work since its establishment in 1960. Its importance as a primary procedural alternative in dealing with the recurrent human rights problems of this hemisphere is considerable.

The United States believes this Commission is one of the most important bodies of the Organization of American States. At the same time it has a role which touches upon the most sensitive aspects of the national policies of each of the member governments. We must insure that the Commission functions so that it cannot be manipulated for international politics in the name of human rights. We must also see to it that the Commission becomes an increasingly vital instrument of hemispheric cooperation in defense of human rights. The Commission deserves the support of the Assembly in strengthening further its independence, evenhandedness, and constructive potential.

REPORTS OF THE OAS HUMAN RIGHTS COMMISSION

We have all read the two reports submitted to this General Assembly by the Commission. They are sobering documents for they provide serious evidence of violations of elemental international standards of human rights.

In its annual report on human rights in the hemisphere, the Commission cites the rise of violence and speaks of the need to maintain order and protect citizens against armed attack. But it also upholds the defense of individual rights as a primordial function of the law and describes case after case of serious governmental actions in derogation of such rights.

A second report is devoted exclusively to the situation in Chile. We note the Commission's statement that the Government of Chile has cooperated with the Commission, and the Commission's conclusion that the infringement of certain fundamental rights in Chile has undergone a quantitative reduction since the last report. We must also point out that Chile has filed a comprehensive and responsive answer that sets forth a number of hopeful prospects which we hope will soon be fully implemented.

Nevertheless the Commission has asserted that violations continue to occur, and this is a matter of bilateral as well as international attention. In the United States concern is widespread in the executive branch, in the press, and in the Congress, which has taken the extraordinary step of enacting specific statutory limits on U.S. military and economic aid to Chile.

The condition of human rights as assessed by the OAS Human Rights Commission has impaired our relationship with Chile and will continue to do so. We wish this relationship to be close, and all friends of Chile hope that obstacles raised by conditions alleged in the report will soon be removed.

At the same time the Commission should not focus on some problem areas to the neglect of others. The cause of human dignity is not served by those who hypocritically manipulate concerns with human rights to further their political preferences, nor by those who single out for human rights condemnation only those countries with whose political views they disagree.

We are persuaded that the OAS Commission, however, has avoided such temptations.

The Commission has worked and reported widely. Its survey of human rights in Cuba is ample evidence of that. Though the report was completed too late for formal consideration at this General Assembly, an initial review confirms our worst fears of Cuban behavior. We should commend the Commission for its efforts—in spite of the total lack of cooperation of the Cuban authorities—to unearth the truth that many Cuban political prisoners have been victims of inhuman treatment. We urge the Commission to continue its efforts to determine the truth about the state of human rights in Cuba.

In our view the record of the Commission this year in all these respects demonstrates that it deserves the support of the Assembly in strengthening further its independence, evenhandedness, and constructive potential.

We can use the occasion of this General Assembly to emphasize that the protection of human rights is an obligation not simply of particular countries whose practices have come to public attention. Rather, it is an obligation assumed by all the nations of the Americas as part of their participation in the hemispheric system.

To this end the United States proposes that the Assembly broaden the Commission's mandate so that instead of waiting for complaints, it can report regularly on the status of human rights throughout the hemisphere.

Through adopting this proposal the nations of the Americas would make plain our common commitment to human rights, increase the reliable information available to us, and offer more effective recommendations to governments about how best to improve human rights. In support of such a broadened effort, we propose that the budget and staff of the Commission be enlarged. By strengthening the contribution of this body, we can deepen our dedication to the special qualities of rich promise that make our hemisphere a standard-bearer for freedom-loving people in every quarter of the globe.

At the same time we should also consider ways to strengthen the inter-American system in terms of protection against terrorism, kidnapping, and other forms of violent threats to the human personality, especially those inspired from the outside.

NECESSITY FOR CONCERN AND CONCRETE ACTION

It is a tragedy that the forces of change in our century—a time of unparalleled human achievement—have also visited upon many individuals around the world a new dimension of intimidation and suffering.

The standard of individual liberty of conscience and expression is the proudest heritage of our civilization. It summons all nations. But this hemisphere, which for centuries has been the hope of all mankind, has a special requirement for dedicated commitment.

Let us then turn to the great task before us. All we do in the world—in our search for peace, for greater political cooperation, for a fair and flourishing economic system—is meaningful only if linked to the defense of the fundamental freedoms which permit the fullest expression of mankind's creativity. No nations of the globe have a greater responsibility. No nations can make a greater contribution to the future. Let us look deeply within ourselves to find the essence of our human condition. And let us carry forward the great enterprise of liberty for which this hemisphere has been—and will again be—the honored symbol everywhere.

ECONOMIC DROUGHT DESTROYING FAMILY FARMS

Mr. ABOUREZK. Mr. President, the family is the backbone of American agriculture. The interest and welfare of the consumers of our Nation and those in need throughout the world depend heavily on the well-being of the family farm.

However, the family farm is disappearing at an alarming rate. An article that appeared in the March/April issue of State Legislatures entitled "Economic Drought Destroying Family Farms" describes some of the economic problems that are forcing the family off of the farm. Among the problems cited in this article are the rising costs of production, competition from large conglomerates entering into agriculture production, vertically integrated corporations that have an unfair competitive advantage, and Federal and State inheritance taxes that make it difficult for a family farm to be passed on from one generation to the next.

The article pays particular attention to the problem of corporations and conglomerates entering into farming. It points out that giants such as ITT, the John Hancock Co., and Greyhound are making significant inroads into agriculture. Small farmers are finding it impossible to compete with these corporate giants. I have introduced legislation, the Family Farm Antitrust Act of 1975, that would prevent such companies from entering into agriculture. I urge my colleagues to review this article when considering this legislation.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

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

ECONOMIC DROUGHT DESTROYING FAMILY FARMS

A new bumper sticker, "Crime Doesn't Pay, Neither Does Farming," has appeared on many farm trucks in the midwest. Unfortunately, for many the slogan holds more truth than rhetoric. In the past 20 years, 2 million farms have been lost and 30 million people have been forced into our already overcrowded cities. America is losing 400 million acres of farmland each year, and every month the lights go out in another 2000 to 3000 family farms.

The reason is economic. In the past three years, farm machinery costs are up, fertilizer and chemicals costs have tripled, energy rates have skyrocketed, and freight prices have soared. Although the cost of farm products has risen slowly, it has not equalled the nation's inflation rate.

One estimate is that today it may cost as much as $250,000 to start a farm, an amost impossible credit requirement for many young farmers. As State Sen. Leslie Droge (Kans.) says. "You'd be an old man before you could pay off a reasonable-sized farm today."

As a result of these conditions, big corporations and conglomerates are becoming the only ones who can afford to farm. More than 60 percent of all agricultural land in Iowa and Illinois, for example is owned by absentee landowners. In George, a handful of large companies, most of them multinationals, own nearly 70 percent of the state's forestland. Nationally, eight oil companies own almost 65 million acres, which is more than 13 times the size of New Jersey. Twelve timber companies own more than 34 million acres, or about the size of Illinois.

Farming today is not what it used to be. The John Hancock Co. now sells soybeans as well as insurance. ITT produces both hams and electronic equipment, and Greyhound runs turkey processing plants along with its buses. For the small farmer it is often impossible to compete with these corporate giants.

Corporate, vertically-integrated farms which control almost everything from the seed to the supermarket have financial advantages over individual farmers. A corporate group which owns the farmland, the processing plants and the marketing business can soak up losses that would ruin the small family farmer.

Corporate farms are seldom unwelcome in an area because they employ local townspeople, run large, modern operations, and always pay their taxes. But while they may be reliable neighbors, large absentee corporations are not necessarily the best farmers. In the only official report issued on the subject, the U.S. Department of Agriculture found that maximum efficiency is generally achieved "at a relatively small size of operation and remains more or less constant through the very large range."

The key to this efficiency, according to Kansas Sen. Droge, is commitment. An individual farmer will work 16 hours a day, 7 days a week, to make his farm produce because he has no other choice. Workers on a corporate farm need only put in their eight hours, and the paycheck comes every week, whether the farm produces or not. Centuries ago, Confucius put it another way: "The best fertilizer is the footsteps of the landowner."

State laws restricting corporate farming have been primarily a midwestern interest. In all, nine states have some sort of legislation restricting corporate farming (Kan., N.D., Minn., Wis., S.D., Iowa, Neb., Mo., Okla.).

Kansas was the first state to have such legislation Passed in 1931. It states that corporations can have only ten or fewer stockholders, incorporators must be Kansas residents, stockholders cannot own stock in any other corporation, and corporations cannot own or supervise more than 5,000 acres.

The Kansas law was enacted after a bad experience with a corporate venture in 1927. A wheat farming corporation bought 64,000 acres to demonstrate the potential profit in corporate farming. The corporation sold stock, and in 1929 when the market crashed, Kansas stockholders found themselves with neither their money nor their land.

The only other state which has had a corporate farming law for more than 40 years is North Dakota. In 1932, after experiences similar to Kansas, almost all corporations were prohibited from farming. Since then, there have been few exceptions. Despite regular attempts to repeal it, the North Dakota law seems firmly entrenched.

Minnesota was the first state in this decade to regulate corporate farming. It allows only two classes of corporations to farm and own agricultural land. "Family farm corporations" must have been founded for the purpose of farming, have none of the stockholders as corporations, and have at least one of the stockholders qualify as a state resident. A corporation which owned land before the effective date of the law is also permitted to farm in the state.

While corporations acquire land at an alarming rate, the spread of urban areas is also consuming about 2.2 million acres of farmland a year. Currently, nearly 20 percent of all U.S. farms are within so-called urban areas. These farms have suddenly become part of the urban fringe, and farmers are finding that their land's development value is as much as five times its farm value. In DuPage County, Illinois, for example, some farm land has been sold to developers for as much as $35,000 an acre. At tax time, farmers are sometimes assessed at their land's development value, instead of its use value. Often the tax burden is so great that farmers are forced to sell all or part of their land.

Today, more than 30 states have modified assessment laws giving preferential treatment to farms and open lands. Basically, the laws fall into three categories:

1. *Preferential Assessment:* Land is valued at its current use value, not its development value in at least nine states (Fla., Ark., Colo., Del., Ind., Iowa, N.M., S.D., Wy.). Requirements for participation vary. In some states, farmers must apply for preferential treatment, while in others, any farm-land automatically qualifies.

2. *Deferred Taxation:* Land is assessed at its current use, but if the land changes to development use, unpaid taxes on the development value are "recaptured." At least 17 states (Ala., Conn., Ill., Ky., Ma., Md., Miss., Mont., N.H., N.J., N.Y., N.C., R.I., Tex., Vt., Va.) have such laws and in most cases, landowners must apply to defer the taxes.

3. *Restrictive Agreements:* Several states have laws allowing local government to negotiate with a landowner to restrict development for a tax preference. Ten years is the standard period for non-development. One example is Hawaii, where a landowner applies to the state for preferential tax treatment. In exchange, he cannot develop his land for 10 years. This system combines lands use regulation, land use restrictions, and preferential taxation.

Problems also arise when a farmer dies. A 50 acre farm purchased in 1942 for $40 an acre might now be worth about $4,000 an acre. The value of the land's farm production has not risen nearly as much, however, leaving the farmer only "paper rich." When he dies, his family is often unable to pay the large inheritance tax on the land. The only alternative is to sell the land to pay the taxes. The widow of a Logan County, Ill., farmer recently sold 80 acres of the family farm to help pay a $150,000 federal tax bill on the estate.

Testifying on behalf of the National Conference of State Legislatures before the House Ways and Means Committee in March 1976, State Rep. Joseph Hubenak (Tex.) said, "A combined state and federal effort is needed to maintain the viability of the family farm . . . the states have realized their role in rectifying the problem of inheritance taxes, but without changes in the federal estate

tax laws, state actions will be greatly overwhelmed."

In Congress, 206 bills have been introduced on the issue of inheritance taxes. One, sponsored by Rep. Omar Burleson, (D-Tex.) would increase the exemption on small farms and businesses from $60,000 to $200,000. The marital exemption would be raised to $100,000 plus 50 percent of the adjusted gross value. The value assessment procedure would be based on the land's current farm value, not its market development value. NCSL's Intergovernmental Relations Committee has endorsed the provisions of the Burleson bill.

Conceding that changes must be made, President Ford has proposed that the inheritance tax exemption be raised to $150,000. He has also proposed that the current 5 year payment period be extended to 25 years, and that deferred payments be made at lower interest rates.

Despite the need for changes, the reality of election year politics may put the inheritance tax issue on a back burner. Any changes in the estate tax law will cost the taxpayers money. The Library of Congress has estimated that if the Burleson bill, for example, were applied to everyone, it would cost the treasury $2.5 billion a year in lost taxes. Raising the exemption from $60,000 to $200,000 would itself cost more than $2 billion a year.

Many states are also looking into revising their inheritance tax laws. Last year, the Minnesota Senate passed a bill proposing the first major changes there since 1959. This year, the Minnesota House is working on almost identical legislation. Like the federal proposals, the legislation would increase the amount of property which can be transferred on death without being taxed.

The Senate is currently considering legislation to make it easier for young people to begin farming. The bill, called the Young Farmers Homestead Act of 1975, would create a Federal Farm Assistance Corporation within the Department of Agriculture. The corporation would actually be a small board with the power to purchase family-sized farms or ranches. The board would then lease the farms to qualified young farmers for a term of seven years. For the first seven years, the young farmer would be free from any downpayment and any payment on the principal. Rent would be determined primarily by taxes.

After the first seven years, the government corporation would sell the unit to the farmer, financing it through the Farmers' Home Administration or regular commercial channels. The land, having appreciated during the first seven years, would be sold for 75 percent of its appreciated value. This would give the farmer an automatic 25 percent equity for financing. Similar legislation is also under consideration in the House.

Some states are experimenting with their own programs to help young farmers. In Minnesota, for example, the legislature has just passed a bill to help young farmers obtain credit for purchasing farmland.

Today the extinction of the small farm is no longer possible, it's probable. The squeeze of inflation and taxes is forcing more and more farmers to sell out, usually to large corporate farmers or developers. Rural lands is becoming harder to get, and unless there is federal and state action, the small family farmer will be just another mention in the history books. Or as Rep. Charles Rose (D-N.C.), says, "If we are not careful, we will not have any farmers to represent small farm operations by the tri-centennial."

NEA-AMERICAN BUSINESS FORGE PARTNERSHIP

Mr. BEALL. Mr. President, on November 20 of last year I had the pleasure of calling to the attention of my colleagues in the Senate a new and exciting effort to form a union between American education and business. Closer cooperation and links between education and industry can be beneficial to both parties, and even more important, can be of great value to the students and the general public.

For over a year now the American Cyanamid Co. and the National Education Association have been working to design a program to stimulate special cooperative ventures. Although NEA is a national organization and the American Cyanamid Co. is a national corporation, the key to the success of this effort will depend on the links forged between educators and businessmen at the local levels.

As John Ryor, the president of the National Education Association, has stated:

> The relationship between industry and education ought to be different than it has been in the past. It ought to be a real partnership of real excellence in our schools based on what we can offer together to the national community.

In addition to the American Cyanamid Co., two other national corporations—the American Telephone & Telegraph Co. and the International Paper Co. Foundation—have combined to encourage business support for this endeavor.

On June 30, James G. Affleck, chairman of the American Cyanamid Co., addressed 15,000 NEA delegates at their convention and stated:

> In the midst of today's educational crisis, it is more important than ever that corporations plow back some of their talent, their unique practical experience, into the educational system that has done so much to make American industry the envy of the world.

Mr. President, I ask unanimous consent that an announcement of this joint industry-NEA effort be printed in the RECORD, and I most certainly want to commend the parties involved for this undertaking, which holds much promise for improved education and better understanding between American education and industry.

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

ANNOUNCEMENT

MIAMI BEACH, FLA., June 30, 1976. Three major American companies announced today they have joined forces with the nation's largest teacher's union, the 1.7 million member National Education Association, to spearhead a drive for better quality education in virtually every U.S. community.

"Our personal and corporate tax dollars have never been and can never be enough," Dr. James G. Affleck, chairman of American Cyanamid Company, told 15,000 NEA delegates at their national convention here. "In the midst of today's educational crisis, it's more important than ever that corporations plow back some of their talent, their unique practical experience, into the educational system that has done so much to make American industry the envy of the world."

Working with Cyanamid to organize broad business support for the unprecedented project are the American Telephone and Telegraph Co. and International Paper Company Foundation.

"Our immediate goal," Affleck said, "is to enlist 200 companies in this grass-roots, industry-NEA effort. It will take support of this magnitude to achieve the personal rapport we seek between business people skilled in all disciplines—from economics to science and technology—and classroom teachers throughout the nation."

John Ryor, president of NEA, announced that the NEA executive committee has approved the program.

"The relationship between industry and education ought to be different than it has been in the past," Ryor said. "It ought to be a real partnership for excellence in our schools based on what we can offer together to the national community."

Affleck said NEA and industry plan to establish a national clearinghouse at NEA's Washington headquarters for cooperative educational programs. A variety of pilot programs will be conducted in the next 12 months to show what can be done, and to determine feasibility.

The clearinghouse is designed to provide programs of proven value for dissemination at one thousand "town meetings" to be held during National Education Week in November, 1977. These local forums, in small towns and big cities across the land, will bring together businessmen and teachers to discuss classroom problems and the ways in which "next-door businesses" can help students.

A national television program, to be sponsored by the cooperating companies and NEA, will telecast the results of the clearinghouse studies to each of the town meetings.

Affleck stressed that the clearinghouse programs will serve as a starting point. It's up to the teachers and business people at each locality to explore specific needs and goals and work together to get the job done, he said.

The main point, he explained, is that practical, local projects will be encouraged, bringing together classroom teachers and industry people in a personal working relationship.

Cyanamid's chief executive added:

"We are both parts of the same whole, and what helps the student in Washington, or Watts or Wausau is going to help strengthen our society and institutions. Education and industry need the interest and dedication of youth. We've both got to ensure that what we have to offer is relevant to the needs of youth."

In a related move, Affleck announced that Cyanamid has joined with the U.S. State Department and the NEA to sponsor a six-week visit to the United States by nine foreign teachers. The educators, from North and South America, Europe, Asia and Africa, began their tour today at the NEA convention. They will exchange views with other educators and industry and people across the country and conclude their U.S. experience by attending the annual meeting of the World Confederation of Organizations of the Teaching Profession in Washington in early August.

THE DISTINGUISHED CAREER OF BRUNO V. BITKER

Mr. PROXMIRE. Mr. President, on June 15, Bruno V. Bitker resigned as chairman of the Wisconsin Governor's Commission on the United Nations. This event and Mr. Bitker's outstanding service to the State and Nation should not go unnoticed nor should we neglect to show our appreciation for his contributions to better understanding among peoples of the world.

Mr. Bitker had been the only chairman of the commission, except for sabbatical leaves, since it was formed by then Gov. Gaylord Nelson, in 1958. In 1968, he served as the U.S. representative to the U.N. International Confer-

ence on Human Rights held in Teheran, Iran. In the past, he has served as chairman of the American Bar Association Section Committee on International Courts and as a member of the U.S. National Commission for UNESCO and the President's Commission for Human Rights. He has continued to be the most outstanding advocate of the Genocide Convention.

During his career, Bruno Bitker has distinguished himself as an advocate of peace and cooperation in the community of nations. He has long dedicated himself to the strengthening of international organizations as it is his belief that only through these can the world survive. In his farewell address, he has noted that while the United Nations has been relatively unsuccessful in preventing wars, its achievements in economic, social, and cultural fields have been tremendous.

He has concluded that wars will occur if man thinks they must, and that they will end if man believes they must end. Toward this end, Mr. Bitker realizes that further proliferation of weapons by all nations only leads us away from peace and the fulfillment of needed social and economic reforms. He recognizes that the cost for both military and social expenditures can not adequately be met by even the richest nations and sees the need for a reexamination of priorities.

Mr. President, the State of Wisconsin, the Senate, and the Nation should offer salute to Bruno Bitker today. His dedication to international peace, his compassion and intellect should inspire us all.

Mr. President, I ask unanimous consent that Mr. Bitker's final address as chairman of the Governor's Commission on the United Nations be printed in the RECORD.

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

STATEMENT OF BRUNO V. BITKER

The United Nations is now 30 years of age, its standing at the lowest point in any international Dow Jones scale, its support weakened by irresponsible resolutions of the General Assembly. It would, therefore, be unrealistic to claim that the end of the United Nations is beyond the range of possibilities. After all, the League of Nations has come and gone. Great and potent empires throughout history have come and gone. No political organization can be assured of eternal life. But I assert that the United Nations must survive, or none of us will survive. When I say that, I do not mean that it must be the United Nations as we know it. I mean there must be an international organization, a supra-national organization to protect all of mankind from oblivion.

How many world wars can mankind stand? Indeed, how many so-called minor wars such as Vietnam, Korea, the Middle East, Pakistan, can mankind endure? How many more lives must be lost and human bodies maimed before civilization ceases to function rationally? How many homes and fields and hospitals and churches and schools and waterways must be bombed before the survivors dies of disease and starvation?

Can the United Nations in some form survive? It must survive if we are to survive. Despite its poor record on preventing wars, its achievements in the economic, social, and cultural fields are remarkable. But it needs strengthening. There are obvious obstacles to overcome in restructuring the present international organization. The problems are major and with the increase in membership from 50 to almost 150, these problems have been magnified. But the most serious obstacle to a resolution of these problems lies within ourselves. It is the insistence of all states on absolute sovereignty which prevents achievement of the purposes for which the UN was created. It is as though we were standing on a road at the bottom of a mountainside on which mammoth boulders were poised to crash upon us and all we did was to stand there staring, waiting for disaster, but absolutely certain that the instruments of destruction would fall upon those on the other side of the roadway and not upon us. But then, the surprise attack and the counterattack, say the optimists, will kill only half on each side. A cheerful thought!

We are long past the time when every nation in the world—big or small—should be permitted to maintain armaments—defensive or offensive—which are potent beyond all reasonable need of internal policing. The day must come when national armaments cease to exist. Then weapons strong enough to maintain peace in the world would be available only to the international community itself and not to any individual nation or group of nations. Is this possible? Of course it is possible if mankind so decides—yes, and demands that it happen.

The abolition of war is so universally desirable it must be possible of attainment. Wars will occur if man thinks they must occur; they will end if man believes they must end. The opening paragraph of the UNESCO Constitution summarizes it: "Since wars begin in the minds of man, it is in the minds of men that the defenses of peace must be constructed."

Obviously, nations feel insecure. If they did not feel insecure there would be no need for them to seek security through the one way which they believe is certain, i.e. armaments. They would not have to waste billions upon billions of dollars for military security blankets. They refuse to accept the idea that there could exist an authority higher than their own sovereignty by which war could be prevented. Sovereignty is the shibboleth which prevents recognizing that all must live or all will die. As former U.S. Ambassador to the UN, Charles Yost, has said:

". . . the interests of all in the modern world are so bound together that those of one nation cannot be served over the long run without all being served, that those of one nation cannot be imperiled without all being imperiled."

Can the UN survive? I say again and again that it must survive if we are to survive. The ideal of peace on earth, goodwill toward man is not a new twentieth century concept. For centuries man has sought to attain a world of peace. For short periods in history this has been reached by the supremacy of one nation over all others, for example, the Pax Romana. But this brings only brief breathing spells before the conquered nations break their chains and the wars are on again. Dependence on balance of power, currently relied upon to minimize the possibility of World War III, is now in fashion. But the balance of power never continues very long as each sovereign nation develops newer and deadlier weapons, thus creating the belief that it is the supreme power. Moreover, man's ingenuity permits the small as well as great powers to invent lethal weapons. Regional arrangements, too, have had their day. But does anyone believe that the existence of NATO on the one hand and the Warsaw Pact on the other, will, for example, deter China from exercising its sovereign right to build a modern, movable Chinese Wall by which it believes itself protected in doing whatever it decides to do in its own national interest? Nor has it stopped less powerful allies from endangering the peace of the world, as we have learned in the Middle East.

The traditional methods—alliances, deterrents, balance of power, regional arrangements, refined and updated as they have been in modern times—have not produced the desired result. And yet we turn to them, we rely upon them as though they were long time proven methods of keeping the peace. But they have all failed. And now that the world has shrunk, we must recognize these methods for what history and our own experience has exposed them to be: nostrums, quack medicines, fake cures. We live in one world, threatened by an annihilating fire. But there is no fire department.

This is not to say that international cooperation does not exist. It exists and it functions in a variety of ways—all non-political. While threats to world peace exist and actual shooting wars go on, the United Nations, through its specialized agencies, carries on its day to day work in the social, economic, and educational fields. Because news stories about the UN rarely refer to its successes in these areas but do headline its failures in the area of peacekeeping, the fact is overlooked that almost 85% of the budget and personnel of the UN family is devoted to its broad humanitarian efforts.

In almost every activity of man, where international cooperation between individuals is required, there exists a specialized UN agency. A reference to a few of these specialized agencies will indicate the breadth of UN activities. There is WHO (World Health Organization) to raise health standards throughout the world; there is UNESCO (United Nations Educational, Scientific and Cultural Organization) to raise educational standards throughout the world, especially the elimination of illiteracy; there is ILO (International Labour Organization) to raise standards of working conditions everywhere; there is FAO (Food and Agricultural Organization) which seeks to make it possible for all men in all lands to live out their lives free from hunger; there is the UNDP (United Nations Development Programme) which seeks to further economic growth in the less developed countries. It is unfortunate that present procedures permit some activities of these specialized agencies to suffer the taint of politicization.

If world cooperation is possible on certain scientific, and cultural levels, why does it not succeed on the political level? What is missing is our refusal to recognize that war is obsolete, and that some central authority is needed to keep nations from annihilating each other. In order to survive, the world must acept an entity which actually represents and speaks for the world community in the spirit of the UN Charter which begins: "We The People of the United Nations". This is what the framers of the UN had hoped to create. The UN Charter states its purpose to be "to maintain international peace and security", "to save succeeding generations from the scourge of war", and to endure "that armed force shall not be used, save in the common interest." This means that there can be no sovereignty that permits the unrestrained use of force by any nation for its own ends.

The average citizen of the United States and, for that matter, much of the world, views the UN with a sense of frustration because the UN, despite its successes in some economic, social, and scientific areas, has largely failed to prevent war. It is increasingly necessary, first, to bring the nations of the world to the point where they use the United Nations structure as it exists; and second, to move the UN from the loose federation of sovereign states to a supranational organization with power to act in the name of all mankind.

Although the UN has been unable to move promptly on its own initiative to prevent armed conflicts, it has served as a face-saving device on various occasions, permitting the warring nations to halt the

killing. This alone would justify its existence. Its role in policing the cease-fires is best demonstrated in the currently explosive area—the Middle East. It can be taken for granted that no matter what negotiations are now taking place, or between whom, when a more permanent settlement of the Arab-Israeli conflict is reached, the parties will eventually turn to the United Nations to monitor the agreement.

Unfortunately, in other crises, similar peacekeeping efforts have not been as productive. And there is no assurance that circumstances will again permit the UN to act similarly. The UN is still a federation of wholly independent sovereign states and not a super-national organization empowered to enforce the peace. Is it possible now to move from the existing federation to a strong central authority?

The historical pattern for a world organization able to maintain law and order reflects our own national experience. When the War of Independence was fought, it was done under the umbrella of the most loosely organized federation of colonies. Under the original Articles of Confederation, Congress had no control over commerce, nor power to raise money. It could only seek help from States (as it did during the war) and then hope and pray that the States would respond favorably. Congress was given control over foreign affairs, but it could not make the states honor treaties entered into. For a decade after 1776 the American Colonies could not or would not collaborate. Something had to be done, and in 1789 it was done: the Constitution was adopted. Can the more than 130 nations of our world, each insistent on absolute sovereignty, as was the case with the original 13 colonies, be welded into an effective world body for the purpose of averting the annihilation of all?

The most specific obstacle now consists of the mistrust between the U.S.A. and the U.S.S.R., plus a similar mistrust between China and the U.S.S.R. This is a present fact of life. Perhaps we should accept the idea that these conditions will never disappear and that World War III is inevitable. But we cannot accept this conclusion.

There are two practical reasons for believing that world order is possible. One is the universal recognition of the results of a nuclear war. The increasing ability to cause large-scale destruction is so great that mankind will continue to demand protection against this horror. No method for adding force to atomic bombs, or the invention of more diabolical instruments for mass massacre, continues to be secret very long. Science knows no race or color or language or religion or nationality, or national boundary lines. Nor does it know what sovereignty is. No country can assert more than a momentary lead in scientific discovery: and that moment lasts only until the scientists of another country come up with a new and "better discovery. Nothing stays a secret. Recognition of this fact—long accepted by the world community of scientists—is a reason for optimism. Although nations with atomic weapons are, as of now, limited in number, soon it will be possible for any nation to acquire them. Although in a different price range, they could become as widespread as "Saturday night specials".

The second reason for believing that world order under law is attainable is that existing disorder costs too much. It is difficult to think about the cost of armaments in dollars. The figures are so astronomical as to be beyond comprehension. The cost is too high for even the righest of nations, including the U.S.A. and the U.S.S.R. At the same time that the armament race is accelerating, the world is demanding greater and greater social and economic reforms, the cost of which is likewise overwhelming. Economists are aware of this and so are political leaders. The world, as a whole, cannot buy butter for everyone and at the same time buy guns with which to kill everyone. As the people of the world become aware of this state of affairs, they will demand an organization empowered to insure world order under law. The only question is: Will it be done now or will it be done by the survivors, if any, on this earth who are left after the holocaust?

A recent New York Times business section story begins with the assertion that "The outlook for the United States military production industry is more cheerful today than in years". This may well be a fact, but is it a matter of pride or of shame? Prior to World War I, the German armament industry had become so mighty (e.g. the notorious Krupp Works) that the industralists were referred to as the "merchants of death", selling to any country which could afford, and some which could not afford, to buy. It was recently asserted by Cyrus R. Vance, former Deputy Secretary of Defense, that "During the last decade, the United States exported almost as many arms as all the other nations combined". This dubious honor places a special burden on the United States to move toward achieving universal disaramament policed by the United Nations. It would be more honorable to decline the honor.

Unfortunately, the nations of the world are reluctant to do what has to be done. But if mankind refuses to undertake the task of keeping the peace through the United Nations, the days of our civilization are numbered. If mankind succeeds in using the means at hand, human well-being will flourish.

OFFICE OF HISPANIC AFFAIRS

Mr. KENNEDY. Mr. President, I today have joined Senator DOMENICI and five of our colleagues as a cosponsor of Senate Joint Resolution 205, which would establish an Office of Hispanic Affairs within various departments of the Government and pay tribute to the many vital contributions of Hispanics to our Nation.

Today, over 12 million Americans identify themselves as being of Spanish-speaking background, up from the 9.1 million so identified by the 1970 census. By origin, the census found 4.5 million Mexican-Americans, 1.4 million Puerto Ricans, 0.5 million Cubans, and 2.6 million other Spanish.

Hispanics are today the most disadvantaged in the areas of health, employment, education, housing, and economic development. A. 1971 study done for the Boston Globe found 175,000 Spanish-speaking persons in Massachusetts, 62 percent of whom were illiterate, between 30 and 40 percent unemployed, and between 35 and 40 percent receiving public assistance. The Spanish-speaking population of Massachusetts tripled between 1962 and 1972.

In Boston, the income of Spanish-speaking families, the majority of whom are Puerto Rican in origin, is far below that of the average family.

Many Hispanics experience discrimination and are denied equal opportunity to the benefits of this land. They are denied too many social services and programs which most other Americans take for granted, and which would enable them to begin to lift themselves out of the poverty they now endure.

Despite the hardships, these Americans, who constitute the second largest and the fastest growing minority group, have made and are continuing to make significant contributions to enrich our Nation's society. Hispanics have served us in times of war and peace. They have a 400-year-old history in this Nation, and have long and valiantly served the cause of democracy. The Hispanics' contribution has been, and, I have no doubt, will continue to be, a vital and consistent influence in the cultural growth of our Nation. Spanish-speaking Americans are each day adding meaningfully to the diversity of this country and enriching the quality of life of all Americans.

Although the rate of immigration of Hispanics to our Nation has increased significantly—according to the Globe study, close to 3,000 Puerto Ricans migrate into Massachusetts alone each year—and although the United States has the fifth highest number of Spanish-speaking in the world, our Government has not yet developed an adequate method of determining their needs and their status in society. Only by knowing more about the needs of Spanish Americans can we insure they receive their fair share of Federal programs.

I firmly believe, Mr. President, that Senate Joint Resolution 205 would be a significant step toward achieving that objective. That is why I fully support this resolution and have joined as a cosponsor.

The resolution would establish and maintain an Office of Hispanic Affairs in major departments and agencies of the Federal Government, including Agriculture, Commerce, Defense, HEW, HUD, Interior, Justice, Labor, Transportation, Treasury, CSA, the VA, FCC, SBA, ERDA, NASA, NSF, Federal Home Loan Bank Board, and any other the President designates. The head of the department or agency would designate the director of the office, who would also serve as special assistant for Hispanic Affairs to that department or agency head. The special assistant would participate in all policy planning and development for all programs to insure that factors having an effect on the various Hispanic communities would be considered.

Furthermore, the department and agency heads would be required to insure the participation of their special assistants in review of all relevant and pertinent rules, regulations, and guidelines to assure that the laws, policies, and practices of the Federal Government are providing equal opportunities for Hispanics in all areas. The special assistants would make recommendations related to the special needs and problems unique to Hispanics, and would assist and advise Hispanic individuals and groups seeking services or assistance from the agency or department.

In addition, the chairperson of the 10 Federal regional councils would be instructed to insure that the Hispanics' needs and problems are considered in decisions related to Federal assistance to State and local governments made by Federal regional offices.

The Secretary of Commerce would be

directed to insure that existing information clearinghouse functions within the department encompass collection and dissemination of Hispanic information, in easily accessible form, concerning the economic, health, social, employment, and housing conditions and needs of Spanish-speaking Americans.

Mr. President, this resolution represents a major advancement from which we can begin to pay our debt to the Hispanic, who have given so much to our Nation. These Americans would be given a guarantee of sorts that they, too, can fully participate in the American dream. I, therefore, urge swift and unanimous adoption of this resolution.

PROPOSED ARMS SALES

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notifications I have just received.

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

OFFICE OF THE DIRECTOR, DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA,
Washington, D.C., July 6, 1976.

In reply refer to: I-5217/76.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act we are forwarding herewith Transmittal No. 76-59, concerning the Department of the Army's proposed Letter of Offer to Iran for helicopter repair parts estimated to cost $30.0 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency Deputy Assistant Secretary (ISA), Security Assistance.

[Transmittal No. 76-59]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

a. Prospective Purchaser: Iran.
b. Total Estimated Value: $30.0 million.
c. Description of Articles or Services Offered: Maintenance tools, repair parts and minor end items for support of non-tactical helicopters for FY 77.
d. Military Department: Army.
e. Date Report Delivered to Congress: July 6, 1976.

OFFICE OF THE DIRECTOR, DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA,
Washington, D.C., July 7, 1976.

In reply refer to: I-4608/76.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act we are forwarding herewith Transmittal No. 76-60, concerning the Department of the Army's proposed Letter of Offer to Iran for air transportation estimated to cost $29.8 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency, Deputy Assistant Secretary (ISA), Security Assistance.

[Transmittal No. 76-60]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

a. Prospective Purchaser: Iran.
b. Total Estimated Value: Amendment $10.5 million. Total Value $29.8 million.
c. Description of Articles or Services Offered: Air transportation of helicopters plus tools and repair parts.
d. Military Department: Army.
e. Date Report Delivered to Congress: July 7, 1976.

OFFICE OF THE DIRECTOR, DEFENSE SECURITY ASSISTANCE AGENCY AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE), OASD/ISA
Washington, D.C., July 7, 1976.

In reply refer to: I-4605/76.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act we are forwarding herewith Transmittal No. 76-56, concerning the Department of the Air Force's proposed Letter of Offer to Kenya for F-5 aircraft estimated to cost $70.6 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency, and Deputy Assistant Secretary (ISA), Security Assistance.

[Transmittal No. 76-56]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

a. Prospective Purchaser: Kenya.
b. Total Estimated Value: $70.6 million.
c. Description of Articles or Services Offered: Twelve (12) F-5E/F aircraft, spare parts, spare engines, support equipment, technical assistance and training.
d. Military Department: Air Force.
e. Date Report Delivered to Congress: July 7, 1976.

A DECLARATION OF BLACK INDEPENDENCE

Mr. BIDEN. Mr. President, the president of the Committee for the Improvement of Education in my home city of Wilmington, Beatrice R. Coker, has just forwarded to me a document entitled the "Declaration of Black Independence."

The Committee for the Improvement of Education is an organization of black citizens. This document represents the views of this particular organization as to what such a declaration of black independence might say. Although other black Americans might disagree with parts of this declaration, it makes recognition of the fact that since our country's infancy, black Americans have made an important contribution to our growth and our national life. This contribution must be recognized by black and white Americans alike.

Far too little attention has been paid by white Americans in this Bicentennial celebration to the great economic, cultural, and spiritual contributions black Americans have made to this great country.

The attached declaration attempts to do that, and I ask unanimous consent that it be printed in the RECORD.

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

THE DECLARATION OF BLACK INDEPENDENCE

The Declaration of Black Independence, submitted to the Congress of these United States by the Black Citizens of the State of Delaware on the occasion of his nation's 200th birthday—July 4, 1776 to July 4, 1976, in search of Congressional recognition for first class citizenship for black Americans.

When in the course of human events altruism gives way to avarice and intolerance by one man for his brother and causes that brother to suffer the travails and injustices of a racially intolerant nation, the victims of such travesties must declare themselves a "Free and Independent People." Such a declaration cannot be made subject to ratification or affirmation by any political body.

Whereas emancipation from the status of "property" was granted to black Americans in the year 1863 by President Abraham Lincoln.

And whereas, the forgotten enslaved men of color, builders of this nation equal to our white brothers, were not so recognized,

And whereas, the 13th Amendment of the Constitution of these United States abolished slavery and involuntary servitude;

Black Americans must be recognized as are so-called colonists for their contributions, in this nation's infancy to its maturation;

And whereas, this nation was built on the foundation of an enslaved, laboring people;

And whereas, first class citizenship for blacks, though so declared by the Constitution of these United States, is relegated by the majority to a precarious practicum;

And whereas, confidence in man to do justice for his brother has naught to gain a people free and equal rights inherent in the Constitution;

And whereas, all men, while endowed with certain unalienable rights by laws of man, are divinely endowed through god's creation;

We do hereby declare this Two Hundredth Year of Independence: "That All Black Men are Free, Equal, and Independent" in the sight of god and men, with all the privileges attributable to that status. Ratification of said declaration carries the sanction of the "One Supreme Being Man Hath No Power Over."

THE BLACK CITIZENS OF DELAWARE AND ALL BLACK CITIZENS OF AMERICA.

JUDICIARY REFORM

Mr. PEARSON. Mr. President, in both the other body and here in the Senate, a great deal has been heard recently about the need for court reform and reorganization to bring about more certain, swift, and sure justice. In Kansas, under the competent direction of Chief Justice Harold R. Fatzer, court reform has become a reality.

The courts, the legislature, the bar, and the voters of Kansas all participated in an impressive reform effort. As a result, most district courts in Kansas have virtually no backlog and the vast majority of civil and criminal cases are concluded within 6 months.

Going back to a citizens' conference on court modernization in 1964, the process began with three major recommendations. With the completion of the 1976 session of the legislature, all three of the objectives have been written into law.

Chief Justice Fatzer has accurately noted that—

> Our system of government is no stronger than our courts and our courts are no stronger than the people's confidence in them.

Confidence in our system of government is a very visible issue right now and I believe this is an example of a branch of government doing a great deal to instill renewed confidence in itself.

Mr. President, the Federal Government has recognized the value of a responsive judiciary as exemplified in the Kansas experience. The LEAA has commended this reform program to other jurisdictions in its most recent newsletter. I ask unanimous consent that the article be printed in the RECORD.

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

DECADE OF WORK GIVES KANSAS MODERN, UNIFIED COURTS

More than a decade of concerted and cooperative efforts by the Kansas Supreme Court, legislature, bar and interested citizens has given Kansas a modern, unified court system that administers justice efficiently and effectively.

Kansas Supreme Court Chief Justice Harold R. Fatzer says that citizen interest and support has been the leading factor in bringing about the state's sweeping judicial reforms.

"The people wanted to improve their court system. They wanted better courts," the Chief Justice says. "Every time the people of Kansas got a chance to vote on the courts, it was an overwhelming vote for judicial reform."

As a result of the reforms, Chief Justice Fatzer says, backlogs have been virtually eliminated in most district courts. Some 70 percent of all civil cases and more than 80 percent of all criminal cases are concluded within six months.

CITIZENS CONFERENCE

The reform movement started with a citizens conference on court modernization in 1964. The three major recommendations of the group were for a unified court system with an efficient administration; an effective method of judicial discipline; and the nonpartisan method of selecting the district court judges.

Following the 1976 session of the state legislature, all three of these basic objectives have been written into law.

The state legislature first responded to the citizens conference in 1965 with the passage of the Judicial Department Reform Act. The major thrust of the act was to give the Supreme Court administrative supervision over the state's district courts.

Under this legislation, the Supreme Court organized the district courts into six departments with a Supreme Court Justice presiding over each department. The justice was given the power to assign judges from one district to another on a temporary basis and to ask for the assistance of retired judges willing to serve.

This supervisory control, Chief Justice Fatzer says, "provided the key to unlock the pressing twin problems of disproportionate caseloads and case disposition in the district courts."

The act created the office of judicial administrator which has undertaken a statistical program whereby all cases in the district courts have been computerized so that the exact state of any district's docket can be ascertained at any time.

Also under the legislation, the Supreme Court has promoted a broadbased judicial education and training program which has been financed, in part, by LEAA grants.

As a result of these actions, Chief Justice Fatzer says, "district judges are no longer considered judicial islands unto themselves, but are a dedicated part of the state's judicial team concerned with the operation of the whole system."

As the reforms brought about by the 1965 legislation were being implemented, another citizens conference led to even more reforms. This committee was created by the legislature in 1968 to consider revisions needed in the state's constitution. A year later the panel recommended a complete overhaul of the state's constitutional article dealing with the judiciary. It said the transcendant requirement of the judiciary is to provide justice with the least possible delay.

The recommended revisions were embodied in legislation introduced in 1972. At that time Chief Justice Fatzer presented a "state of the judiciary" message to the legislature. It was the first time the state's Chief Justice had appeared before a joint session of the Kansas State legislature. He vigorously urged the adoption of the constitutional changes. The measure was placed on the ballot in 1972 and was overwhelmingly approved by the voters.

The new judicial article provided for "one court of justice" consisting of a Supreme Court, district courts and such other courts as established by law. It was also important for the courts for which it did not give constitutional standing. No mention was made of probate courts or justices of the peace.

IMPLEMENTATION

During the four years since the article was approved by the voters, its provisions have been implemented by legislative and judicial actions that include:

Adoption by the Supreme Court of a code governing the conduct of judges and establishing procedures for the discipline, including removal, of judges after appropriate hearings.

Extending the nonpartisan method of selection (adopted for Supreme Court justices in 1958) to district court judges in districts where the voters approved such a method. Voters have approved this method in 23 of the state's 29 judicial districts.

Restricting the political activities of judges selected under the nonpartisan plan.

Establishing the district court as a single-level trial court in Kansas. All courts of special and limited jurisdictions are being abolished and their jurisdictions transferred to the district court.

Appointing an administrative judge in each district with the power to transfer judges from one court to another within the district and to assign cases to particular judges.

Changing the district court clerk from an elected official to an appointed one.

COURT OF APPEALS

The legislature also created a state court of appeals for the first time in 1975 and this new court will become effective in January, 1977.

One of the main purposes of the court of appeals will be to give an expeditious and economical review of district court cases. It consists of seven judges who will sit in panels and conduct hearings throughout the state.

Chief Justice Fatzer says the new appeals court will provide justice more quickly and at less expense. By sitting in rotating panels of three judges, it will for practical purposes create two new appellate courts and "thus triple the state's capacity to hear appeals."

Secondly, he says, the smaller size of the panels will permit hearings on the original case record and eliminate the need for costly reproduction of trial records. Under the old system, he adds, "merely furnishing the court a useable record for the appeal may cost hundreds or even thousands of dollars."

Thirdly, the Chief Justice says, by hearing appeals throughout the state "justice will be brought to the people and litigants will be spared the expense of always sending their lawyers to Topeka."

Through all of the reforms, Chief Justice Fatzer says, "we are going to give the people better justice through better courts and better judges.

"Our system of government is no stronger than our courts and our courts are no stronger than the people's confidence in them. The people have repeatedly asked for improvement in the judiciary and we should be responsive to their demands."

ENERGY AND AGRICULTURE

Mr. CHURCH. Mr. President, it is unfortunate, but true, that the oil import situation is worse now than in 1973, at the time of the oil embargo by the Organization of Petroleum Exporting Countries—OPEC. Prior to the embargo, 33 percent of U.S. needs for oil were supplied by foreign sources; now imports are running at the 40 percent level—and rising. Federal Energy Administrator Frank Zarb recently revealed that by 1985, imports may provide at least 50 percent of domestic needs. This is shocking news.

In 1970, oil imports were valued at $3 billion. In 1975, after a 500 percent increase in the price of oil, the cost soared to $27 billion. Next year, according to Administrator Zarb, the United States may pay $35 billion for imports.

Finally, and most disturbing, the OPEC cartel provided 59 percent of all imports in 1975; those countries supplied 48 percent in 1973. While becoming more dependent upon foreign source oil, this Nation is also pursuing a dangerous course toward greater dependence upon the most unreliable sources of crude oil.

The economic stability of this country is largely dependent upon adequate supplies of energy. Energy is also vital to the maintenance of this country's supremacy in agricultural production. While adequate supplies of energy are necessary to our preeminence in food production, it is equally true that a strong agricultural economy has been the sole source of the Nation's favorable balances of trade. During 1975, agricultural commodities valued at $22 billion were exported from

the United States. These exports totaled approximately 80 percent of the dollars spent to import petroleum.

This bond of dependence among energy, food production, and economic stability was well articulated in a recent energy newsletter published by the Chase Manhattan Bank. I ask unanimous consent that the article be printed in the RECORD.

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

ENERGY AND AGRICULTURE

(By Gregory J. Shuttlesworth)

A hundred years ago, the United States was primarily an agricultural country, and much has been written about the role of energy in transforming this nation into the most advanced industrial power on earth. Less well known, perhaps, is the effect of energy in maintaining the United States' pre-eminence in the field of agriculture.

The application of energy in agricultural technology became measurable between forty and fifty years ago. Prior to that time, human labor, horses and mules were the dominant energy sources. From over 20 million in the mid-twenties, the number of horses and mules on farms decreased to about 7 million in 1950, and in subsequent years the Department of Agriculture stopped counting them. Human labor also declined from 21 billion man-hours in 1940 to less than 6 billion in 1974. During this period of time, however, the amount of acreage worked has increased by one-fifth and the total output of farm production has more than doubled.

In place of human and animal labor, farms now utilize energy powered machinery—5 million tractors, 3 million trucks, 1 million grain combines and cornpickers and numerous other specialized units. Mechanized farm equipment, in fact, is now so specialized and versatile that there are different types of harvesters for virtually every type of grain, vegetable, and fruit crop. To power such machinery farms currently require in excess of 18 million gallons per day of gasoline, diesel fuel, and liquefied petroleum gases.

Machinery is only one aspect of modern farming. Two others, which involve high energy use, are irrigation and crop drying. Although in some areas irrigation relies on gravity, more often water is pumped from wells, and in the case of more energy intensive sprinkler irrigation, it is put into pressurized distribution systems. These latter have greatly increased in use during the past fifteen years and represent the most effective form of irrigation. To power them the oil equivalent of almost 6 million gallons a day of energy is currently used, with gasoline, diesel fuel, liquefied petroleum gases, natural gas and electricity all making a contribution.

The use of energy for crop drying to reduce losses due to poor weather conditions has grown rapidly in the past two decades. The process may be carried out right on the farm or in large storage facilities in other locations. It is used for many crops, but has proved particularly beneficial in the production of corn. Indeed, more than half of the nation's corn crop is mechanically dried at the present time. Liquefied petroleum gases and natural gas are the principal energy fuels used in this process and over 4 million gallons daily is consumed.

The following table shows the trend of energy consumption for farm production purposes expressed in thousands of barrels daily of oil equivalent. The electricity portion is converted on the basis of the energy required to produce the electricity.

ENERGY USED FOR FARM PRODUCTION

[In thousands of barrels daily—oil equivalent]

	Vehicle use	Other energy uses	Total	Farm use as a percent of total energy use (percent)
1940	130	40	170	1.5
1950	290	130	420	2.6
1960	320	240	560	2.6
1970	390	330	720	2.2
1975	410	400	810	2.4

The development of the rural electrification program led to dramatic increases in the use of electricity on farms. The number of farms with electricity more than doubled between 1940 and 1950. The decline in subsequent years reflected the merging of smaller farms into larger units.

Between 1950 and 1975, the consumption of electricity on U.S. farms for production purposes increased from 15 billion kilowatt hours per year to 39 billion kilowatt hours per year. Approximately three-quarters of the 1975 total, 29 billion kilowatt hours, was required for crop irrigation. The balance was utilized for such farm production purposes as cooling and ventilating barns, powering milking machines, heating lamps and numerous other labor saving devices. The consumption per farm had risen to over 14,000 kilowatt hours a year by 1975, exclusive of general residential use.

In sum, the intense application of energy, coupled with the ever growing sophistication of farm equipment, has expanded agricultural productivity enormously. The number of acres worked per farm employee tripled between 1950 and 1975, from 117 to 353.

In addition to the on-site use of energy in agriculture, additional quantities are employed to provide products that are essential to modern-day farming. Included in this category are livestock feed materials, pesticides, and chemical fertilizers.

Businesses engaged in providing farmers with livestock feed materials include manufacturers of prepared feed, feed ingredients, animal and marine fats and oils, cottonseed oil and soybean oil. Those manufacturing sectors currently use the oil equivalent of approximately 2½ million gallons per day for their energy requirements. Natural gas is the principal fuel providing approximately one-half of the energy needs.

Pesticides represent another element of farming closely associated with the use of energy. Beginning with the introduction of DDT during World War II, numerous organic compounds have been developed to control disease organisms, insects, and weeds. The three principal types of chemical pesticides used by farmers—insecticides, herbicides and fungicides—are all largely petroleum derivatives. They are initially derived from such products as propane, butane, and naphtha and then processed through several intermediate stages. Although energy is required as raw material as well as for heat in the pesticide formulation process, the overall use amounts to slightly less than half a million gallons per day.

A major reason for the steady improvement in crop yields has been the development of chemical fertilizers. Use of these products resulted in an increase in total crop production of 60 percent between 1950 and 1975, even though the amount of cropland in use actually declined slightly. Corn is an excellent example of the beneficial use of fertilizer. Over the past two decades the yield per acre has increased by 150 percent.

Consumption of all types of fertilizers in the United States increased from 8.7 million short tons in 1940 to 47 million short tons in 1974—more than a fivefold increase, or an average rate of growth of 5 percent per year. Moreover, due to higher concentrations, the use of the primary nutrients—nitrogen, phosphate, and potash—increased even more rapidly than the overall consumption of commercial fertilizer. Between 1940 and 1974, the combined use of fertilizer primary nutrients grew at an average rate of 7 percent per year.

U.S. CONSUMPTION OF FERTILIZER

[In millions of short tons]

	Total use	Primary nutrient use	Proportion of primary nutrients to total (percent)
1940	8.7	1.8	21
1950	18.3	4.1	22
1960	24.9	7.5	30
1970	39.6	16.1	41
1974	47.0	19.3	41

Despite the growing need for energy in farm operations, farm use of energy as a proportion of total U.S. energy consumption has remained steady at approximately 2 percent over the past two decades. The cost of energy for farm purposes during this same period, however, has actually declined relative to other farm expenditures. Between 1950 and 1975 direct energy costs declined from 8.5 percent to 5.7 percent of total U.S. farm production expenditures. These are total costs and it is, of course, true that certain agricultural commodities such as grain, corn, and soybean products have been influenced by recent increases in energy costs to a substantially greater degree than farm output as a whole. Products requiring large amounts of indirect energy from inputs such as fertilizer materials are in that category.

In common with other industries, agriculture is seeking ways to offset some of the increases in energy costs by improved efficiency in energy use. For example, U.S. farmers already have made progress in saving energy through the purchase of fuel-conserving diesel tractors, which use only three-quarters as much fuel as gasoline tractors in performing equivalent work. Indeed, during the past two years as many as nine out of every ten new tractors purchased were diesel-powered. A start has been made on other methods of improving energy efficiency in farming, such as:

1. Reducing crop tillage and herbicide and pesticide application by being more selective.

2. Increasing the energy efficiency of irrigation systems by improved scheduling and other operational procedures.

3. Reducing dependence on manufactured fertilizer by greater use of animal wastes and by crop rotation.

Although only 2.4 percent of U.S. energy is consumed directly in farming, as much as another 8 percent is utilized by agricultural related industries. If the physical volume of farm output expands over the next decade at an average annual rate of approximately 2 percent (comparable with past growth trends), the additional energy required for farming and agricultural related industries could amount to the oil equivalent of 20 million gallons per day.

The agricultural sector represents a vital part of the nation's overall economic strength. In recent years agricultural output not only satisfied the growing needs of domestic markets, but also accounted for an extremely important part of the nation's export capacity. During 1975, agricultural commodities (primarily grain and feed products) valued at 22 billion dollars were exported from the United States—a sum equiv-

alent to 80 percent of the total spent to import petroleum. To the greatest extent possible, therefore, agricultural exports should be maintained to help offset domestic energy deficiencies.

The future of energy and agriculture in the United States remain closely related. For many years, the American consumer could take for granted abundant agricultural output, in large part because of improved farm technology that required the use of energy for heat and power as well as for raw materials. To produce sufficient quantities of agricultural products in the future also will require increased consumption of energy, even though at prices much higher than in the past. Returning to a less efficient and consequently less productive agricultural system is not a reasonable alternative.

CAPTIVE NATIONS WEEK

Mr. CHURCH. Mr. President, the week of July 18-24 is Captive Nations Week and I want to take this opportunity to offer my salute to the captive nations which have lost their independence. The people of Estonia and other captive nations have a rich cultural heritage and, happily, it continues to flourish in our country. In the year of our Bicentennial we can be especially proud of their resolute commitment to freedom. This is an appropriate time for each of us to join with those from the captive nations to proclaim our preference for the democratic form of government.

ECONOMIC IMPACT OF NASA R. & D. SPENDING

Mr. GOLDWATER. Mr. President, all too often these days we hear some uninformed people complaining about the money our highly successful space program has cost the American people. Some are fond of saying that the enormous feat of landing on the Moon was not worth the price. They claim the money could have been better spent in other ways.

I should just like to point out that these complaints overlook or ignore the tremendous benefits which this Nation's research and development in the space area has yielded to the American people. In fact, I firmly believe that within 10 years these spinoff benefits will yield dividends in excess of the 40-odd billion dollars that have gone into our space program. Our space program has meant much more than just landing on the Moon and investigating the planet Mars. It has produced hundreds of thousands of byproducts that are making life easier and helping people who are sick to get well and stay well. The benefits have ranged all the way from dietary improvements to more efficient dental equipment. In this connection Mr. President, an investigation was recently conducted into the economic impact of NASA spending for research and development. It was performed for the space agency by the Chase Econometric Associates, Inc. and its findings confirm that NASA's R. & D. expenditures, through increasing productivity growth in the economy have brought very substantial returns in the form of increased real gross national product. It disclosed that NASA expenditures create jobs without raising the rate of inflation and have a more stabilizing influence in a recovery period than does general Government spending.

Because of its importance to better public understanding of our entire space program, I ask unanimous consent that the final report on the economic impact of NASA's R. & D. be printed in the RECORD.

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

FINAL REPORT: THE ECONOMIC IMPACT OF NASA R. &. D. SPENDING, EXECUTIVE SUMMARY

ABSTRACT

In this study Chase Econometrics, Inc., has undertaken an evaluation of the economic impact of NASA R. & D. programs. The crux of the methodology and hence the results revolve around the interrelationships existing between the demand and supply effects of increased R. & D. spending, in particular, NASA R. & D. spending. The demand effects are primarily short-run in nature and have consequences similar to that of other types of government spending. The supply effects, which represent the results of a higher rate of technological growth manifested through a larger total productive capacity, are long-run in nature and have consequences very dissimilar to that of general types of government spending.

The study is divided into two principal parts. In the first part, the INFORUM Inter-Industry Forecasting Model is used to measure the short-run economic impact of alternative levels of NASA expenditures for 1975. The principal results of this part of the study are that a shift toward higher NASA spending within the framework of a constant level of total Federal expenditures would increase output and employment and would probably reduce the inflationary pressures existing in the economy. Hence, Chase concludes that NASA spending is more stabilizing in a recovery period than general government spending.

In the second part of the study, an aggregate production function approach is used to develop the data series necessary to measure the impact of NASA R. & D. spending, and other determinants of technological progress, on the rate of growth in productivity of the U.S. economy. The principal finding of this part of the study is that the historical rate of return from NASA R. & D. spending is 43 percent.

In the final part of the study, the measured relationship between NASA R & D spending and technological progress is simulated in the Chase Macroeconometric Model to measure the immediate, intermediate, and long-run economic impact of increased NASA R & D spending over a sustained period. The principal findings of this part of the study are that a sustained increase in NASA spending of $1 billion (1958 dollars) for the 1975-1984 period would have the following effects:

(1) Constant-dollar GNP would be $23 billion higher by 1984, a 2 percent increase over the "baseline," or no-additional-expenditure projections.

(2) The rate of increase in the Consumer Price Index would be reduced to the extent that by 1984 it would be a full 2 percent lower than indicated in the baseline projection.

(3) The unemployment rate would be reduced by 0.4 percent by 1984, and the size of the labor force would be increased through greater job opportunities so that the total number of jobs would increase by an additional 0.8 million.

(4) By 1984 productivity in the private non-farm sector would be 2.0 percent higher than indicated in the baseline projection.

Other simulations, of $100 to $600 million increases, show proportional reults.

The large beneficial economic effects of NASA R & D programs, particularly the unique combination of increased real GNP and a lower inflation rate, stem from the growth in general productivity resulting from NASA programs. Growth in productivity means that less labor (and/or capital) is needed per unit of output. This results in lower unit labor costs and hence lower prices. A slower rate of inflation leads in turn to a more rapid rise in real disposable income, which provides consumers with the additional purchasing power to buy the additional goods and services made possible by the expansion of the economy's production possibility frontier. Finally, the increase in real consumer expenditure leads to an increase in demand for the services of labor.

INTRODUCTION

Chase Econometric Associates, Inc. has undertaken an evaluation of the economic impact of NASA R & D spending on the U.S. economy. This study reports on both the short-run and long-run effects of changing levels of spending. Both the Chase Econometrics macro model and input-output model are used to calculate the impact of different spending levels on the overall economy and on specific industries in the short-run part of the study. The long-run part of the study includes an estimate of the relationship between NASA R & D spending and the rate of technological growth. This relationship is used to determine how much higher spending levels would raise aggregate supply and increase the total productive capacity of the economy. The demand effects stemming from an increase in spending are not substantially different from traditional multiplier analysis and are primarily short-run in nature. The supply effects do not begin to have a significant effect on aggregate economic activity until five years later, but the ultimate effects are much larger and very different than the effects of most forms of government spending.

SHORT-RUN IMPACTS OF NASA R. & D. SPENDING

Description of approach

The first part of the study deals with the short-term economic impact of NASA expenditures and attempts to answer the question of whether a higher level of NASA expenditures is more beneficial to the U.S. economy than a lower level during the year that the expenditures are made, holding the level of total Federal spending constant. This analysis is useful in examining the effects of altering the level of NASA expenditures as part of an overall economic stabilization policy.

The economic impact was calculated by preparing two forecasts of the U.S. economy for 1975 using alternative levels of NASA expenditures, which we term NASAHI and NASALO. The NASALO forecast assumed an expenditure by NASA of $1.35 billion in 1971 dollars for goods and services (excluding NASA employee wages) during calendar 1975. The NASAHI forecast assumed an expenditure of $2.35 billion by NASA with other Federal government spending reduced by $1 billion, hence leaving the total level of government spending unchanged. Because of this, the aggregate economic impact shown for this shift is quite small.

In order to measure the differential industry effect of the NASAHI and NASALO expenditure levels, we utilized the INFORUM Inter-Industry Forecasting Model. This model, which was developed by the Inter-industry Forecasting Project of the University of Maryland, has been expanded and modified by Chase Econometrics and has been linked to the Chase Econometrics Macroeconomic Forecasting Model to provide consistent economic forecasts for the industries included in the model. Through use of this model, it is possible to forecast the impacts

on major economic indicators such as inflation, employment, GNP, and productivity of a shift in the Federal budget to a higher level of NASA spending.

Short-run results

The effects of the two alternative forecasts on the aggregate economy, as estimated through use of INFORUM, are shown in Tables 1 and 2. While the results are not dramatic, they do indicate that the direction of change in economic activity from an increase in the level of NASA expenditure is positive and beneficial. The magnitudes are small because the total Federal expenditure has not been altered and these improvements result solely from a *shift* within total Federal expenditures. Nonetheless, these results do indicate that NASA expenditures are less inflationary than other Federal government expenditures, and that a shift toward higher NASA spending with a constant Federal expenditure is not inflationary in the present economy. Conversely, it would follow that a shift away from NASA to other Federal programs could be relatively inflationary in the present economy. Further, the employment effect of NASA expenditures is beneficial, although not large for this small change, and thus both goals of higher employment and lower rates of inflation would be hindered by a lower level of NASA expenditure.

TABLE 1.—MACROECONOMIC IMPACT OF NASAHI AND NASALO EXPENDITURES

[All figures are in billions of dollars except where indicated; otherwise]

	NASALO[1] 1975	NASAHI[2] 1975
Gross national product	1,529.9	1,530.1
Gross national product (1958 dollars)	820.7	820.7
Consumer Price Index (percent change)	10.5	10.5
Disposable personal income	1,084.9	1,085.0
Federal Government deficit	17.0	16.9

[1] NASA expenditures during 1975 of $1,350,000,000 in 1971 dollars.
[2] NASA expenditures during 1975 of $2,350,000,000 in 1971 dollars.

TABLE 2.—EMPLOYMENT BY INDUSTRIES AFFECTED BY A NASA SPENDING SHIFT

EMPLOYMENT BY SELECTED INDUSTRIES

[In thousands]

Industry, No., industry (SIC code)	High (thousands)	Low (thousands)	Difference
5—Missiles and ordnance (19)	154	142	+12
59—Machine shop products (359)	191	190	+1
67—Communication equipment (366)	404	402	+2
71—Aircraft	501	488	+13
Total			+28
22—Logging and lumber (241, 242)	307	308	−1
25—Furniture (25)	543	544	−1
27—Paper and products (26)	501	502	−1
30—Printing and publishing (27)	688	689	−1
31—Industrial chemicals	295	296	−1
72—Shipbuilding (373)	169	171	−2
Total			−7
Net gain in manufacturing employment (thousands of jobs)			+20

Thus in this section of the study we show that a shift to NASA expenditures from other Federal government spending will stimulate the economy without raising prices. In particular, we found the following effects of a shift of $1 billion in 1971 dollars.

(1) A higher level of NASA expenditures would not have had an inflationary impact on the U. S. economy during 1975 and would probably have reduced the inflation pressures in the economy.

(2) A shift of $1.0 billion in 1971 dollars, or $1.4 billion in 1975 estimated prices, from other Federal non-defense expenditures to NASA expenditures would have reduced the inflationary pressures in several key basic materials industries.

(3) A shift to increase NASA expenditures would have increased employment by 25,000 in the missile and ordnance and aircraft industries. While it would have reduced employment in ten other industries, the net increase in the manufacturing sector would have been 20,000 jobs.

(4) Output would have been stimulated in twenty-one industries. The principal industries which would have been affected had considerable excess capacity in 1975 and were producing at levels well below their peak years and in most cases below the average of the past five years.

The general conclusion reached in this section is that a shift toward higher NASA spending within the framework of a constant level of total Federal expenditures creates jobs without raising the rate of inflation, and hence is more stabilizing in a recovery period then general government spending.

THE IMPACT OF NASA R. & D. ON THE RATE OF CHANGE OF TECHNOLOGICAL PROGRESS

Description of approach

The second part of this study is an examination of the historical relationship between NASA R. & D. spending and the rate of technological progress. This examination requires two steps: (1) the construction of a time series to measure the rate of change of technological progress; and (2) an empirical investigation through regression analysis of the determinants of technological progress suggested by economic theory.

(1) Time Series for γ (gamma). The time series representing the rate of change in technological progress γ is a somewhat elusive measure, inasmuch as it requires developing a series for potential Gross National Product (GNP) as well as related series for labor and capital inputs. The series that was developed to measure γ is based on the methodology used by the Council of Economic Advisers. In addition, an alternative series for γ was developed, following the methodology of E. F. Denison, to test the sensitivity of the results to a change in the formulation of the γ series.

Our formulation of γ is as follows:

$$\gamma=\frac{\Delta X}{X}-\alpha\frac{\Delta L}{L}-(1-\alpha)\frac{\Delta K}{K}$$

where
X=full capacity or maximum potential output (national income or GNP) in constant prices
L=maximum available labor force
K=capital stock, defined as $K=\sum_{t=0}^{N}\lambda^t I_{t-1}$ where λ is the rate of economic depreciation and I is fixed nonresidential investment.
α=share of potential output
γ=the rate of technological progress (that is, the rate of increase in full capacity real GNP that cannot be accounted for by a change in either the size and composition of the labor force or the size and composition of the capital stock).

(2) *Determinants of γ.* Economic theory and prior econometric studies suggest the following possible determinants for γ: (a) R & D spending; (b) an industry mix variable; (c) an index capacity utilization; (d) an index of labor quality reflecting changes in age mix, sex mix, health levels, and educational levels of the labor force; and (e) an index of economies of scale. After considerable experimentation, we found the latter two determinants to be insignificant for the time period examined. The exclusion of economies of scale as an explanatory variable for γ can be justified on theoretical grounds since this variable is generally relevant to only firm or industry or underdeveloped nation studies. The statistical insignificance of the labor quality variable may be partly explained by the fact that some of its characteristics are already reflected by the manner in which we constructed the labor force variable used to generate γ. Undoubtedly, the insignificance of the labor quality variable is also partly due to our inability to reflect significant improvements (variability) in labor education and training over an observation period as short as 15 years.

Hence, based upon both theoretical considerations and empirical investigation, we offer the following conclusions regarding the determinants of γ. First, R & D spending should be included as a determinant and should be subdivided into two explanatory variables, namely, NASA R & D spending and other R & D spending. Secondly, we found that both R & D variables could be closely approximated by a distributed lag structure that follows the general shape of an inverted U-distribution; that is, as a result of an increase in R & D spending in year 0, modest increases in the productivity growth rate begin in year 2, peak in year 5, and terminate in year 8. The actual distributed lag weights, determined by the Almon method and used in the study, are given in Table 3. Thirdly, an industry mix variable should also be used in the equation that attempts to explain movements in γ. This specification is necessary to capture the impact on γ of shifts over time in resource allocation from high- to low-technology industries. Finally, the equation explaining γ should also include a capacity utilization variable to account for the fact that shortages and bottlenecks reduce productivity growth as the economy approaches full capacity.

TABLE 3.—DISTRIBUTED LAG WEIGHTS FOR R. & D. SPENDING

Time lag (years):	Proportional weight
0	0
1	0
2	0.061
3	0.164
4	0.220
5	0.232
6	0.200
7	0.123
8 and later	0

The Measured Effect of R. & D. Spending on Productivity Growth

(1) *The Regression Equation.* The final regression equation which was used to explain γ in this study is as follows:

$$\gamma=-1.81+\underset{(3.9)}{0.426}\sum_{t=0}^{7}A_t(NRD)_{-t}+\underset{(2.0)}{0.074}\sum_{t=0}^{7}A_t(ORD)_{-t}\frac{(1-Cp)}{(1-\overline{Cp})}+\underset{(4.5)}{0.031}(IM-\overline{IM})-\underset{(3.1)}{0.157}(Cp-\overline{Cp})$$

$\bar{R}^2=0.883$
$DW=1.05$
Sample Period 1960-1974

where:
NRD=NASA R. & D. spending as a proportion of GNP.
ORD=other R. & D. spending as a proportion of GNP.
IM=industry mix variable, fraction.
Cp=index of capacity utilization, percent.

The numbers in parentheses below the regression coefficients represent t-statistics. As can be seen from the regression results, all coefficients are statistically significant and the overall fit of the equation to the data, as measured by the R^{-2} value of 22.3 percent, is impressively high, especially for a first difference equation.

(2) The NASA Contribution to γ. Using the regression results above, we found that the increased levels of constant-dollar GNP stemming from a $1 billion increase in constant-dollar NASA R & D spending in 1975 are as given in Table 4. For purposes of this calculation we hold the baseline level of GNP constant and ignore all interactive and dynamic demand and supply multipliers. As will be explained later, the actual changes in GNP will be considerably larger once we do include the effect of these multipliers.

TABLE 4.—*Increase in GNP per unit increase in NASA R. & D. spending "pure" productivity effects only*

Year:	*Cumulative Change in GNP*
1975	0
1976	0
1977	0
1978	0
1979	0.26
1980	0.96
1981	1.90
1982	2.88
1983	3.74
1984 and succeeding years	4.26

The rate of return on NASA spending may be found by substituting the results of Table 4 into the conventional rate of return formula. For a $1 increase in spending, the appropriate expression would be

$$\frac{0.255}{(1+r)^5}+\frac{0.952}{(1+r)^6}+\frac{1.888}{(1+r)^7}+\frac{2.882}{(1+r)^8}+\frac{3.730}{(1+r)^9}+4.261\left[\frac{\left(\frac{1}{1+r}\right)^{10}}{1-\frac{1}{1+r}}\right]=1.00$$

where r is the rate of return. Solving this equation yields r=43% to the nearest percent. If we re-solve the equation by substituting $4.26/(1+r)^{10}$ for the last term, thus not assuming an infinite life, we find the rate of return diminishes to 38%.

Thus an increase of $1 billion in NASA R. & D. spending would increase productivity and total capacity of the U.S. economy by $4.26 billion in 1984 and each succeeding year. It should be stressed that this figure stems from a $1 billion increase in 1975 and then a return to previous spending levels. If spending were to remain $1 billion higher indefinitely, the first-order supply effects, i.e., disregarding interactive and dynamic effects, are shown in Table 5. As indicated above, the actual results are significantly larger because of the demand and multiplier effects calculated by simulating the Chase macroeconomic model.

TABLE 5.—CUMULATIVE EFFECT ON GNP OF A SUSTAINED INCREASE IN NASA R. & D. SPENDING "PURE" PRODUCTIVITY EFFECTS ONLY

1975		
1976		
1977		
1978		
1979	0.26	= 0.26
1980	0.96+0.26	= 1.22
1981	1.90+0.96+0.26	= 3.12
1982	2.88+1.90+0.96+0.26	= 6.00
1983	3.74+2.88+1.90+0.96+0.26	= 9.74
1984	4.26+3.74+2.88+1.90+0.96+0.26	=14.00

MACROECONOMIC IMPACTS OF NASA R. AND D.-INDUCED TECHNOLOGICAL PROGRESS

The third part of the study uses the relationship which has been developed between NASA R. & D. spending and the rate of technological progress to translate an increase in spending into a higher overall level of productivity for the U.S. economy. This section features a number of simulations with the Chase Econometrics macro model which determine the total effect of higher NASA R. & D. spending on the economy when interactive and dynamic effects are taken into account. These simulations consider the supply side of the economy as well as the demand side, and stress the fact that real GNP can be expanded by increasing productivity and lowering prices as well as by increasing government spending.

Approach to determining macroeconomic effects

Up to this point we have considered only the static supply or "pure" productivity effects of NASA R. & D. spending. We now employ the Chase Econometrics mascro model to determine the effects of an increase of $1 billion in constant prices (1958 dollars) in NASA R. & D. spending. We assume that such spending is increased by this amount at the beginning of 1975 and remains in force throughout the next decade. There are two types of effects from this increased spending.

The first type of effect is the ordinary expenditure (demand) impact of increased government spending. The second type of effect—this effect being what really differentiates NASA R. & D. from other types of government spending—is the longer run impact of NASA R. & D.-induced changes in the rate of technological progress. These changes lead to an expansion in the productive capacity of the economy and ultimately lead to an increase in society's standard of living.

(1) The Expenditure (Demand) Impact of NASA R. & D. In a period of economic slackness, an increase in government spending leads to increased real GNP and lower unemployment. These expenditure effects for NASA R. & D. are not markedly different than those experienced for most increases in other types of government spending or for the release of funds to the private sector for construction. It should be noted, however, that NASA R. & D. expenditure increases have a larger impact per dollar than similar spending on welfare or low productivity type job programs.

(2) The Important Productivity Impacts of NASA R. & D. The productivity impacts of NASA R. & D. generate social benefits in a somewhat more complex manner. We have already shown above (Table 5) the magnitude of increase which will occur in the productive capacity of the economy for an increase in NASA R. & D. spending. However, there is no automatic increase in demand which will occur just because total supply is now higher, and until this newly created capacity is utilized through higher demand no social benefits are realized.

There is an economic mechanism through which increased supply does create its own demand. Greater R. & D. spending leads to an increase in productivity, primarily in the manufacturing sector. As a result of this increase, less labor is needed per unit of output. This in turn lowers unit labor costs, which leads to lower prices. Yet this decrease is not immediately transferred into higher output and employment. As prices are lowered (or grow at a less rapid rate), real disposable income of consumers increases at a faster rate. Consumers can then purchase a larger market basket of goods and services, which in turn are now available because the production possibility frontier has moved outward. Yet these decisions are not instantaneous and frictionless, as they would be in an oversimplified static model. We do not see significant effects of increased technology on aggregate demand until 1980.

Results of macroeconomic simulations

Once the increase in productive capacity has worked itself into aggregate demand through the mechanisms discussed above, real growth is then fairly steady as can be seen from Table 6. In particular, we find that real GNP rises near $5 billion per year faster than would be the case under the baseline simulation which does not include increased NASA R & D spending. Thus constant-dollar GNP is $6 billion higher in 1980, $10 billion in 1981, $14 billion in 1982, $18 billion in 1983, and $23 billion higher in 1984. If we were to continue this simulation farther into the future, we would find that the gap between GNP in the two simulations would continue to increase at approximately $5 billion per year—$28 billion in 1985, $33 billion in 1986, and so on.

TABLE 6.—CHANGE IN SELECTED VARIABLES WITH AN INCREASE IN NASA R. & D. SPENDING OF $1,000,000,000

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Gross national product (billions of 1958 dollars):										
Base [1]	788.1	834.0	869.6	859.8	868.5	922.4	977.7	1,012.2	1,059.6	1,090.8
NASA [2]	790.2	836.5	871.7	862.1	871.7	928.6	988.0	1,035.0	1,077.4	1,114.1
Change [3]	2.1	2.5	2.1	2.3	3.2	6.2	10.3	13.8	17.8	23.3
Percent change [4]	.3	.3	.2	.3	.4	.7	1.1	1.4	1.7	2.1
Consumer Price Index (1967=100):										
Base [1]	161.1	173.9	188.4	204.9	219.4	232.0	244.2	257.0	270.9	286.5
NASA [2]	161.0	173.8	188.4	204.7	219.0	231.0	242.2	254.0	266.9	280.7
Change [3]	−.1	−.1	0	−.2	−.4	−1.0	−2.0	−3.0	−4.0	−5.8
Percent change [4]	.0	0	0	−.1	−.2	−.5	−.8	−1.1	−1.5	−2.0
Rate of Inflation (percent):										
Base [1]	9.1	7.9	8.3	8.7	7.1	5.8	5.2	5.2	5.4	5.8
NASA [2]	9.1	7.9	8.3	8.6	7.0	5.5	4.9	4.9	5.0	5.3
Change [3]	0	0	0	−.1	−.1	−.3	−.3	−.3	−.4	−.5
Unemployment rate (percent):										
Base [1]	9.0	8.2	7.4	8.6	9.9	9.2	8.0	7.1	6.5	6.0
NASA [2]	8.9	8.0	7.3	8.5	9.8	9.1	7.7	6.8	6.1	5.6
Change [3]	−.1	−.2	−.1	−.1	−.1	−.1	−.3	−.3	−.4	−.4
Employees on payrolls (millions):										
Base [1]	76.9	79.9	82.8	83.3	83.2	85.3	88.1	90.5	92.5	94.3
NASA [2]	77.0	80.0	82.9	83.4	83.3	85.5	88.4	90.9	93.1	95.1
Change [3]	.1	.1	.1	.1	.1	.2	.3	.4	.6	.8
Percent change [4]	.1	.1	.1	.1	.1	.2	.3	.4	.6	.8
Index of industrial production, Manufacturing Sector (1967=100):										
Base [1]	109.1	120.2	129.6	125.3	122.4	132.6	145.3	154.6	162.2	168.6
NASA [2]	109.9	121.2	130.5	126.3	123.5	134.3	148.1	158.1	166.5	174.0
Change	.8	1.0	.9	1.0	1.1	1.7	2.8	3.5	4.3	5.4
Percent change [4]	.7	.8	.7	.8	.9	1.3	1.9	2.3	2.7	3.2

Footnotes at end of table.

TABLE 6.—CHANGE IN SELECTED VARIABLES WITH AN INCREASE IN NASA R. & D. SPENDING OF $1,000,000,000—Cont.

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Index of labor productivity (1967=100):										
Base [1]	110.2	112.1	113.3	112.5	115.2	120.1	123.9	126.9	129.9	132.0
NASA [2]	110.3	112.2	113.4	112.7	115.5	120.8	125.1	128.6	132.0	134.7
Change	.1	.1	.1	.2	.3	.7	1.2	1.7	2.1	2.7
Percent change	.1	.1	.1	.2	.3	.6	1.0	1.3	1.6	2.0
Change in labor productivity (percent):										
Base [1]	−.4	1.7	1.1	−.7	2.4	4.3	3.2	2.4	2.4	1.6
NASA [2]	−.3	1.7	1.1	−.6	2.7	4.6	3.6	2.7	2.7	2.0
Change [3]	.1	0	0	.1	.1	.3	.4	.3	.3	.4

[1] Baseline projection with current estimates of NASA R. & D. spending for next decade.
[2] An increase of $1,000,000,000 in 1958 dollars in NASA R. & D. spending.
[3] NASA minus base.
[4] NASA minus base over base. Since the unemployment rate is already given in percentage terms, we do not calculate this item for unemployment.

As greater productivity is translated into higher demand, we find that the economy can produce more goods and services with the same amount of labor. This has two beneficial effects. First, unit labor costs decline, hence lowering prices. Second, lower prices enable consumers to purchase more goods and services with their income, hence leading to further increases in output and employment.

We find that the consumer price index grows at a slower rate with higher NASA R & D spending than without, and is a full 2% lower by 1984 than would otherwise be the case. Once again, this change does not occur in the early years of the simulation, but begins to become important in 1980.

One of the major effects of the higher level of real GNP and aggregate demand is the reduction in the unemployment rate of 0.4% by 1984. Since the labor force will be approximately 100 million strong by that date, this indicates, as a first approximation, an increase of 400,000 jobs. However, if we take into account the increase in the size of the labor force, the total will rise to 0.8 million new jobs. The increase in the labor force will occur for three principal reasons. First, the derived demand for labor will be greater because the marginal productivity of labor has increased. Second, the supply of labor will rise because the real wage has increased. Third, and probably most important, the increase in aggregate demand will reduce the amount of hidden unemployment as more entrants join the labor force.

It is also important to note that labor productivity rises substantially as a result of the increased NASA R & D spending. The index of labor productivity for the private nonfarm sector grows at a rate of 2.75% during the 1980–1984 period, compared to an average annual rise of 2.40% with no increase in spending. By 1984 the level of labor productivity is 2.0% higher than the baseline projection.

Further details and comparisons are given in Table 6 for a $1 billion increase in NASA R & D spending. We also calculated alternative runs for $0.5 and $0.1 billion and found that the results were approximately linear for other levels of spending change of equal or smaller magnitude. Similarly a decrease in NASA R & D spending of $1 billion would have reverse effects of the same magnitude on economic activity.

SIGNIFICANCE AND RELIABILITY OF FINDINGS

Significance of findings

One does not need an econometric model to show that an increase in government spending will raise GNP and lower unemployment. We learned many years ago that it is easy to spend our way out of a recession if no other constraints are involved. Yet having just recently come from the realm of double-digit inflation and the first postwar decline in labor productivity, it is clear that alternative policies must be examined not only from the point of view of their effect on demand and employment but on the real growth rate and the rate of inflation as well.

NASA R & D spending increases the rate of technological change and reduces the rate of inflation for two reasons. First, in the short run, it redistributes demand in the direction of the high-technology industries, thus improving aggregate productivity in the economy. As a result, NASA R & D spending tends to be more stabilizing in a recovery period than general government spending.

Second, in the long run, it expands the production possibility frontier of the economy by increasing the rate of technological progress. This improves labor productivity further, which results in lower unit labor costs and hence lower prices. A slower rate of inflation leads to turn to a more rapid rise in real disposable income permitting consumers to purchase the additional goods and services being produced and generating greater employment .

In assessing these results, we once again stress the importance of distinguishing between demand and supply effects. A $1 billion increase in NASA spending will have an immediate effect on real GNP, raising it approximately $2.1 billion the first year and $2.5 billion the second year. These demand multiplier effects are not markedly different than those which would have occurred for a similar increase in other purchases of goods and services by the government sector or for release of funds to the private sector for construction projects. They are, however, substantially higher than the effects which would be obtained from a $1 billion increase in transfer payments or low-productivity jobs programs.

In particular we have found that the demand multiplier is smallest and the increase in inflation is largest for a unit change in transfer payments. When we turn to the supply side, however, the multiplier effects of lowering prices and increasing real income are more than twice as large. Other government spending programs which do not expand the production possibility frontier and improve productivity have no additional effect on the economy after the initial increase in demand.

Reliability of findings

The results found for the equation estimating γ are all in agreement with economic theory, as the signs and magnitude of the coefficients are within the range expected from *a prori* expectations. Similarly, the statistical results indicate a high degree of correlation and no bias in the regression coefficients, or the goodness-of-fit statistics or the standard errors of estimate. In addition, the results are in accord with the findings of other econometric studies. Nevertheless, a number of criticisms have been raised about the final equation for γ, suggesting that the results might be significantly different if relatively minor changes were made to the function. These suggested changes focus on three areas; the choice of γ_C (the CEA series) instead of γ_D (the Denison series), the inclusion of the Cp term by itself and in conjunction with ORD, and the exclusion of the indexes of labor quality, particularly the level of education. To test the validity of these suggestions, we calculated sixty regression equations, including a "least favorable" case which incorporated all of the above changes. The sample period fits are somewhat worse, indicating that γ_D contains a larger random component than γ_C, but the coefficient of the term for NASA R & D spending is similar for these regressions. Even the "least favorable" case does not change the general conclusions of the study concerning either the rate of return or the economic impact of changes in NASA R & D spending.

HUMAN RIGHTS VIOLATIONS NICARAGUA

Mr. KENNEDY, Mr. President, I recently have noted the rising level of human rights violations alleged against the Government of Nicaragua.

Testimony before Congressman FRASER's subcommittee also reaffirmed the lack of freedom in that country.

I, too, have received private information in the form of a letter from the Capuchin missioners working in Nicaragua whose reports include disappearances, torture, and murder.

I ask unanimous consent that the letter and attachments be printed in the RECORD.

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

From: Capuchin Communications Office Detroit, Michigan 48207.

To: The Honorable Senator EDWARD KENNEDY, United States Senate, Washington, D.C., 20510.

AMERICAN CAPUCHIN MISSIONERS IN NICARAGUA ASK PRESIDENT SOMOZA AND THE PRESIDENT OF THE NICARAGUAN EPISCOPAL CONFERENCE TO PREVENT RECURRENCES OF ATROCITIES THE MISSIONARIES HAVE DOCUMENTED AND REPORTED

Enclosed are letters sent to the President of Nicaragua, General Anastasio Somoza Debayle, and to the President of the Catholic Episcopal Conference of Nicaragua, Monsignor Manual Salizar of Leon, Nicaragua. The letters signed by the 31 American Capuchin Missioners working in Nicaragua calls attention to serious infractions of the human rights of Nicaraguan people living in the mountains near Siuna and Matagalpa, Nicaragua. Attached to each letter was the enclosed documentation of the cases of terrorism in the Department of Nueva Segovia, Nicaragua and a section of Madriz and incidents of terrorism in the municipality of Sinua, Department of Zelaya and the municipality of Rama, Department of Zelaya. This information was documented by the missionaries.

Hearings are currently being held in Washington by the House of Representatives Subcommittee on International Organizations chaired by Representative Donald Fraser (D.-Minn.) to review the situation regarding human rights in Nicaragua, El Salvador and Guatemala. If serious violations are found, the Foreign Assistance Act prohibits economic and military aid from the United States to these countries.

It is hoped that you will help bring this matter to the attention of the American people.

Enclosed with this letter are copies of the letters and documentation in the original Spanish plus approved English translations.

MANAGUA,
June 13, 1976.

Monsignor MANUEL SALAZAR,
President of the Episcopal Conference,
Casa Episcopal, Leon.

DEAR MONSIGNOR SALAZAR: We, the American Capuchins serving the Local Church of Nicaragua in the Diocese of Esteli and in the Apostolic Vicariate of Bluefields, upon completing our annual retreat, wish to share with you our deep concern which undoubtedly is also your concern.

We are speaking of the tense situation all over Nicaragua, and particularly, in the mountain regions of Siuna and Matagalpa.

We wish to speak and to act in full accord with you (the Episcopal Conference). We cannot, under any circumstance, remain passive. The power of the Gospel which we preach and which we try to live with the Nicaraguan people moves us to do something:

We support the efforts that you are putting forth to remedy the situation of fear, distrust and even hatred, created by the disappearance, torture and incarceration of people.

Recent reports received from the mountain areas of Zelaya indicate that the disappearance of "campesinos"* continues and that their relatives are worried and fear for their lives.

Presently, we wish to give more information on the same facts published by Monsignor Salvator Schlaefer Berg in his letter dated May 20.

Also, we want to mobilize the innate energies of the Nicaraguan people and, together with them, search for evangelical solutions. That is why, we ask that you remain united in your energetic efforts announcing the Good News, denouncing the denial of human rights carried out—according to reports—by members of the National Guard of Nicaragua. Please keep on working for the guarantees of human rights of the "campesinos" in the affected zones.

We reaffirm again our total support for all your evangelical efforts.

DANIEL KABAT.
BERNARDO WAGNER.

MANAGUA,
June 13, 1976.

General ANASTASIO SOMOZA DEBAYLE,
Casa Presidencial,
S/D.

YOUR EXCELLENCY MR. PRESIDENT: The Peace of the Lord be with you! With all respect, we, the undersigned Capuchins, working in the Church of Nicaragua, present to you our deepest and sincerest concern regarding the matter discussed during the interview that you granted to the three Bishops on May 10th.

Knowing the strong wishes of your Excellency to guarantee peace and a fraternal and just order in the country, we unite our voices to the Catholic Episcopal Conference of Nicaragua and to that of the poor people of the mountain regions who are looking for their relatives who were found missing after the operations of the National Guard against subversive elements.

We recall your speech to the National Guard three days after your inauguration to the Presidential Office, where you insist that "everyone respect the right of the citizens according to the Nicaraguan Constitution." We take notice that your Excellency repeated the same thing with the same insistence in your speech to the army on May 27th. Moreover, we note that those accused, presently, are being tried with lawyers for their defense and with the opportunity to face their prosecutors. Can you see to it that the humble farmers enjoy the same rights?

We recognize that you and the government authorities find yourselves in a very difficult situation; we recognize the existence of danger, both from Communism as well as from a growing militarism. Our position is not political but rather evangelical and pastoral. With all sincerity we wish to assure you of our continued prayers to the Lord so that He assists you to be an instrument of justice and peace.

We request your prompt action on behalf of our brothers so as to obtain the harmony that all long for.

Very sincerely,

P. DANIEL KABAT.
P. BERNARDO WAGNER.

* "Campesinos"—people living in the countryside.

INFORMATION GATHERED BY THE MISSIONARIES AND INCLUDED WITH THE LETTERS TO BOTH MONSIGNOR SALAZAR AND PRESIDENT SOMOZA

CASES OF TERRORISM

In the Department of Nueva Segovia and a section of Madriz.—

1. Four dead or disappeared, known personally; two from Macuelizo, two from Cusmapa.

2. Twenty-one tortured physically or psychologically or both: here, we are taking into account only those that we know personally; the majority of which have worked actively for the progress of their communities.

(a) Manners of physical torture: beatings, electrical shocks, fasting for two or three days, forced and excessive physical exercise;

(b) Manners of psychological torture: interrogation, constantly and suddenly, day and night; threatening to rape women; filthy language; and being forced to listen to their companions being tortured.

3. There is the case of one prisoner who was never presented to the Investigating Tribunal. The Court reviewed the case and all the other prisoners, but this one prisoner already has been kept in jail for about five months.

4. The captures have been carried out especially during the night, also in the middle of the street, during the celebration of worship, immediately after the worship. Generally, the prisoners were taken immediately, in a vehicle, to the headquarters of the same town or of the next town.

5. On one occasion two bishops spoke with the commanding officers ("commandanta"—military head of a district), without any results.

INCIDENTS OF TERRORISM

In the municipality of Siuna, Department of Zelaya.—

The people from certain areas of the municipality of Siuna have brought to our attention many painful occurrences that took place during the last few months. According to their reports, at least ninety-two persons have disappeared, taken away by the National Guard:

1. Ten persons were taken from the counties of Boca de Piedra and Puerto Viejo in November, 1975.

2. Forty-three persons (men, women and children) were taken from the county of Sofana, in February, 1976, (some of them are presumed to be dead).

3. Twenty-one persons (men and women) were taken from the county of Boca de Dudu in February, 1976 (it is assumed that some of them are dead).

4. Four persons were taken from the county of Zapote de Dudu in February, 1976.

5. Near Villa Nazareth, one person was taken by orders of the army in November, 1975 and another was killed by a patrol in February of 1976.

6. Four persons were taken (three men and one woman) from the county of El Platano in February, 1976.

7. Two bodies were found in the county of Irlan just before Holy Week (one of the deceased was a farmer from the county of Yucumali. The other one was a boy, eight years old. This one was hanged and decapitated.)

8. Two persons were killed near Salto de Boboke (Rio Tuma) before Holy Week. One of the deceased lived in the county of Bilwas; the other one lived in Laulo.

9. Many persons from the county of Yucumali were taken prisoners in May of 1976, (at least three are assumed to be dead).

10. After February 1, 1976, new graves were found in the counties of Rio Iyas. Near one of the graves, shoes and clothing of the missing persons were found.

REPORT ON TORTURE CASES

By the patrols of the National Guard near the Chapel of Sofana, in February, 1976—

1. The prisoners were kicked.
2. They were beaten with rifles.
3. They were beaten with the military helmet on the head.
4. They were hung from the neck.
5. Their teeth were pulled from their jaws.
6. They were hung by their feet.
7. Their shoes were taken off and they were forced to run through very impassable areas full of thorns.
8. Their mouths were stuffed with rags and they were blindfolded.
9. They were tied by the neck and were pulled like animals.
10. Their faces were cut up with knives.
11. They were robbed (for example, their money, medicine, cattle, soap and salt, etc.)
12. The women were raped.
13. They were enticed out of their houses with lies and then handcuffed.
14. Also, the guards repeatedly went disguised as guerrillas to the homes of the farmers.
15. A man from Sofana has been held in Managua since March of 1976.

None of the missing persons have returned to their districts. No accusation has been reported publicly. None has been presented before the investigating tribunal, and their actual condition is unknown.

It was reported that the patrols of the National Guard have burned down private residences without any recompense to their owners in the following counties: Sofana, Boca de Dudu and Yucumali.

Since May 1, 1976 there have been cases where army helicopters opened fire in the districts of Sofana, Boca de Piedra, Parasca, Yucumali and Dipina.

These events have interrupted the normal life of the farmers in these zones. Fear has been instilled in these counties. Many families have fled abandoning their homes and land. For example, in May of 1976, seven families are living in the district of Sofana; six months before there were more than forty. In May of 1976, twelve families are living in the district of El Platano; six months before there were forty families.

FROM THE MUNICIPALITY OF EL RAMA

Two brothers from the county of Raicilla went to Rio Blanco to visit their relatives. They were captured by the National Guard and nothing has been heard about them since then. Later, the soldiers returned to Raicilla searching for the third brother and, there, they killed him, according to witnesses.

BLUEFIELDS, NICARAGUA,
May 20, 1976.

DEAR FAITHFUL OF BLUEFIELDS: Many thanks to you for having accompanied us with your prayers, on the occasion of the episcopal visit to the office of the President a few days ago! We, Monsignor Julian Barni of Matagalpa, Monsignor Clemente Carranza, and myself, your servant, felt very well supported on May 10, 1976, when the President of the Republic, Mr. Anastasio Somoza Debayle, cordinally received us, at 4:00 p.m.

Each Bishop expressed his concern caused by the disappearance of more than one hun-

dred persons from the zone of Matagalpa, Ocotal and Siuna (Sofana, Dudu, Rio Yyas and other places). The president gave a clear explanation about encounters between the guerrilla fighters and the army patrols. When we touched upon certain points concerning the whereabouts of several men, women and children, it was noted that he was reserved, due undoubtedly, to the delicate circumstances of the cases. However, the President promised more information concerning the list of persons that we presented him, and at that moment he called General Jose Somoza and General Samuel Genie so that they would give us further explanations using some large detailed maps.

Before the end of that important interview, the President renewed his promise to give us information concerning the missing persons, so that we would be able to respond to the many questions that many mothers, wives, sisters and widows are making to us concerning the fate of their loved ones.

We left the Presidential Office, thanking the President and his officers, but with a warm prayer in our heart and on our lips: "That the Holy Spirit would enlighten the minds and soften the hearts of those who are causing so much suffering among the rural people of Matagalpa, Esteli and Zelaya.

I ask you my faithful people that we continue with our prayers and activities on behalf of justice and of the evangelical Message: "Love one another . . ."

Your brother in Christ and Mary,

FR. SALVADOR,
Bishop of Zelaya, Nicaragua.

NUTRITION FOR THE ELDERLY

Mr. KENNEDY. Mr. President, the nutrition for the elderly program continues to be one of the most successful, popular, and effective Federal programs in meeting the needs of the Nation's elderly.

As the original Senate sponsor of the legislation which is now title VII of the Older Americans Act, I believe that our early expectations have been more than justified by the program's results.

Currently, it is estimated that an average of 430,000 meals per day can be served under the spending level of $225 million approved in the Labor-HEW appropriations bill passed 2 weeks ago in the Senate. I was pleased to join with Senators EAGLETON, BROOKE, and CHURCH in requesting the increase of nearly $40 million over last year's spending level.

The benefits of this program, both in terms of providing needed nutrition to the elderly and in drawing them into social activity at the congregate meal site, are obvious. They are underscored by the continuing backlog in applications in my own State and across the country of elderly individuals who are waiting to participate in this nutrition program.

Bernita L. Grogan, director of the title VII nutrition project of the Elder Services of Cape Cod and the Island, Inc. in Hyannis, and David Alves, director of the elderly nutrition program of Greater New Bedford, both submitted testimony to the Select Committee on Nutrition and Human Needs last month.

Their testimony not only supports the expansion of funding for the congregate meal program under title VII but also the added focus on the need for expanded home-delivered meals.

I have visited those programs in the past and I know they are more than efficient, with many elderly directly involved in the program's operation. Similarly, recent reports to the committee from other nutrition programs in my State also demonstrate that they are working to improve the quality of life for the Nation's elderly.

However, I concur in the view that we must provide additional authority to expand the meals on wheels portion of the program. For that reason, I have joined with Senator MCGOVERN in cosponsoring S. 3585 which would provide a separate additional authority of $80 million for fiscal year 1977 and $100 million for fiscal year 1978 for home-delivered meals.

I am hopeful that we can have early action on the expansion of this program, which is so necessary for home-bound individuals, either those who normally participate in the group meal program but are temporarily ill or those with more permanent disabilities who will never be able to attend the group meal programs.

I ask unanimous consent to have printed in the RECORD the testimony of two Massachusetts nutrition program directors as well as the excerpt from the report on the title VII program on the Massachusetts programs surveyed.

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

TESTIMONY

(By Bernita L. Grogan, Title VII Nutrition Project Director, Elder Services of Cape Cod and the Islands, Inc., Hyannis, Mass.)

As an advocate for the elderly, I welcome this opportunity to speak on behalf of the 28,000 elders on Cape Cod, Nantucket and Martha's Vineyard.

Elderly are increasingly drawn to Cape Cod with our mild winters and pleasant rural setting. In 1970 the year-round population over 60 was 25 percent and during the next five years, increased by 27 percent. The newcomers soon learn what our residents know—that health services are sparse, public transportation virtually non-existent, costs of food and housing high, part-time jobs which could extend a fixed income are filled. In one of our allegedly "wealthiest" towns, 24 percent of the year-round elderly live on poverty-level incomes. The county with the lowest median income in the state is Dukes County on Martha's Vineyard. Ranking third in the nation in incidence of alcohol problems is Barnstable County. Clearly, the widely advertised, glamorous vacation life on Cape Cod does not apply to everyone, especially not the elderly.

As a result of the Older Americans Act, services for the elderly began to appear. Massachusetts established Home Care agencies to provide services to the elderly to enable them to live with dignity and independently in their own homes as long as possible. Our area agency on aging coordinates programs and services working closely with councils on aging, senior centers, RSVP, and all elderly interest groups.

The Cape and Islands Title VII nutrition program serves 280 elders per day, a small percentage of those eligible. However, this is the maximum our budget allows. Only 1,000 different elders are served in a 12-month period. At our five congregate meal locations participants are turned away each day because reservations are full. Many elderly wanting to come five days a week are limited to only two or three days a week to allow as many elders as possible to participate in the program. Elders on waiting lists hope to be called to fill in last minute cancellations. Expansion of such sites is a lower priority for new Title VII funds which rightly go to completely unserved areas. Title VII staff became aware of the demand for home-delivered meals as visiting nurse agencies repeatedly requested home-delivered meal service for their clients. Each month our project exceeded the recommended 10 percent limit for meals on wheels. Policy had to be established and maintained to keep the congregate meal focus. Now most meals delivered to homes from the congregate meal locations go to congregate participants who are ill on a short-term basis and will return soon.

Our Title VII program on Nantucket serves only home-delivered meals. These meals go to 20 chronically homebound elders each weekday. The program is a model for a small project in an isolated, rural location. Integrating the Title VII meal with the COA supportive services results in comprehensive team coverage of the elderly needs. Food service comes from the Nantucket Cottage Hospital and offers modified diets. Run by civic-minded, service-oriented staff, the hospital provides the food at the raw food cost of $1.59 per meal. If an elder received the same meal as a patient in the hospital, the food service cost of that one meal would be $4.50. Medical charges would be additional. The home-delivered meals have become so crucial that frequently Nantucket doctors will release a patient on condition he can be enrolled in the meals program. A recent example is an elder whose costly in-hospital bills were paid by Medicaid. Now out of the hospital, this elder receives meals on wheels and supportive health services at greatly reduced costs, costs borne by the Title VII program. Our services will keep this elder out of the hospital at home as long as possible.

Costs of the Nantucket meal program are kept low by a network of older volunteers. Each day one car goes on the 7-mile, in-town route while a second car takes the 14-mile beach route. With the high cost of gasoline, only the wealthy can be drivers. But with mileage reimbursement, the ranks of the volunteers would increase allowing those on lower incomes to be part of the team. Many volunteers report that their volunteer work has erased their own feelings of worthlessness and isolation. The gratitude of the homebound elder receiving the meal leaves no doubt that delivering meals is a rewarding, satisfying job.

On the Cape groups anxious to operate meals on wheels programs were at a loss as to how to begin. Excellent guidelines were available from large, urban, project-prepared programs. But these guidelines were not appropriate for the small Cape towns planning to serve from 10 to 20 meals per day. Our Title VII staff prepared a manual to guide councils on aging in developing meals programs. Following closely to Title VII plans, the manual presents information on justifying the need for a meals on wheels program; developing a knowledgeable steering committee with representatives of health and social service agencies; establishing criteria for accepting meals on wheels applicants; coordinating volunteer crews and food delivery procedures; selecting, evaluating and monitoring a food service system; and analyzing the financial picture.

The Title VII staff with this manual in hand has been instrumental in initiating three COA meals on wheels programs (with a fourth on the way) and has been consultant to two others. These programs serve 75 elders. About 250 others are current candidates for meals on wheels service.

Food service for each of these programs varies. Provincetown during the school year receives meals at low cost from the public school and during vacations receives meals at high cost from local restaurants. Orleans and Brewster receive food from a nursing home. Three programs order from the Title VII ca-

terer, taking advantage of the low meal cost, menu development, and commodity use. Meals on wheels programs need to meet nutritional standards to be sure the elderly are receiving what they need.

Funding for each program also varies. The Massachusetts Department of Education reimburses the Provincetown school for partial costs of senior meals, but during the summer high restaurant charges create an annual burden. The towns of Harwich and Chatham voted financial support in recent town meetings. The Hyannis COA received a small grant specifically for meals on wheels from the Massachusetts Department of Elder Affairs. The Town of Bourne pays a part-time coordinator but food funds come from anything from bake sales to handmade quilt auctions. The Falmouth planning committee is investigating civic and private contributions to lessen charges to meal recipients.

Constant concern for funding means less attention to the necessary accompanying supportive services. Food without follow-up is not an adequate health service. The Title VII supportive services, at least, should be added to each meals on wheels program.

Additional services, such as Title XX homemaker service, would be on a referral basis. Currently on Cape Cod there are about 200 elders receiving homemaker services subsidized wholly or in part by our agency with Title XX funds. About 150 of these elders could receive less homemaker care if they received meals on wheels. Consider the costs. The homemaker agency receives $4.50 per hour for a 4-hour minimum. A 5-day charge would be $90.00. Compare that cost to a 3-day homemaker for $54.00 plus 7 meals a week at $1.60 out-of-pocket costs for a total weekly charge of $65.20. A "savings" of $24.80 each week for 150 Cape Codders points to a significant national total. These "extra" Title XX funds would allow many elders, now denied service, to receive aid. This aid, in turn, puts off more expensive long-term institutional care.

Further nutrition services are needed by the elderly. The federal budget cannot afford to provide high cost service when a lower cost service is adequate. I strongly recommend this committee's bill to establish a national meals on wheels program.

MEALS-ON-WHEELS: ATTENTION TO OUR NATION'S HOMEBOUND

(By David Alves, Director, Elderly Nutrition Program of Greater New Bedford)

Since the turn of the century, our life expectancy in the United States has increased by approximately 20 years. We have, thus, in our generation, seen our life span extended.

This extension of the aging process has caused many of us in the field to focus our attention on the socio-nutritional aspects of aging. Though sometimes called the "Golden Years", this extension of our life span has brought with it social and psychological problems of major concern to the elderly and to society as a whole.

The United States Department of Health, Education and Welfare reports that, as of 1970 census, 20,049,592 Older Americans out of 203,165,699 Americans, or approximately 10 percent, one in every 10 Americans was over 65 years of age. This, when reviewed in relationship to the fact that in 1900, the census counted 3.1 million Older Americans in 76 million (4.1 percent or one in every 25 Americans) shows the strides we have made to extend our life expectancy. Thus, though today our population under 65 years of age is two and one-half times as large as 1900, our population over 65 is six times as large.

These statistics are presented only as a means from which to evaluate the problems of our elderly when placed in a prospective of a local community. Though a percental of ten percent elderly seems high, the City of New Bedford and its surrounding communities, the area which my program services, is faced with a 20 percent ratio of elderly, or one in every 5 of our population is over 65 years of age. Though not uncommon for urban areas, it is of major significance to our program in that Massachusetts is considered to have one of the highest costs of living nationally.

Whereas today, there are a number of congregate meal programs for the elderly, and though early and dramatic experiences of our own Title VII Nutrition Program for the Elderly has proven to be a success, we all realize nutrition is a staggering problem and its neglect has contributed to the poor health of many of our elderly.

As can be expected, the group with the poorest nutrient intake are those homebound with no meals being provided. The homebound Older American is a segment of our population I feel has too long been disregarded.

As a Title VII Program Administrator, I have been able to recognize the value of our congregate meal program, having seen what such programs have done to improve the overall dietary, social and physical conditions of our elderly. The average participant attending our centers does little or no cooking at home. Those who live in rooms with no kitchen facilities have to rely completely on our program or a restaurant for their meals, even hot plates can't be used in some older buildings because of poor wiring. Most eat at least one meal if not their only meal at our centers.

I have been, however, personally disturbed with the limitations as established through current Title VII Legislation on the percentage of Meals-on-Wheels to homebound elderly which can be provided.

It is impossible to be precise about the number of people who actually need Meals-on-Wheels. In social service programs, we can always actually count those who get help, but not those who need it.

However, we do know that many of these homebound eat to live, not live to eat. Few extra food items beyond the delivered meals are ever noticed by agency outreach workers.

Unable to participate in activities and services available to the ambulatory within the community, these elderly shut-ins often are seen as names on waiting lists for nursing homes or in some instances, children often place parents in nursing homes to alleviate their own burdens of checking in on the parents or having to prepare meals for the parents. Some are sent to State Institutions regardless of the mental capacity as a means of satisfying our community obligations. This is done with the attitude they have to go somewhere. Though studies have shown many would prefer to stay in their homes, this has become their fate.

The percentage of older persons in Nursing Homes in Massachusetts is about five percent. It has been noted as a fair estimate that one-fourth of those in institutions do not need to be there for medical reasons.

Though more services and more individual attention is needed to provide for older persons in the home, the goal of the Meals-on-Wheels Program is to help older persons maintain their personal autonomy in their home.

Homebound meals programs should not only strive to meet the nutritional needs of older people, but the social and emotional needs as well. In many cases, home-delivered meals can mean an end to isolation because the meal is delivered by a person, be he a volunteer or staff, this sometimes is the only person the shut-in may have daily contact with.

The typical Meals-on-Wheels recipient for the most part is lacking the strength, ability or motivation to prepare nutritious meals or obtain adequate food services. The lack of nutritious food, in addition to a lack of mobility, creates for many a feeling of isolation, loneliness and unhappiness and has a definite deteriorative effect on the recipient's state of physical, psychological and social well-being.

Some significant findings of the home-delivered programs are: (1) home-delivered meals are in many cases the primary meal, (2) meals have improved the morale of the recipient, (3) food intake was improved after starting Meals-on-Wheels, (4) the Meals-on-Wheels was used by many who did not use community services before.

In reviewing our recipient file, we have determined there are two basic categories of persons who require home-delivered meals. There are those permanently incapacitated and those temporarily confined to home because of illness or convalescence following hospitalization. It has been noted many of the former would prefer to stay in their own home rather than enter an institution if at least one hot meal could be provided.

The benefit of treatment over weeks or months can be lost in less than one week after discharge if needed help is not provided to ensure the maintenance of nutritional needs. Meals-on-Wheels are, in some instances, being considered by many in the field of aging as a preventive health care program in itself.

For the temporarily confined, this service provides the needed nourishment needed for a quick recovery, yet for others, it may mean an earlier discharge from an institution. With this in mind, our program maintains a close contact with local hospitals and nursing homes, thus when patients are ready for discharge, we are notified and if needed, a hot meal is provided.

The provisions of a home-delivered meal to such a person may mean the difference between institutionalization or remaining within the dignity and comfort of their own home.

As another source of referral, a request for home-delivered meals may also come from a congregate participant, though he would usually enjoy his meal at the site, finds himself confined to his home due to illness.

New Bedford is an old historic City dating back to the days of whaling vessels and textile mills. A City of which the major real estate is made up of three and six tenement houses and has become an urban habitat. Rich in ethnic heritage, it has become a refuge for an exceptional number of low-income, limited English speaking elderly.

As with many Cities, due to increasing income, mobility and the desire to improve one's social status, most younger people have deserted the inner City area to live in the suburbs. However, the opposite is true of our older population. Due to lack of income and lack of mobility due to age and physical handicaps, most of our older people live in the Central City. This is not always of choice, but many times by necessity. Due to their limited incomes, these are the only rents they can afford and these apartments or rooms are, for the most part, usually within walking distance to shopping areas and services.

Our program is a public agency with the City of New Bedford serving as the Grantee for the eight community region. The program was established in January 1974, with funds provided through Title VII of the Older Americans Act, to provide nutritional and social services to our area's elderly. The program has, in its brief existence, to date served approximately 226,904 congregate meals to the elderly, of which 22,257 were home delivered.

Though significant findings show that the Meals-on-Wheels Program is intended to aid the ill, convalescent, shut-in, the poor and the disabled, the program's effectiveness is

being diluted because of restrictions and quotas as established in the original legislation. The City of New Bedford's Meals-on-Wheels Program has, during its short existence, had a total of 413 referrals for Meals-on-Wheels to date. Of these referrals, we have been able to provide homebound Meals-on-Wheels to only 236 aging. Many others were just below our strict criteria and were unable to be serviced.

The need for establishing a Meals-on-Wheels acceptance criteria was due to the fact that, though we are consistently receiving requests for Meals-on-Wheels from community and social service agencies, Title VII, as written, restricts delivery of Meals-on-Wheels to that of a level of 10 percent of the congregate meal service.

Also, in dealing with the clientele that we do, our meal service levels are subject to seasonal adjustments brought about by weather conditions. Thus, adherence to this 70 percent quota has a fluctuating effect on our Meals-on-Wheels deliveries. This is especially true in the winter season. The effect of this ten percent restriction is that in the summer months, when we are serving an average of 750 participants daily, we are allowed, under current legislation, an average of 75 meals for our home delivery needs, and in the winter months, when our congregate participation drops to 600 meals, our average Meals-on-Wheels is reduced to approximately 60. Thus, in the months of December, January and February, when the weather is at its worst and a great number of our seniors are restricted to their apartments due to limited mobility and our need for Meals-on-Wheels is at its greatest, the number of meals technically available is at its lowest level.

This current disregard for an adequate Meals-on-Wheels Program under existing legislation has an even more restrictive effect on communities such as ours with an elderly population above the national average. In a community which exceed the ten percent national average, and must consider local geographic nature and weather conditions, it is impossible to base requirements for Meals-on-Wheels on any single determining formula.

I have always felt that Title VII programs should have been given flexibility in allowing for a percentage of Meals-on-Wheels in relationship to the individual community's needs. This could have been implemented either through a state agency authorized waiver procedure, or authorized under the original legislation.

I am, however, encouraged to see the proposed legislation not only takes into consideration the needs of our homebound elderly, but does so with a reality of the needs of the community, and I look forward to its pending implementation.

As has been noted, this can be a valuable and effective service for the aged and chronically ill, helping these people to continue living independently in their own homes.

As part of our comment to the improvement of the health and nutritional status of the aging, I know I speak for nutrition program administrators when I express my support of Senator McGovern's bill to provide for nutritionally adequate, low cost meals for the aging in their homes.

As we all recognize, nutrition competes for attention and funds within the funding system. Congress must go beyond intuitive thinking and demonstrate their concern to provide the comprehenive services required to meet the demands of our nation's homebound.

With our increasing elderly population, many of whom will need help, the decision seems clear. We can choose to either spend more and more on institutionalizing seniors, or provide the services that will keep them in their homes where they declare they want to be.

Meals-on-Wheels are not an end but a means by which our nation's elderly can remain within the dignity and comfort of their home.

SOUTHWEST BOSTON SENIOR SERVICES, INC.,
BOSTON, MASS., FEBRUARY 1976

BOSTON AREA I—SOUTHWEST BOSTON SENIOR SERVICES

Title VII survey answers

1.—

	1974 precinct data/1970 census data	Current local anecdotical data
Number of people:		
60 plus	31,681 (precinct).	1974.
60 plus and poor	4,674 (precinct).	1974.
60 plus and black	2,764 (census)	Much larger.
60 plus and Oriental.	187 (census)	
60 plus and Indian.	3 (census)	
60 plus and Spanish.	416 (census)	Do.
60 plus and limited English-speaking.	953 (census)	Do.
(a) Green (c Irct statistics).		2,500 now families.
(b) Italian and Puerto Rican.		3,000 plus older generation original settlers in this area.

2. Unduplicated participant count=850±.

3. Seven sites presently operating.

4. Total meals served per day=250.

5. Total cash budget=$183,542.00 (Does not include "in-kind").

6. Components of Budget (Cash Budget):

Food Service (food, disposables, equipment, insurance, commodity food storage transportation and handling)	$95,238.00
Salaries and wages and fringe benefits	66,998.00
Legal, auditing, and accounting	4,688.00
Supplies (nutrition site and supportive services supplies)	510.00
Possible site rental	1,500.00
Transportation of people (2 vans): (Gas, oil, repairs, registration, insurance, garage, rental, other, operation of third van)	6,639.00
Supportive services (equipment and activity expenses)	1,660.00
Volunteer expenses	415.00
Administration (office rent, equipment, telephone, supplies, insurance, staff travel, security, building maintenance, electricity, postage, printing, equipment repairs)	5,614.00
Nutrition Council supplies	240.00
Conferences (staff)	40.00
Total	183,542.00

7. Represents an increase in costs over last year.

8. Participant contributions and charitable foundations. Also, use CETA Program and Elder Service Corps. In-kind donated services total about $38,613.

9. Per meal cost is $1.43.

10. About the same now. Expected to increase.

11. Yes, via credit to the project through use of commodity foods.

12. January 1976 Administration Expenditures:

Salaries and fringe benefits of director and secretary	$1,081.00
Salaries of site management and assistants	1,641.00
Electricity	23.00
Staff travel	$32.00
Office supplies	54.00
Site supplies	9.00
Conference-training	45.00
Advertising	18.00
Telephone	100.00
Legal and accounting	440.00
Printing	5.00
Building maintenance	12.00
Postage	8.00
Rental	134.00
Total	3,602.00

13. About 20 percent of cash budget.

14. About 75 percent of cash budget covered by Title VII funds.

15. The balance comes from participant contributions.

16. About 25 percent to 30 percent for administration.

17. Would not object to having 25 to 30 percent of a Title VII or other Federal grant designated specifically for administration of Title VII Project.

18. About 10 persons waiting per site.

19. One or two weeks wait.

20. All of them will be reached during next year.

21. In practice, this system would tend to reduce the project's capacity to respond to need. Some budgetary leeway is mandatory.

22. About $195,000. We have many needs, especially in transportation of people, which will not be met when the CETA Program discontinues and we lose our two van drivers.

23. One of the five areas under our jurisdiction still does not have a nutrition site because of lack of funds. So, one more site would be added.

24. About three days per week is average participation.

25. Reasons are variable. No clear pattern appears to be evident.

26. Planned, if at all. Attendance does not vary predictably so this would not seem to be workable for us.

27. Food catering service for food preparation and delivery to all nutrition sites.

28. We now serve meals in two schools.

29. Our experience suggests that using the schools is better in theory than it is in practice.

30. Predominantly urban.

31. Project owns two minibus vans and uses drivers from the CETA Program. One van is especially adapted for handicapped people. It is equipped with a raised roof and a hydraulic lift for wheelchairs.

32. It provides excellent flexibility to meet needs of our participants. We are satisfied, except that drivers will need to be funded on a dependable payroll (preferably Title VII, as part of our regular project staff).

33. Yes, if the quality and variety of the foods offered are pleasing and nutritionally beneficial to our senior citizens.

34. Just careful selection and wide variety in the foods offered.

35. The credit to the project will be used to purchase more food.

36. A. No.

B. Too early in the program for us to anticipate at this time.

37. A small "Meals on Wheels" program from one of our sites.

38. About 12 to 15 meals per day are served from this one site.

39. Transportation is provided from private foundation funds, obtained by the community agency (not nutrition project), for a part-time driver and a station wagon. Do not know this cost. Food is provided by Title VII at a cost of $1.45 per meal × 3,250 meals/year=$4,647/year. Disposable supplies are provided by Title VII at an average of $25 per month or $300 per year.

40. About 10 percent is allowed under Title VII because Title VII is a "congregate" meals program.

41. Home-delivered meals now go to a mixture of temporarily and chronically disabled.

42. About 800±.

43. No. The demand for meals-on-wheels is extensive. Many elderly handicapped cannot come to congregate sites—even by adapted van.

There are three functional groups of elderly who need nutritional hot meals. Those who: (*a*) can get to the sites by walking, or by public or private transportation; (*b*) can get to the sites by door-to-door regular or specially adapted van, and (*c*) can *not* leave their homes and need meals-on-wheels.

44. No. This is very much needed. Funds are not sufficient for this service.

45. Unable to do it at the present time.

46. Recommend a separate special grant be made to the Title VII Elderly Nutrition Projects specifically allocated for a Meals-on-Wheels program. These meals would go out to the homes from each of the sites located in each area.

47. Yes. The Supportive Services Coordinator, together with whatever additional volunteer assistance she can find, provide nutrition education at each site.

48. Only cost would be about one-fourth of the $11,100.00 salary and fringe benefits of the supportive services coordinator, or $2,725.00/year.

49. Many individuals have commented on the constructive helpfulness of the information provided. However, a formal evaluation has not been done because of a shortage of staff and funds.

50. Probably about 10 to 15 percent.

51. Yes, this has been done. Recently, each site has been authorized to accept food stamps for participant contributions.

52. In our community, a rating of 8 to 10 would be a realistic estimate.

53. All those required by Title VII as follows: Transportation escort, outreach, shopping assistance, nutrition education, recreation, information and referral, health and welfare counseling.

54. The $11,100 salary and fringe benefits of the supportive services coordinator plus about $1,660 for equipment and activity expenses. All other work comes from in-kind contributions of agencies and individuals. In some areas, this is a very difficult way to operate.

55. This program was very well conceived in the advocacy, planning and legislative process. Meals-on-Wheels and special diet components should be added to the congregate meals component. Increased funding for food costs and also for *operating* costs of door-to-door transportation. Supportive services need more financial support.

COUNCIL OF ELDERLY, INC.

BOSTON AREA II NUTRITION PROJECT

Title VII survey answers

1. 8,000.
2. 600.
3. 9.
4. 400-500.
5. 411,212.
6.—

Personnel	$192,011
Travel	1,117
Rent and utilities	29,630
Communications	3,500
Raw food	87,125
Painting and supplies	5,283
Equipment	25,501
Other	67,410

7. The previous project year budget covered a nine (9) month period. On a comparable basis, the current budget reflects a 6 percent decrease in project expenditures. Personnel costs increased by about 1 percent while raw food costs decreased by about 20 percent. In addition there was an increase of about 25 percent in the number of meals available.

8. Non-Federal resources available to the project are as follows:

Department of Elder Affairs *	$2,400
City of Boston Commission on Elder Affairs *	15,600
City of Boston, Parks and Recreation *	10,394
City of Boston, Real Properties Department *	9,000
Dimock St. Community Health Center *	3,630
Project Income (Participants contributions):	
(1) Anticipated	26,581
(2) Accrued	20,893
Total	47,474
Total all sources	88,498

* In-kind services.

9. The average per meal cost for the calendar year was projected at $1.10 per meal. Reductions in Raw Food expenditures should reduce the cost by about 0.05 per meal, however recent price increases in the dairy industry may offset any anticipated meal cost reductions.

10. In comparison, the current cost per meal averages about 0.30 less than the previous year.

11. Given the current cost reductions in raw food prices and limited increases in other project expenditures, i.e., transportation etc. We could feasibly increase meal service by about 6,000 meals in the next project year.

12. Administrative costs include: ($4729.-35).

(a) Agency Administrator
(b) Deputy Administrator
(c) Fiscal Manager
(d) Administrator Asst.
(e) Administrative Secretary
(f) Project Director
(g) Project Secretary/Bookkeeper
(h) Travel
(i) Rental of Space
(j) Communications
(k) Supplies
(l) Other costs: Insurance, Consultants, etc.

The actual administrative costs for project operations during the past month was $4,729. This cost also includes personnel fringe.

13. Administrative costs represent about 14 percent of the total project budget.

14. Title VII funds represent about 90 percent of the total administrative costs.

15. The balance of the administrative costs (10 percent) is from in-kind services.

16. The most desirable cost of administrative services provided through Title VII funds would be in the range of from 18 to 20 percent.

17. This project would most definitely support a change in the Title VII funding allocations.

18. Waiting lists are kept by individual sites; some sites have persons on the lists, others do not. One of our sites has 185 people who would like a meal five days a week, we currently provide 45 meals per day to the site. Projectwide, we have some 50 people who are actually on waiting lists, about 60 percent of those are on waiting lists for home-delivered meals.

19. The average waiting period for site meals is about one week while for home delivered meals the period may be indefinitely.

20. The project will reach all of those now on waiting lists for group meals during the current project year.

21. Since the project is in the process of expanding services under its current funding, it is difficult to estimate increased participation based on performance funding unless, the funding covered costs for increased transportation demands. If the latter were the case, participation could increase by about 45 people per day.

22. Under a performance funding system, as mentioned above, a likely budget estimate would be about $450,000 based on current costs.

23. Our current expansion plans call for a minimum of four additional sites. Other site locations would depend on the location of possible participants.

24. Information obtained from the most recent quarterly report showed that for a period of 59 serving days, the majority of the participants eat meals an average of from 31 to 45 days.

25. Attendance variations depend heavily upon medical appointments as a primary factor. Other factors include: (a) weather conditions; (b) other special activities or programs apart from Title VII; (c) menus; and (d) individual physical and/or mental feelings, on a given day.

26. Based on our experience, we would favor both a planned variation and seasonal variation. We have instituted a method of planned variation based on individuals who call and cancel attendance for a scheduled day. This information is forwarded from our site managers to our food service staff who then reduces the meals prepared count for the site on the given day(s). The past month has also suggested that we allow for seasonal variations: During two recent snow storms and two days of extremely cold weather, we found that our meals served counts dropped by about 55 to 60 percent even where transportation was being provided. During extremely hazardous driving conditions, we have had to cancel transportation services to sites, and provided participants with home delivered meals.

27. The Boston II Project prepares all of its own meals in a central kitchen facility, meals are then packaged in bulk and transported to sites. The exception to this is the two Kosher meal sites which we operate in the Allston Brighton Area. Kosher meals are subcontracted and delivered by our own transportation system to one site. The second Kosher site provides meals under a contract of site prepared meals.

28. We have considered the possibility of using school lunch facilities, however we have not used such facilities, for two specific reasons: (1) The failure of the state funded elderly school lunch programs to provide services in school lunch facilities. This was due mostly to the reluctance on the part of participants in programs operating at school facilities. (2) For the most part, the majority of the preferred school lunch facilities are not located close to high density elderly residence areas.

29. See No. 28 above.

30. Boston Area II is an urban area.

31. Our project operates its own transportation system utilizing leased fifteen (15) passenger radio equipped vehicles. Drivers are always in touch with the central dispatcher who coordinates passenger pick-ups and advises on cancellations and re-routing.

32. We are indeed satisfied. Not only has this system increased the available transportation service, but has also reduced the cost by $10,000 under the previously contracted system.

33. Not only would we favor a continuation of commodity support, but would also welcome increased levels of USDA support.

34. Not applicable.

35. Further increases in USDA commodities could continue to reduce the raw food costs to Title VII projects. The impact of raw food costs reductions could then result in increased numbers of meals available.

36. (*a*) Depending on the item, we could purchase some commodities at lower costs.

Recent information from the Department of Elder Affairs suggested that their purchases of margarine for use by Title VII projects would cost an estimated 0.75 per pound. Our cost for the same item from a wholesale distributor has been 0.43 per pound to 0.53 per pound. Other USDA commodities however may cost more if purchased through wholesale outlets.

(b) See (a) above.

37. Yes.

38. Our current home delivered meals route serves an average of 45 meals per day.

39. The total budget cost of the home delivered meals program is $34,635 for the current project year, this averages $2.31 per meal.

40. Home delivered meals costs represent 12 percent of the meals costs, and 8 percent of the total budget.

41. Meals are served to both temporarily and chronically disabled persons.

42. About 75 to 100 persons.

43. No.

44. Special diets are provided for persons requesting salt free, low sodium or diabetic meals.

45. No. Diabetic foods are slightly higher in prices since they must also be purchased in smaller quantities, however the additional per meal cost is minimal.

46. Not applicable.

47. Yes. Nutrition Education sessions are conducted at all sites utilizing services of project nutritionist, as well as, nutritionist from area hospitals and educational institutions.

48. Budgeted costs total $2,944. However, without the support of area hospitals and educational institutions, the cost would be 75 percent higher.

49. There have been two incidents which would suggest that nutrition education sessions have had a positive affect on participants: (1) we are receiving reports from site managers of larger consumptions of menu items such as liver, broccoli, and green beans and (2) we have successfully changed our menu to include non-fat milk (Nu-form) as opposed to whole milk.

50. All of our sites are authorized to accept food stamps for home delivered as well as congregate meals, however we have not received stamps in the past six (6) months. Therefore, we have no sound basis on which to even estimate percentages of participants who are food stamp recipients.

51. (a) Yes. Outreach like information and referral is an ongoing activity of the project. (b) Not applicable.

52. Community acceptance and support of Title VII services would have to be rated at a level of 8.

53. The project directly provides: Outreach, transportation, information and referral, health and welfare counseling, nutrition education, shopping assistance, and recreation activities.

In addition, the grantee agency reinforces these services and also provides services in the areas of: (1) Legal services; (2) evaluation services; and (3) home aide services.

54. Estimate yearly administrative costs of project provided supportive services would be about $9,500.

55. Based on our experience we would recommend changes in the Title VII law to allow for the following:

(A) Increased funding to provide an adequate home delivered meals program which is an essential component to the congregate meals.

(B) Increased levels of expenditures for the supportive services component of Title VII.

(C) Allowances for 1 or 2 day group meals programing for special events, or, wherever there is a demonstrated need for such services, i.e., club meetings; group activities in addition to Title VII events, etc.

AREA III ELDERLY NUTRITION PROJECT, FEDERATED DORCHESTER NEIGHBORHOOD HOUSES, INC., DORCHESTER, MASS.

Title VII survey answers

1. 8,517 (1970 census—City of Boston).

2. Based on quarterly report—2,200.

3. 16.

4. 950.

5. October 1, 1975 to September 30, 1976—$540,190 including Inkind and anticipated project income.

6.—

Meals cost	$374,278
Support Services	95,544
Admin. costs	54,634
Indirect costs	15,734
Total	540,190

7. Federal dollars—$362,666—October 1, 1975—September 30, 1976 (plus Inkind and Project income).

Federal dollars—$241,130—October 1, 1974—September 30, 1975 (plus Inkind).

Increase is part expansion and part maintenance.

8. Anticipated project income October 1, 1975 to September 30, 1976 is $87,500.

9. $1.03 at present.

10. Lower because of increase in daily count and we own our own equipment.

11. Yes, because of expansion money and commodity foods.

12. $4,460—salary of project director, secretary, and administration portion of site managers and assistant site managers, transportation personnel—rent and utilities—phone—supplies—audit and computer.

13. 1 percent of yearly budget.

14. All.

15. See 14.

16. 15 percent.

17. Yes.

18. Yes, approximately 100.

19. 5 weeks.

20. All.

21. 50 percent.

22. $108,000 to $180,000.

23. 3 to 5.

24. 3.

25. Weather, menu and ancillary events.

26. Now in use.

27. Catered, prepared in central location and shipped in bulk to 15 sites.

28. Yes, for 5 minutes.

29. Difficult at best in Boston.

30. Urban.

31. Demand-response of 5 vans and 2 nutrition vans.

32. Yes.

33. Yes.

34. See 33.

35. Expansion of existing sites.

36. A. No. B. 50 percent net.

37. Not Meals on Wheels, but we do deliver home meals to participants referred by health related agencies.

38. 160 per day home delivered.

39. At present Federal dollars, $362,666; Anticipated Project Increase, $87,500; Per year cost, $450,166; does not include Inkind.

Average cost per meal including transportation and meals related costs, not including Inkind—$1.35.

40. We do not have a Meals on Wheels program.

41. Mixture of both groups.

42. Difficult to estimate—basically a congregate program and have placed little emphasis on home bound.

43. It shouldn't, with proper guidelines regarding medical referrals.

44. Yes, because we made modifications providing desserts for diabetics and skim milk. All food is cooked with minimum salt.

45. No—see 44.

46. See 45.

47. Yes, with Public Health Nurses and senior Public Health students.

48. Inkind.

49. Excellent.

50. Very small proportion of participants.

51. Yes.

52. 11.

53. Medical help via 13 health centers in Area III. Shopping assistance involving transportation to shopping areas. Recreation at individual sites. Cultural visits to museums, etc., information and referral to many resource agencies in our area.

54. Services are in-kind with the exception of transportation and our outreach workers, who introduce the Title VII participants to the many services available to them.

55. Continuous good quality and quantity and a good selection of commodity foods for expansion of the Title VII program. Make sure that outreach and transportation money is on-going to enable us in urban situations to reach more people who need the program.

HIGHLAND VALLEY
ELDER SERVICE CENTER INC.,
Northampton, Mass., January 30, 1976.

Senator GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs, U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: Please find enclosed a response to the questionnaire your Committee requested of our Title VII (Older Americans Act, 1965) elder meals program.

We hope that we have sufficiently answered all of your questions. If there is further information needed, you may contact us directly.

The opportunity to participate in the Committee's important work is greatly appreciated.

Respectfully,
JAMES J. CAVANAUGH,
Nutrition Program Director.

Title VII survey answers

1.

	60-plus	Poor 60-plus
A. Project area: total number of eligible individuals:		
60-plus		16,319
Poor 60-plus		2,696
60-plus and poor 60-plus		19,015
B. Current service areas:		
1. Northampton	4,568	768
2. Easthampton	2,136	433
3. Hadley	540	145
4. Westfield	4,023	658
Total	11,267	2,004
C. Potential service areas:		
1. Amherst	1,598	148
2. Chesterfield	114	25
3. Cummington	192	12
4. Goshen	76	12
5. Hatfield	410	53
6. Huntington	215	52
7. Middlefield	42	6
8. Pelham	122	12
9. Plainfield	53	19
10. Southampton	368	61
11. Westhampton	102	0
12. Williamsburg	304	12
13. Worthington	130	45
14. Blandford	192	30
15. Chester	219	41
16. Granville	147	12
17. Montgomery	60	8
18. Southwick	520	106
19. Tolland	37	9
20. Russell	151	29
Total	5,052	692

2.

Projected Schedule:	*People per day*
February 1976	260
March 1976	300
April 1976	340
May 1976	380
June 1976	400
July 1976	430–450

3.

Projected Schedule:	*Number of sites*
February 1976	4
March 1976	4
April 1976	5
May 1976	6
June 1976	6
July 1976	6

4. 260.

5. $167,137.

6.

Personnel	$37,985
Travel	3,290
Rent and utilities	3,550
Communications	4,290
Supplies	9,923
Equipment	6,253
Other	101,846
Total	167,137
Federal grant	134,774
Project income	9,500
Local match	22,863
Total	167,137

7. Not applicable (First program year: 1975–76.)

8.

In-kind Services	
(a) Council on Aging client transportation	$17,350
(b) Individual client transport	5,513
(c) Project income	9,500
Total	32,363

Plus many volunteer hours.

9.

Number of meals per day:	*Cost per meal*
1–199	$1.30
200–299	1.20
300 or more	1.10

10. Not applicable (First program year: 1975–76.):

11. Yes.

12.

December 1975:

1. Personnel:	
3 Site Managers ($220 times 3)	$660.00
1 Assistant Site Manager	184.00
1 Supportive Services Coordinator	667.00
1 Program Director	833.00
Subtotal	2,344.00
Fringe (15 percent)	357.00
Personnel total	2,696.00
2. Rental and maintenance	340.00
3. Supplies	49.27
Total	3,086.27

13. 22 percent.

14. 100 percent.

15. Out of what funds, if any, does the balance come? Not applicable.

16. 25 percent.

17. No.

18. Yes. 250–300 people on waiting list.

19. Difficult to determine since we have only been in operation for 5 months and are expanding the program.

20. Hopefully, all.

21. 100 percent (estimated).

22. $195,000–230,000 (estimated).

23. 5–7 Site locations.

24. 3.87 days (mean average).

25. Weather conditions, seasonal changes, menu changes, sickness and death account for most of the variation of participation. Our program attempts to maintain a relatively stable daily attendance by calling upon a pool of "stand-by" participants (i.e., individuals waiting to participate in the meals program as cancellations occur.

26. Additional program operation is required to determine if a "planned" or "seasonal" variation flexibility is needed.

27. Our program currently has a food service contract with the city's vocational high school. We are also exploring the possibility of including a private, profit making caterer in order to accommodate our client growth as we expand into other communities.

28. All our meals are prepared by a local vocational school.

29. Not applicable.

30. The 1975–76 percent of total T–7 Participants: Urban 79 percent; and Rural 21 percent. The 1976–77 Projected percent of total T–7 Participants: Urban 61 percent; and Rural 39 percent.

31.

Providers of client transportation.	*Percentage of use*
Councils on Aging	75
R.S.V.P.	1
Participants transporting other participants	21
Contractual agreement with individuals using personal vehicle	3

32. No. The small passenger vehicles of the Councils on Aging limits the number of participants we can transport to a congregate meal site. This problem is further compounded in that the CoA vehicles are committed to transportation functions other than the Title VII Program.

33. Yes.

34. Not applicable.

35. Total dollars credit will translate into a daily increase in the number of meals served per day.

36. A. About 15–20 percent of the time, comparable items to USDA could be locally purchased at the same price or lower.

B. Not applicable.

37. Yes.

38.

Present schedule:	*Homebound meals per day*
January 1976	10–15
February 1976	15–17
March 1976	17–20
April 1976	20–23
May 1976	23–26
June 1976	26–28
July 1976	28–32

39.

Schedule	Homebound meals served per day (average)	Cost per meal	Cost per homebound container	Cost per month
Present:				
August 1975	7	$1.33	$0.165	$209.30
September 1975	7	1.33	.165	209.30
October 1975	8	1.30	.165	234.40
November 1975	8	1.30	.165	234.40
December 1975	9	1.30	.165	263.70
January 1976	13	1.30	.162	380.12
February 1976	16	1.20	.162	446.21
Projected:				
March 1976	19	1.20	.16	516.80
April 1976	22	1.10	.16	554.40
May 1976	25	1.10	.16	630.00
June 1976	27	1.10	.16	680.40
July 1976	30	1.10	.16	756.00
Total (in-kind transportation)				[1] 5,115.03

[1] Estimated.

40. 3.1 percent.

41. A mixture.

42. The 24 towns in the service area the program is responsible for has approximately 17,000 elderly with an estimated 8–10 percent needing homebound service, or 1,360 to 1,700 individuals.

43. No. But, additional funds would be required to support the costs of a home delivered meal program (i.e., homebound meal containers and transportation of meals).

44. All foods are prepared salt free, other than what is contained naturally or added by the meal participant.

45. No.

46. Not applicable.

47. Nutrition education programs are planned for our developing Title VII program.

48. Nutrition education will be provided by the County Extension Service at no cost to Title VII.

49. Actual training results of nutrition education will become concrete once the program has been implemented.

50. Less than 1 percent of our meal participants receive food stamps.

51. Yes, as we expand our program in new areas.

52. Following information:

Communities:	*Ratings*
Northampton	10
Easthampton	10
Hadley	7
Westfield (Site opens) February 2, 1976.	

53. Information and referrals, escort and transportation, recreational activties, nutrition education (scheduled).

54. Administrative costs for supportive services is estimated to be less than $350,000 a year. plus the salary of the Supportive Services Coordinator ($7,000–9,000).

CIA DESTRUCTION OF DOCUMENTS

Mr. KENNEDY. Mr. President, on June 7, following reports that the Central Intelligence Agency planned to destroy certain records it had gathered during the course of the recent congressional investigations, I wrote Director Bush urging that the destruction not take place. While I had not had the opportunity to review the applicable Federal records-retention laws, it seemed to me that time was needed by a number of interested committees to determine whether there was any further need or use for those documents. I was also concerned that some of the records may be relevant to litigation or pending requests for information under the Freedom of Information Act.

It seems to me, Mr. President, that every time the document shredder has been activated in recent years, it has been the public interest that has wound up in the incinerator. ITT shredded documents concerning its antitrust settlement. The FPC shredded records regarding its natural gas survey. Then FBI Director L. Patrick Gray "deep sixed" files from the White House plumbers. President Nixon's Committee to Re-elect sent Watergate-related materials through the electric chopper. And the CIA itself mysteriously destroyed documents relating to its drug-testing program.

I was pleased to receive Director Bush's response before the recess, indicating that there would be a moratorium on any file destruction, that the Senate Select Committee on Intelligence would receive schedules of records to be destroyed in advance of destruction, and that no records subject to pending FOIA or Privacy Act requests would be destroyed. Furthermore, the National Archives will have to approve the legality

of destruction under applicable Federal laws.

Director Bush's letter to be is most responsive to my concerns, and I believe that the interests of the public and the Congress will be well served by this new approach adopted by the CIA. I have over the past few years criticized the CIA's handling of disclosure and information related matters; I am pleased now to commend the sensitivity Mr. Bush is showing in dealing with the need in this instance to balance the interests of personal privacy and agency openness. This is a most welcome direction for both the Agency and its Director to be charting.

I ask unanimous consent that my original letter to the Director and his recent response to me be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, D.C., June 7, 1976.

Hon. GEORGE BUSH,
Director, Central Intelligence Agency, Washington, D.C.

DEAR DIRECTOR BUSH: I noted in the Washington Post of June 4, 1976, that the Central Intelligence Agency plans to destroy secret records compiled over the past year concerning illegal and improper agency activities. As chairman of the Senate Subcommittee on Administrative Practice and Procedure, which monitors federal information practices and has jurisdiction over agency administration of the Freedom of Information Act, I urge you to defer any such planned destruction for the foreseeable future.

First, the Senate has recently established a new Select Committee on Intelligence Oversight which is not yet fully organized. As a strong supporter of the Resolution establishing that Committee, I believe that its members should first have the chance to make an independent determination whether any of the documents in question might be necessary or useful to their activities.

Second, there are federal statutes relating to the maintenance of records which may be applicable to the records in question, even if they were illegally compiled or reflect improper agency activities. Although you may have determined that those laws are not here applicable, FBI Director Kelley, for example, has publicly stated that the Bureau could not destroy similar materials because of federal record-keeping laws. I would like for my subcommittee to have the opportunity to review those provisions in light of the proposed document destruction.

Third, proposals have been advanced that would require federal agencies engaged in illegal activities which may have violated the constitutional rights of American citizens to notify those persons of such activities. The Department of Justice is entertaining such a proposal, and legislation to that effect is presently pending in the House. Destruction of the records in question may make notice impossible, and thus should be deferred until Congress has determined whether or not to act in this area.

Fourth, there is pending in the House legislation (which I am considering introducing in the Senate) to allow certain classes of persons to sue the federal government for injury arising from the administering of dangerous drugs by federal agents or employees without the informed consent of those persons. (A private bill affording payment of a settlement in the case involving the Olsen family has already cleared the Senate.) Destruction of records might present an obstacle to the Congress's ability to make judgments in future cases like this.

Fifth, there may be outstanding requests under the Freedom of Information Act that encompass the material in question. In at least one reported case, a federal court has strongly criticized an agency for proceeding, even under a routine records-destruction procedure, to dispose of documents falling within the plaintiff's request; it would be unconscionable for this to occur again.

In short, while it has been reported that you have concluded that records destruction will be consistent with applicable laws and requirements of pending litigation and Justice Department investigations, it is equally important that any such destruction be considered in light of pending or proposed legislation and congressional investigations, and further, that there be no ambiguity as to the application of such "applicable laws."

Obviously any after-the-fact assessment would be fruitless where the proposed action would obliterate the only material which would provide any basis for such assessment.

It is inconceivable to me that the Central Intelligence Agency would not have sufficient file storage capacity to maintain the integrity of the documents in issue for the foreseeable future. In light of the continuing interest of the Congress and the public in the intelligence activities of government—past as well as future—I therefore request that the proposed document destruction not be carried out until the many congressional committees with an interest in this area have been heard on the matter.

Sincerely,

EDWARD M. KENNEDY,
Chairman.

CENTRAL INTELLIGENCE AGENCY,
Washington, D.C., June 25, 1976.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Administrative Practice and Procedure, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of 7 June 1976 expressing concern as to the Agency's plans to destroy Agency material which has been under a moratorium imposed by the Senate leadership pending completion of the investigation of the Agency by the Senate Select Committee.

By letter of 2 June, I informed Senators Hugh Scott and Mike Mansfield of our plans to destroy Agency documents and materials and requested their confirmation of our intended action in view of the moratorium. This was done only as a preliminary step to destruction to determine if there is further congressional interest. I wish to make clear that it was never my intention to destroy any documents still subject to Justice Department investigation or relevant to litigation.

We have extended the moratorium for six months, to expire on 10 December 1976, as requested by the Senate leadership. Prior to the destruction of any records, we shall transmit to the Senate Select Committee on Intelligence copies of the record schedules which are submitted to the National Archives and Record Service for their approval prior to the destruction of any records. The same will be done with respect to those routine administrative records which, although not involved under S. Res. 21, were withheld from routine destruction during the life of that Resolution.

You may also be assured that we will not destroy any Agency record holdings of interest to any pending Freedom of Information Act or Privacy Act requests. In regard to your support of pending legislation to require the Agency to notify individuals concerning whom we have information which is deemed to have been collected improperly, I must reaffirm my position as stated to the House Government Operations Subcommittee on Government Information and Individual Rights. Such notification would be unworkable as our information is incomplete and considerably outdated. Further, such an undertaking could be a further violation of the privacy of the individuals involved if mail is misdirected. The principal programs involved, mail intercept and CHAOS, involved passive collection and did not involve any Agency actions directed against specific individuals.

I appreciate your personal interest in the matter and trust that this letter satisfies your concerns.

Sincerely,

GEORGE BUSH,
Director.

ENERGY POLICY STATEMENT AND ENERGY INITIATIVES

Mr. PACKWOOD. Mr. President, there is an urgent need for the development of a comprehensive and far-reaching national energy policy. A comprehensive and responsible national energy policy must address itself to new energy sources and alternatives as well as energy efficiency and conservation, and the environmental issues derived from the enormous growth and demands for energy in this country.

The country needs to develop an aggressive energy efficiency and conservation program coupled with development and use of new multiple-energy technologies. Such action will take an immediate and long-term commitment by the Government, the scientific community, and by the people.

Today oil and natural gas provide about 80 percent of our total energy needs. About 50 percent of this oil is imported. In the future, to assure sound supplies of energy in the face of dwindling domestic supplies of oil and natural gas, and to reduce our dependence on imported supplies, it is essential that the country turns to conservation and to alternate energy sources.

The number of potential future alternatives which might be considered is limited only by the imagination. However, for the remaining of the century, the only sure large sources of domestic energy are coal and nuclear fission. Other alternative sources, such as solar, geothermal, and fusion are simply either undeveloped in their technologies, or, if developed, can contribute only small percentages of the national demand. By the year 2000 it is predicted that the energy demand in this country must be met by the percentage of contributions made by each of the following sources.

Energy Source:	Percentage
Oil	12
Natural gas	15
Coal (including synthetic fuels)	30
Solar (including geothermal and biomass)	10
Nuclear (fission)	30
Hydroelectric	3
Total	100

Energy requirements are closely tied to the national economic growth of the country. It is now estimated that future energy demands will grow at a slower rate than the GNP. Under moderate eco-

nomic growth conditions and increasing environmental investment, energy growth can be expected to average about 3 percent per year over the next 25 years. Moderate economic growth is defined as an average growth rate for real GNP of about 3.5 percent per year over the next 25 years. Policies to provide a balance of economic and environmental needs are both feasible and desirable to improve the quality of life as well as the standard of living.

It is now generally agreed that oil and natural gas can not provide the basis for long term economic growth in this country. Therefore, to achieve energy independence and moderate economic growth, it will be necessary to make a basic shift from oil and natural gas to coal, nuclear energy, and conservation. During the next 25 years electric energy consumption would increase at an average rate of about 5.5 percent per year under moderate economic growth policies. This growth will be a result of the shift from oil and natural gas to coal and nuclear energy.

During this period major efforts and increased research and development should be placed in mineral exploration, mining, refining, improving technology, and freeing market prices to make available increased quantities of basic natural resources and discourage waste.

Initiatives for immediate action:

First. Implement a strong and aggressive efficiency and conservation program.

Reduced and efficient consumption is the quickest way to alleviate energy shortages and to conserve our resources and our environment. The Government must take aggressive steps to restrain the Nation's wasteful demand for energy. We must get off the exponential growth and in time give away to energy equilibrium. An active energy efficiency program can reduce energy demand by the equivalent of about 4 million barrels of oil per day by 1985, or a reduction in our daily consumption by about 25 percent. Such program must encompass two principal concerns:

The need to prudently develop, manage, and utilize the country's natural resources, both renewable and exhaustible, in order to assure long term supplies of materials.

The need to provide a quality environment in which Americans could enjoy the beauty and wonder of the natural world, while living in surroundings that were clean, healthful, and attractive.

Second. Implement a reasonsible program to increase coal production.

Coal comprises the most abundant fossil fuel reserve in the Nation. Therefore, the Government should implement an aggressive program to use these abundant desposits of coal in lieu of natural gas and oil.

Third. Implement a responsible program to provide limited safe nuclear energy.

Nuclear energy can provide an important alternative to fossil fuels for electrical power generation. Therefore, the Government should, with industry, State, and local governments, establish standardized reactor designs and reactor siting criteria; and should establish strict Federal quality control, inspection procedures, and acceptance criteria, including adequate instrumentation which reactors must meet before operations are approved.

The Government should take steps to improve confidence of the public in the safety of nuclear reactors and in the security of nuclear materials against sabotage and unauthorized diversion.

Long-range initiatives:

The Government should step up and encourage all forms of short-range and long-range research and development programs. It should encourage other nations to participate in joint research and development and should share and exchange results. The Government should fund, partially fund, or encourage through appropriate tax incentives, research, development, and demonstration of such programs as:

First. The "in situ" coal gasification methods for making high Btu gas, methane, and synthetic petroleum.

Second. The "in situ" shale oil production methods.

Third. The reevaluation of ambient clean air standards and environmental regulations in order to reach a balance between environment and energy demands.

Fourth. The step up and expansion of the materials research of special alloy development programs. Second generation commercial coal gasification plants and nuclear powerplants requiring large size, high temperature, and high pressure components cannot be built at present because these components do not exist.

Fifth. The engineering, design, maintenance problem, costs and safety for constructing and siting nuclear power plants including underground, underwater, or nuclear power parks in order to improve safety, security and efficiency.

Sixth. The development and production of methane gas from marine and terrestrial biomass.

Seventh. The development and production of hydrogen gas for transportation use.

Eighth. Step-up research on such inexhaustible energy sources as solar and fusion systems and materials needed for development of these energy devices and systems. These efforts should include and consider the problems of solar energy due to daily cycle, seasonal variations and the multiple effects of weather and climate. Also, these should include land use, water requirements for cooling, capital investment, environmental impact, and social acceptability.

Ninth. Push for a national policy on solar energy systems integrated with additional energy efficiency and conservation programs.

Tenth. Push for providing incentives, subsidies, financing insurance, and tax breaks for these programs.

Eleventh. Push for system durability, reliability, and maintenance, in solar and other advanced energy commercialization equipment and systems so that the consumer will be adequately protected.

Twelfth. Push for the development of codes of ethics and standards for solar and other advanced energy equipment and services.

Thirteenth. Provide Government assistance to industry and small business for research, development, demonstration, and implementation of solar and other advanced energy systems.

Fourteenth. Private safeguards to protect the consumer from deceptively advertised solar and other advanced energy products.

Fifteenth. Develop educational programs for the consumer on the advantages as well as the drawbacks to solar home heating and cooling equipment.

Sixteenth. Rededicate the Nation to becoming energy sufficient by providing the needed research and development, manpower, and funding to develop fusion energy within the next 25 years. The promise of an environmentally attractive energy source of inexhaustible capacity is a strong attraction despite possible unforeseen problems.

In conclusion I would like to say that we should develop an overall energy policy based on the best scientific and engineering facts available, no matter how unpopular and unpleasant such facts may be. A systems approach to the development of an integrated national energy policy, will eliminate waste and conserve energy whenever practical, and it will produce the energy sources that we will need in the future. If such a policy is implemented and the programs are effectively carried out; then this country can have adequate energy, environmental protection, and future economic stability.

THE HUMPHREY-HAWKINS BILL—A THREAT TO THE SURVIVAL OF OUR FREE ENTERPRISE SYSTEM

Mr. FANNIN. Mr. President, as America celebrates its 200th birthday, we reflect on the genius of our founders and our continuing debt to them. They gave us a system of government based on the self-renewing strength of free men, free institutions, and free markets. In America the ideal of individual political and economic freedom took root and flourished. They produced a combination of human energy, progress, and achievement that has been unparalleled in history during any 200-year span.

We must maintain our individual and political economic freedoms especially our free markets. In view of the growing imbalance between the power of the Government and the freedom of the private sector, we are experiencing a serious threat to those fundamental American ideals that are essential to the preservation of our free society.

It is clear that we can no longer complacently assume that the legislative process contains a self-correcting mechanism. We can no longer assume that reason will prevail in Congress before real damage is done to individual freedom and the American economic system.

Each session of the Congress produces Government intervention, more control and planning of the entire economy. Each year new regulatory agencies are created. As more taxation is imposed to support these agencies, more deficits are incurred which ultimately increase inflation.

The Washington bureaucracy is infested with social engineers who impose harmful restrictions on business. We have environmental restrictions. We have occupational safety and health restrictions. We have restrictions on mergers that have had devastating effects—a good example is our railroads. We have the call for divestitures of our major industries. We have countless man-hours spent in filling out forms for Government regulatory agencies. Certainly, these are man-hours that might better be spent in production to meet the demands of the consumer for goods and services.

Congress has sought to solve economic problems through more and bigger Federal programs. But instead of curing our economic woes, these Federal programs for the most part have only added to the problems.

It should now be evident to everyone that those efforts have been and continue to be aimed in the wrong direction. It should also be evident that economic progress and stability cannot be achieved by expanding government at the cost of the private sector. We cannot continue to introduce and pass legislation that jeopardizes our free enterprise system and imposes more state control on the economy.

State control increases as new regulatory agencies are created, as more and more taxation is imposed to support these agencies, and as more and more deficits are run up to fuel the fires of inflation.

While it took 174 years to reach the $100 billion budget level—1963—it took Congress only 8 years to add another $100 billion, and only 4 years more to cross the $300 billion mark a year later.

And all this to have a national debt in 1977 of over $700 billion. The interest alone on this vast debt will be about $45 billion.

We have forgotten the magnitude of a billion.

A billion seconds ago the atomic bomb had not been perfected, much less exploded.

A billion minutes ago our Saviour, Jesus Christ, was living on Earth.

A billion hours ago man was living in caves.

And to think that our governments—Federal, State, local—have spent over a billion dollars in the last 24 hours.

As if American enterprise were not already stifled enough by the huge government deficits of the past decade, we currently have before us an Alice-in-Wonderland piece of legislation called the Humphrey-Hawkins bill which will create an even greater deficit and could well plunge us into another recession.

This bill, which is now pending, would create massive temporary public employment jobs at the expense of the private sector. There is no doubt that it would tip the scales drastically in favor of state control of the economy. It has been opposed by President Ford and Ronald Reagan, and has been endorsed either in fact or in principle by every major Democratic candidate who ran for the Presidential nomination this year. When Arthur Okum, formerly of the Democratic Council of Economic Advisers was asked if he endorsed the bill. He replied:

> No, I don't have to. I'm not running for President.

The full implications of Humphrey-Hawkins are not seen by many people at first glance, so eager are they for a quick solution to our national unemployment problem. Let me outline them for you here:

In essence, the bill would require the government to hire unemployed people and pay them by taxing those who are employed. This is what happened in New York City. For over a dozen years, New York added nearly 150,000 public jobs. All along the way taxes rose, productivity fell, and the unemployment rate climbed.

In addition, Humphrey-Hawkins would, if enacted, mean national economic planning on the grand scale, with new layers of bureaucracy created to harass private enterprise even more than is presently the case.

The Humphrey-Hawkins bill's goal is 97 percent employment, but this is unrealistic. Short-term employment, where there is expectation of reemployment in the near future—seems nowhere to be taken into account. The only time we approached such a figure was in 1953 during a period of production to support the war effort when we had an unemployment rate of 3.59 percent. The bill contemplates achievement of this 3 percent unemployment rate within 4 years of the bill's enactment. But, setting such an arbitrary numerical goal and transforming the Government into the employer of the last resort will not solve the unemployment problem. The only solution is to create an economic environment in which permanent and productive jobs will be available. Certainly, this can only happen in the private sector since it is there that approximately 85 percent of our labor force is employed.

Under Humphrey-Hawkins, the President of the United States would be required to send to Congress each year a series of plans setting forth specific numerical goals for employment, production, and purchasing power for every part of the economy. Business would also have to submit even more data and reports to aid in this national economic planning effort.

When business decisions conflicted with the Government plan, business would be pressured to change its own plans, no matter how meritorious they might be in terms of meeting the real productivity requirements of the economy.

On hearing of these proposed all-encompassing Government plans, Columnist Nicholas Von Hoffman asked:

> Does this mean that every six months the President must estimate that we'll need 8,741 oil paintings, 1,705 performances of Swan Lake and 14 new marimba bands?

All this, of course, is based on the assumption that Government planners have a better grasp of our economic needs than experienced business leaders, but this assumption is contrary to simple common sense and long term business interests.

After all, history shows that the free market, does operate according to the rules of logic and common sense. The free market produces to meet the needs of the consumer, not the requirements of Government bureaucrats. Under private enterprise, because of the profit incentive, businesses produce the greatest possible amounts of goods and services for the greatest possible number of people. This, inevitably, leads to the maximum expansion in the number of jobs as production is increased and as new techniques are found to refine and improve the product.

However, the concept of Government as the employer of last resort, involves a drastic expansion of so-called public sector employment, which has to mean ever-increasing public deficit spending and its partner, inflation. At a time when we are coming out of our recession, it is hardly appropriate to establish programs that will create larger deficits and a resulting inflationary trend. Also, in order to raise revenues to cover even part of such a program, there would have to be major increases in taxation, which would drain available capital from private industry. However, it is clear from the recent Senate proceedings that it is difficult to raise even $2 billion in additional revenue from taxation to provide for tax cuts. So, it would be improbable that under normal circumstances the Senate would agree to spend $25 billion additional revenue to fuel the Humphrey-Hawkins fires of inflation. However, with the tremendous campaign that the unions and other groups have unleashed to support the bill, we will need all the support possible to defeat that legislation.

What would be the inflationary impact of Humphrey-Hawkins? Estimates vary, as usual, but the bill's sponsors estimate that, after allowing for deductions in unemployment compensation and welfare, the total cost of carrying out the bill's provisions might well be as high as $27 billion.

The U.S. Chamber of Commerce has estimated the aggregate probable cost to be more like $40 billion. Deficits would increase, with a resultant increase in inflation to more than 10 percent a year. This could well result in wage and price controls. Such controls would further stifle business, thereby aggrevating still further the unemployment problem in the private sector.

To meet this problem, the planners would propose creation of still more public sector jobs, and the process would begin all over again.

The inflationary problem connected with Humphrey-Hawkins is especially dangerous. The Government would put vast numbers of people to work in so-called "public service" jobs; but you cannot increase the buying power of these people without a genuine, corresponding increase in the production of goods and services—not if you want to maintain any sort of price stability.

It is perhaps easy to forget the simple truth that increased demand without increased supply must, of necessity, result in higher prices—something no one can easily afford in these times.

Still further, wage levels for public sector jobs created under the provisions

of Humphrey-Hawkins would be set at an amount at least the same as the prevailing minimum wage in a given area. In construction projects under Government contracts, wages would have to be set at levels amended by the Davis-Bacon Act.

But Davis-Bacon wages are already significantly higher than the prevailing minimum wage, so that such high wages for temporary public sector jobs would have to distort wage levels in any given communities. Private industry would, to keep employees from being drawn into these lucrative but essentially unproductive public sector jobs, be forced to pay much higher wages. This would, in effect, raise the minimum wage and add to the inflationary impact of the bill and create additional substantial economic burdens for business.

It is significant, I think, that even the Washington Post, certainly no enemy of big Government when applied to economics, has warned that the objectives of Humphrey-Hawkins cannot be reached without either a dangerous inflation or iron-clad wage controls.

I think we have to recognize Humphrey-Hawkins precisely for what it is: The "Rosemary's Baby" of the 94th Congress.

Humphrey-Hawkins would only serve to expand the power of government at the expense of private enterprise and personal liberty. It would encourage the dangerously false idea that Government can indeed solve all our problems.

By creating government make-work jobs that are, in reality, unproductive, it would distort our market economy; and by reducing efficiency in our total economy, it would increase the cost of goods and services.

By imposing needless controls and jeopardizing the growth of labor productivity, it would seriously harm our competitiveness in the world markets.

It would retard savings and capital formation. It would cause delay in decisions for economic expansion and job creation by favoring current consumption and needlessly exacerbating uncertainty about the future.

This solution lies in the private sector: Approximately 83 percent of the labor force are employed in the private sector with the remaining 17 percent working for various levels of Government. Obviously a 7.6-percent unemployment rate cannot be reduced in any significant way by enacting massive temporary public employment jobs. The only way to provide sufficient numbers of permanent jobs to meet our employment needs is by strengthening the Nation's private business.

The utilities industry alone could provide hundreds of thousands of new jobs for Americans if Federal policies were enacted to encourage capital formation. Lack of adequate capital and uncertainty about the future of our Federal tax laws are causing the utilities industry to hold back on unneeded expansion. Construction of powerplants is being held up because of the lack of capital and because of barriers being thrown up by the environmentalists. If we can get moving and build these powerplants; if we can start mining the abundant coal resources we have and utilize those resources, then we will be creating thousands and perhaps even millions of jobs. People will be put to work building the plants and mining the coal, building the facilities to transport the coal, and manufacturing the steel to build the facilities.

In attempting to further stimulate the economy through massive Federal spending programs to provide public service jobs, we could abort the economic recovery which is now underway. The recovery we are beginning to experience will be thwarted if all sources of private borrowing are soaked up by Federal deficit. Increased capital investment is the best answer to our economic difficulties, and Government spending will never qualify as a substitute.

Therefore, I oppose the adoption of the Humphrey-Hawkins bill (S. 50) since it will create massive inflation, impede the progress of the economic recovery we are now experiencing and most important that it would severely limit the freedom of the private sector and destroy individual political and economic freedom.

A TRIBUTE TO STANLEY LOWELL

Mr. RIBICOFF. Mr. President, tomorrow Stanley H. Lowell will retire as chairman of the National Conference on Soviet Jewry. Stanley Lowell has been a longtime friend of mine, of all people of the Jewish faith, and of the many others whose cause he has fought for.

Those of us who have followed his remarkable career have a deep sense of admiration and respect for him as a man. He always has the courage to take up any issue, to push for any goal so long as one condition was met: That the cause he was fighting for was one that he believed in. Those of us who have been deeply concerned by the oppression and denial of human rights in the Soviet Union will never forget his tireless work and invaluable leadership in trying to bring about free emigration. But his work on that problem was no different than his work on any of the many other causes he has been associated with.

Stanley Lowell has always defended the rights of individuals wherever and whenever they have been threatened. As a young lawyer, he wrote the brief in defense of a black man who was being denied admission to the regular program at a law school in Texas. In many ways, his work on that case laid the foundations for a similar case sometime later, Brown against the Board of Education, in which the separate-but-equal doctrine was finally struck down by the Supreme Court. He also successfully fought to knock out all-white primaries in Texas.

As deputy mayor of the city of New York, Stanley Lowell worked to make sure that the first fair housing law in the country for privately owned property was passed. The principle embodied in that law was later adopted by the Federal Government and incorporated into Federal law. As chairman of the New York City Commission on Human Rights, Stanley Lowell continued to immerse himself in the cause of those who have been left out, those who have not gotten a square deal from society.

As an indication of the extraordinary depth and feeling of this man, I recall that, while working for the city administration, he was largely responsible for making the "Shakespeare in the Park" festival a reality. At a time when culture was completely disappearing in many of our cities, Stanley Lowell never lost sight of the value of cultural events to educate and simply to bring people closer together.

Before becoming chairman of the National Conference on Soviet Jewry, he was the senior vice president of the American Jewish Congress. He has served on the executive committee and as a director of the United Jewish Appeal. Stanley Lowell has been a great friend of Israel and a leader of the Jewish people.

But beyond his remarkable and distinguished career in public service, Stanley Lowell's personal qualities as a man and as a devoted citizen are what have made so strong an impression on such a great many people. He has awakened the sensibilities of many of us with his strong moral values, his dedication, his concern for others and his determination to right any wrong. Because of his imagination and his compassion for others there have been many times when no one but Stanley Lowell could have provided the insight and the leadership to make issues that were of concern first to him, issues of concern to many people, including many of us here in the Senate.

I congratulate Stanley Lowell on his retirement after a working life that has been so useful and so important to others, and one in which so much has been accomplished. For the rest of us, I can only say that we will miss his devotion, his energy, and his clear sense of what is right, what is wrong, and what is reasonable. There are not many men like Stanley Lowell, and we will all miss his guidance when new issues threaten the rights of the individual.

OIL CONSERVATION IS VITAL

Mr. JAVITS. Mr. President, during the hearings before the Government Operations Committee this past May on the extension of the Federal Energy Administration and the state of our national energy program, I was dismayed by the lack of enthusiasm and support for a continued and vigorous conservation effort. I am absolutely astonished at how this country has reacted to the exhorbitant cost of energy. Many witnesses did not think that more conservation was either necessary or a good idea. I could not disagree with that notion more.

But one witness, Roger Sant, who was then the Assistant Administrator for Conservation at the FEA, showed a keen awareness of the possibilities that can be derived from greater conservation efforts and clearly indicated that we ought to be doing more.

I asked Mr. Sant, as a private citizen, not as a Government official, to detail for me what more could be done, at what cost, and to what possible results. Mr. Sant has responded with a detailed analysis and convincing brief for the neces-

sity to significantly beef up our current programs and add new ones that will certainly bring cost effective results.

Mr. Sant estimates that the energy demand will increase 2.7 percent per year through 1985. Implementation of the programs outlined in his letter could reduce the demand growth rate to 1.5 percent, or the equivalent of over 5 million barrels of oil per day. At current prices, that would mean the reduction of our oil import bill by $23 billion.

Mr. Sant's suggestions are not unrealistic goals. They are, in fact, the very programs which are awaiting enactment on several fronts—reauthorization of FEA's information and education programs, mandatory efficiency standards for buildings, and tax incentives for conservation investments.

In order for Project Independence to become more than just an elusive goal, it is imperative that the Congress and the country commit itself to an energy conservation policy. By enacting the Energy Policy and Conservation Act of 1975, Congress took a major first step toward developing a national conservation policy. EPCA, however, is not a panacea and it is critical that we continue our efforts by implementing the programs outlined by Mr. Sant.

Mr. President, I ask unanimous consent that the full text of Mr. Sant's letter be printed in the RECORD.

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

WASHINGTON, D.C., *June 3, 1976.*

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: In response to your request at the hearing of the Senate Government Operations Committee on April 26, 1976, I would like to provide a description and critique of Federal action to date in energy conservation. These comments are solely my own and should not be attributed to the Federal Energy Administration or the Administration.

It seems to me that there are four main categories of activities needed to bring about conservation of energy, all of which require some Federal action:

Information and Education.

Mandatory and Voluntary Efficiency Standards.

Consumption Disincentives (primarily taxes).

This categorization is important if only as a way of helping set priorities for Federal involvement, ranging from the least obtrusive (information) to the most pervasive (taxes). In the analysis that follows, I have grouped the many possibilities for achieving greater energy efficiency into the four categories.

BACKGROUND

Prior to the embargo, most forecasts assumed that energy demand would continue to grow at a rate equal to GNP growth or about 3.6 percent per year through 1985. It now appears that because of embargo related increased fuel prices, energy demand will only grow at a 2.9 percent rate, even if we do not successfully implement any national conservation programs. It further appears that gradual deregulation of oil and natural gas would bring that growth down to 2.7 percent per year, for a total consumption in 1985 of almost 47 million barrels of oil equivalent per day. I will therefore use 2.7 percent annual growth as a base forecast in looking at the probable effect of other Federal energy conservation actions.

INFORMATION AND EDUCATION PROGRAMS

A full range of Federal information and education programs could reduce the annual growth in energy demand to 2.3 percent or a little over two million barrels per day less than the base forecast. The Government is now implementing programs that will bring savings of about two-thirds of that potential. Those are:

	Barrels per day
$100 million of Federal grants for State conservation programs	850,000
200 corporate seminars on Vanpooling	125,000
Federal energy management	305,000
100 chief executive seminars and 400 follow on seminars on commercial and industrial operations	100,000
$5 million of general education and advertising	15,000
$3.6 million for utility rate demonstrations	[1] 0
Total	1,395,000

[1] Will not reduce overall demand but will cut electricity generating requirements and shift oil consumption to coal and nuclear.

The remaining one-third of the information and education potential could be and should be achieved through immediate funding and implementation of the following programs:

	Barrels per day
800 additional seminars on Vanpooling	250,000
1,500 additional CEO, commercial and industrial seminars	100,000
$30 million per year paid advertising and education program for 3 years	90,000
One additional year of $50 million grants to States	200,000
Additional $30 million in utility demonstrations	[1] 0
Total	640,000

Both the current and potential information programs have a number of benefits:

They can provide practical, how to save methods.

They serve to remind people about the many opportunities available for saving energy and money.

They tend to be the least intrusive methods of achieving some energy savings.

In addition, these programs have a very high benefit cost ratio. The ones listed above would cost a total of about $300 million and save the equivalent of $8 billion in consumer costs per year.

[1] Ibid.

EFFICIENCY STANDARDS AND GOALS

Federal efficiency standards and goals on various products would reduce consumption a further 2.6 million barrels per day and result in an energy demand growth rate of only 1.65 percent per year. The programs already in place from the Energy Policy and Conservation Act will achieve over 85 percent of that potential and include:

	Barrels per day
Mandatory auto fuel economy standards	1,075,000
Mandatory appliance labeling and and voluntary efficiency goals	930,000
Voluntary industrial efficiency goals	280,000
Total	2,285,000

The President's proposal for mandatory energy efficiency buildings has not yet been agreed upon by Senate and House conferees. This legislation would add another 325,000 barrels per day savings by 1985. It is unfortunate that it has taken so long to pass such clearly needed legislation.

I am not personally aware of any other mandatory or voluntary standards that could be imposed through Federal legislation. Upon passage of the standards for buildings, action will have been taken on every major sector where standards could apply.

INCENTIVES FOR CONSERVATION INVESTMENTS

Federal incentives for conservation investments could reduct 1985 consumption a further 500,000 barrels per day and cut the annual energy growth rate to 1.5 percent. No incentives have been enacted as yet, thus none of this potential will be realized unless the following measures are considered important enough to be completed by Congress:

	Barrels per day
Residential tax credit of 30 percent for energy efficiency improvements (proposed by the President and passed by the House) and/or S. 2932 providing for title I loans at a 20-percent reduction	130,000
$300 million low-income weatherization assistance ($165 million in conference)	60,000
Small business guaranteed loans under S. 2932	10,000
Large business guaranteed loans under S. 2932	[2] 300,000
Total	500,000

[2] Savings in the industrial sector could be substantially larger if the S. 2932 approach proves feasible. An attractive alternative would be to gradually eliminate the tax deductibility of business energy expense.

Up to this point, the programs identified above could reduce 1985 projected energy demand by 11 percent or over 5 million barrels per day. That kind of reduction would make all of us very proud, but since only 70 percent of these programs are in place, it clearly indicates that we should not delay any longer in enacting and implementing the remaining programs mentioned above. However, I do not personally believe we should stop our efforts upon completing these programs because there remains the fertile area of taxes on excessive energy consumption.

CONSUMPTION DISINCENTIVES—TAXES

It seems to me that because of the severity of the energy supply problem, it would be totally appropriate for this Nation to adopt a goal of zero growth in per capita energy consumption. This would limit energy demand increases to the level of population growth, or about .8 of 1 percent each year. I am persuaded by preliminary analysis that this goal could be achieved with little or no short term adverse effect on economic well being, and would greatly increase our ability to provide new energy sources in the future at a cost the Nation can afford.

The most effective way to achieve zero per capita energy growth is through a tax that penalizes excessive and inefficient energy use. It should be a tax disincentive so that the people, not the energy producers, gain the benefits of increased revenues. The tax should gradually increase each year, with a reasonable "lifeline" amount not subject to taxation, so that the poor, aged, and otherwise disadvantaged are assured an adequate amount of energy without a tax penalty.

This might work in a number of ways. One way is to impose a tax on all non-renewable fuels, based on their Btu content, at the point of extraction or importation. Because such an approach would not differentiate between "lifeline" and excessive uses, the revenues from such a tax would be refunded to consumers through a reduction in income

taxes, or perhaps through a quarterly cash payment that would also be received by those poor who pay no taxes. Thus, low income and efficient users might actually save money and only the inefficient and excessive users would be penalized.

Some analyses have shown that a tax at the well-head on all non-renewable fuels rising to $0.85 per million Btu's (or about $0.12 per gallon equivalent) by 1985 would be sufficient to reduce energy demand growth at the same rate as growth of the population level, assuming all other measures previously mentioned have been instituted. I really do not know for certain what form such a disincentive, tax, or refund for "lifeline" purposes should take. I do know, however, that using the price system is probably the single most effective way of sending conservation signals to the American public. Therefore the question, to me, is how can this most powerful system be harnessed in such a way that also adequately considers questions of equity and the needs of the less fortunate. I would think that further analysis on this opportunity, as required by the Senate FEA Extension Act, is clearly needed.

In conclusion, Senator, I believe that we have put an inordinate emphasis on achieving "energy independence." Concentration on independence as the most important energy goal potentially diverts our attention from the myriad opportunities we have to substantially and permanently increase our efficiency with which we use one of the world's precious resources. The energy problem is much more pervasive and certainly includes such alarming problems as deteriorating air quality, the risk of terrorist attack from food and energy starved third world members, and, most of all, the large unavoidable increases in energy prices that will accelerate as the world production of oil and gas continues to decline. To solve these problems, it is imperative that this Nation achieve the maximum improvement in energy efficiency that we can, not just reduce imports of oil. It is this imperative that requires our leadership to tell us all something we may not want to hear and to require of us something that we may not, at least at first blush, want to do.

With my warmest regards and best wishes,

Sincerely,

ROGER W. SANT.

HENRY BEETLE HOUGH

Mr. KENNEDY. Mr. President, we are most fortunate in Massachusetts to have as one of our most outstanding citizens, the distinguished author and editor, Henry Beetle Hough. And at the conclusion of these remarks, I would like to insert in the RECORD, an article from the Boston Sunday Globe which outlines Henry's contributions to journalism and literature for the last half century.

I would like to share with my colleagues, my personal feeling for this gentle man who has made a difference in my life and the lives of all of those who share his love for Martha's Vineyard.

I believe it is true that when we speak of someone who is "ahead of his time," as we all do of Henry Beetle Hough, we mean that he has the ability to pierce through the events of his own time to see their meaning for our future. Long ago, Henry Beetle Hough recognized the potential devastation of uniquely beautiful areas, such as the Nantucket Sound Islands, if development continued unplanned and without adequate consideration of the environment. Long before the movement in our country to protect our environment, Henry Beetle Hough was using his energy and his courage to alert us all to the accumulating loss each day we developed or expanded without taking into account where or how we poured the concrete or stacked the bricks.

Henry Beetle Hough has made a difference all across this country. He has prodded action through his editorials; he has reached our hearts through his books. He has given courage and hope and a standard of excellence to editors of weekly papers across this country. And he managed, through his writing to involve the Federal Government, the State government, the local government, and all the residents of Martha's Vineyard in a continuing and productive discussion of the steps we must take to assure that the future of Martha's Vineyard is significantly different than that of our least attractive suburbs.

Henry Beetle Hough has made us know that caring for the woods and the sandy beaches, the cliffs and the marshes, the animals and the flowers has more to do with us than with these resources. For if we fail to protect the best that this land has given us, we will fail to pass on to our children any commitment to the best quality of life for all our people.

At 79, Henry Beetle Hough is still one of the youngest people I know. He is young enough to get up each morning with new ideas for his writing and a new approach to involving his friends and neighbors in the struggle to preserve the most fragil of our natural resources. His young and generous heart is still filled with courage and energy which the profiteering developers cannot match. He is young enough to be untouched by the cynicism or hopelessness that loses so many battles for well-intentioned but weary leaders.

Henry Beetle Hough has our respect and our friendship and our love. I ask unanimous consent that the article "The Vineyard's Hardy Perennial" be printed in the RECORD.

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

THE VINEYARD'S HARDY PERENNIAL

(By Peter Cowen)

Striding down a pebbled dirt path, Henry Beetle Hough paused as he spied a fragile purple-white flower on a moss-covered embankment. "There's a mayflower," he said, kneeling on the bank. Carefully grasping the stems with one hand, he plucked the tiny flowers. "The danger in picking them is pulling them up by the roots." He rose, handed the fragrant blossoms to a fellow hiker and resumed his journey up the path. "Just think," he mused, "it's Thursday and the Gazette is struggling to put out a paper." He smile at the thought.

April was ending on Martha's Vineyard, and as the intense midafternoon sun filtered through the oaks at an up-island wildlife sanctuary, Henry Beetle Hough's mind turned quite naturally to the deadline bustle that Thursdays bring to the Vineyard Gazette, the weekly newspaper to which he has devoted all but 24 of his 79 years.

Nurtured by Hough and his late wife, Betty, the newspaper has grown into one of the most admired country journals in the nation, its lean, cogent editorials and comprehensive news reports providing models for a generation of rural journalists. Its tone—at times crusading, evocative or even whimsical—expresses what long-time residents say is the spirit of the island.

The paper owes much of its reputation to Henry Hough, whose gentle personality and graceful essays on rural life and human values have engaged a generation of readers and won him a substantial following. Besides composing the Gazette's editorials for more than a half a century, Hough has written 22 books on topics that include Henry David Thoreau, New England whaling, alcoholism, country journalism, and Martha's Vineyard.

A tough-minded, discerning editorialist on the island's public affairs, Hough also finds new ways each year of portraying in prose the colorful cycles of the Vineyard seasons. The titles of his editorials express his fondness for natural themes: White Frost, Crickets and Sea Lions, Time of Wild Grapes, Yellow Heather, The Beach Plum Blooms. At the same time, the Gazette has provided Hough with a forum in his enduring fight against exploitation of the island's rich woodlands, fields, coast and wetlands by forces he refers to as "the promoters, developers and big operators, sturdy Americans who believe nobody has the right to tell them to do anything."

The Houghs were partners in an enterprise that mingled its crusades with poetry and was guided by a precept contained in the Gazette's tribute to his late wife: "When her heart spoke, she never held it back with timidity or cautions of prudence." Newspapering remains for Hough a profession requiring passion and impulsiveness, as well as "backbone, guts and most of all, common sense." A good editor, Hough fervently believes, goes to press with the truth as he knows it, mindful but not fearful that history may contradict him.

Under the Houghs, the Gazette sang with vivid, unconventional phraseology and with the traditional old Vineyard idioms used by Joseph Chase Allen, author of the paper's fishing page. Nautical terminology abounded, with cars and people sometimes "capsizing" in accidents on land. A large bird's egg once was reported to have measured "9½ inches around, athwartships, and exactly 11 inches around from bow to stern."

The Gazette's writers were encouraged to offer their own droll interpretations of the events they covered. In the edition following the 1941 Japanese bombing of Pearl Harbor, the paper provided this characterization of a resolution by the island's Rod and Gun Club to form a shotgun brigade in the event of an invasion: "Given any sort of break, the club felt that its membership could add considerably to the unpleasant situation of an enemy, should one appear."

The Gazette's production cycle, which has dominated Hough's life for 56 years, remains a prominent force in his daily routine, although he sold the paper nine years ago to James Reston, a columnist and former vice president of the New York Times, and Restons' wife, Sally. At the Restons' urging, Hough retains a strong influence at the Gazette. He writes all its editorials, as he has done since 1920, dashes off an occasional feature story, and serves daily as what he calls the paper's living morgue," or clipping library, on island personalities, history and folklore.

Each Friday, publication day, Hough is at the paper at 6:30 a.m. to help with last-minute news breaks that may arrive with a call from Joe Allen, who, at 84, still reports for the Gazette.

At the same time, Hough has continued his private literary pursuits and currently is working on his 23d book, which he describes as a "modern novel." His best-known work, Country Editor, was published in 1940 and chronicles the Hough's early struggles in publishing the Gazette. The book has become a classic among editors of rural weeklies, who still are moved occasionally to correspond with its author. Last January a Tennessee editor wrote Hough to tell him what

a "great inspiration" the book had been to him and to other Tennessee editors. "From across the generation since you first issued the book, I say thank you," the man wrote.

Hough lives with a bouncing young collie named Graham in the green-shuttered, white colonial house that he and Betty built 38 years ago in Edgartown on the island he once described as "a symbol of eternal nature uncorrupted." His life here is a modern adaptation of Thoreauvian philosophy: each activity, including Hough's three-hour-a-day writing regimen, is interspersed with a walk around the 15-acre Sheriff's Meadow nature sanctuary that he and his wife created behind the house.

The preserve, which overlooks Eel Pond north of Edgartown, was established in 1959 as a "living museum" of the island in its natural state. It is here—amidst the swamp maples and sparrow hawks, the woodbine, bittersweet and red-winged blackbirds—that Hough comes for his private form of renewal.

Rising each morning at 5, Hough eats a bowl of Shredded Wheat with honey and milk and he drinks orange juice and a cup of coffee before setting out with Graham for a half-mile jaunt down the narrow trial that rings the sanctuary. They travel past a small pond on their left, with its snapping turtles, ducks and an occasional great blue heron, across an earthen path dividing the pond from a salt marsh, and through a forest of spruce and maple trees planted 18 years earlier by the Houghs. At the spirited pace he sets, the walk takes 12 to 15 minutes and is repeated several times daily year round.

After this first outing, Hough settles into his cramped second-floor study to write for three hours, composing either his editorials or his latest book; all 22 of the books have been written here. Among the items displayed on his wall are a print inscribed "The Lord is my Shepherd; I shall not Want," a photograph of Graham's predecessor and the flag that flew from the harbor boat of his grandfather, Capt. Henry Beetle, a customs officer. Propped up on a thick Columbia Encyclopedia in the low chair at his desk, Hough sits tapping with two fingers at his blue IBM electric typewriter. From this vantage his beloved sanctuary remains close at hand, spread out below the window at his back with a presence he says he feels even at night.

When he finishes his writing at about 10 a.m., Hough and Graham stroll five blocks to the Edgartown post office, where they pick up the day's mail, then they head for the Gazette. Hough may need to update an editorial—he turns them in four days before the deadline—or he may write an obituary or, if need be, provide a young reporter with background for a story.

Then it is time for a second walk around the pond and for a lunch consisting of two boiled eggs, two slices of toast, two cups of coffee and an apple. After lunch Hough relaxes with the New York Times and naps between 12:30 and 1:30 p.m. If the day is pleasant, he and Graham then drive up-island to the preserve at Cedar Tree Neck, part of the far-flung group of public sanctuaries totaling 800 acres which are controlled by the Sheriff's Meadow Foundation, for a three-to-five-mile tramp through the unspoiled woods and fields where he spent his childhood summers.

Hough returns to Edgartown for dinner, which, when he eats at home, tends to be such simple fare as fish chowder and cheese sandwiches. He reads until 9:30 p.m., when he and Graham take their last walk of the day around Sheriff's Meadow, and both retire at 10 p.m.

Henry Beetle Hough was born in New Bedford on Nov. 8, 1896 to Louise, a former nurse from an old Vineyard whaling family, and George A. Hough, managing editor of the New Bedford Standard and the son of a doctor. Henry's one elder brother, George, who died in May, was the publisher of the Falmouth Enterprise, now run by George's son, John T. Hough. Henry and George Hough grew up in the bare-knuckle political arena of New Bedford, where their father played an unabashedly activist journalistic and political role. When an interviewer questioned the elder Hough about the ideals he had practiced as a newspaperman, he replied: "Crusading and raising hell."

Henry Hough was strongly influenced by his father, an independent Democrat with a progressive political inclination and a hardy, unconventional character who inspired an early political awareness and a leftist sympathy in both sons. In later years, Henry Hough has remained committed to liberal-minded candidates, describing himself as "pretty much a populist, a libertarian" who would like to see community cooperatives spring up in place of businesses that betray the public interest.

Partly because of his father's domineering presence, Hough has written that he was partial to his mother, a tender woman with whom he and his brother spent their boyhood summers in the rustic isolation of the family's up-island Vineyard home, known as Fish Hook. Describing their cedar-shingled house there as "a central spirit force in all my youthful years and hardly less thereafter," Hough says that in the formation of his personality and ideals, his summers there were "almost controlling." He attributes to those days "the genesis of my feeling about conservation and protecting the land." In his most recently published book, "Mostly on Martha's Vineyard," he offers this lyrical description of his summer home:

"This sanctuary in the hills, this outlook over sea and woodland, this expanse of old neglected fields within lichened stone walls, this harmony of nature beloved alike in bleakness and sunny repose, many-sided in insular climate and character, possessed an entirety, an adequacy of its own. It was always old and always new."

By day, the Hough boys swam in nearby Vineyard Sound, helped tend the family's vegetable garden and explored the glacier-swept expanse of fields and low-lying forests overlooking the sound. In the evenings, the family spent long hours seated around a living-room table reading books and old magazines by the light of a kerosene lamp. For the rest of his life, Hough has recalled with fondness the serenity of those days, and they are a major topic of his literary remembrances.

During his childhood summers at Fish Hook, Hough developed a knowledge of animals and an affection for them that has remained with him throughout his life. In a walk through the forest at Cedar Tree Neck recently he stopped to show a visitor the tiny woodland cemetery where the Houghs' childhood pets had been buried with great sadness: a mongrel dog, a hare, a cocker spaniel and a horse. "You have to remember," he explained, "that animals were a large part of our lives out here."

His feeling was shared by Betty, and under her leadership the Gazette became an impassioned advocate of humane treatment for the island's pets and wildlife. Readers have responded over the years by making the paper a veritable half-way house for wounded animals and birds of all varieties. For 30 years a water dish has sat on the floor to the right of the managing editor's desk, offering refreshment to visiting dogs and to the succession of collies owned and beloved by the Houghs.

Hough's latest book contains a poignant passage describing the death of his last collie, and until his close friend and neighbor, Edith Blake, agreed to care for Graham, he did not want another dog, for fear it would outlive him. Graham and he, Hough now writes, "are bound together in an ultimate, simple understanding. Each without the other would be unthinkably living alone."

Hough and Elizabeth Wilson Bowie were students at the Columbia School of Journalism in 1919 when they met for the first time in a New York City soda fountain as he was on his way to cover a night court story for the student newspaper. They were married the following year and received from his parents what Hough calls "a magnificent wedding present because it had the germ of everything that happened afterward"—the Vineyard Gazette.

When George Hough purchased it for $5000, the paper boasted a total press run of only 600 copies and gross yearly revenue of $5000. All the type was hand set, the paper was folded by hand, the press was held together by wire and string, and the enterprise yielded virtually no regular income to its owners. Still, there was a feeling of exhilaration about the new venture, and 26 years later Betty offered this description of their first summer:

"We tried things that angels would never have thought of attempting. We broke precedents. We made friends and enemies, the best friend our Old Editor (of the Gazette), who was staunch in our defense even when we traduced his most deep-felt traditions. We ran down the street hand in hand to make the office by 8 in the morning, although there was no time clock. We were our own masters. It was a delicious feeling. It still is. As Edgar Marchant, the founder, once said: 'Ah! It is the life of lives.' "

Despite the problems inherent in co-editing a newspaper, Henry and Betty Hough began their venture with shared ideals and complementary personal interests that enabled them to work together effectively for 45 years. Each had a progressive political philosophy: as students, she had marched down Fifth avenue in the 1917 women's suffrage parade, while he had rejected fraternities as elitist and joined Woodrow Wilson's campaign as a member of the Wilson College Men's League.

The two young editors also were convinced that a journalist's duty lay in campaigning for the public interest, whatever the consequences. By a mutual, unspoken understanding, each pursued the journalistic expression of that feeling, Betty assuming the managerial duties of running the paper, as well as writing two columns, one of them on island bird life, while her husband wrote editorials and some features, sold advertising and helped to set type.

Olive Hillman, chairman of the directors of the Edgartown National Bank, pays this tribute to her friend Betty: "She was a real crusader. She had a real feeling for the underdog, and she wasn't afraid to tackle anything. Betty was what old-timers would call a woman of sterling quality."

Under the Houghs, the Gazette fought the monopolization of fishing rights, an attempt to convert a pre-Revolutionary house into a parking lot, the Communist-hunting of the late Sen. Joseph McCarthy, proposals to sell hot dogs on a public beach and to destroy a salt marsh, as well as innumerable other actions. They editorialized on behalf of zoning legislation, racial tolerance, limitations on commercial developments and the expulsion of New Bedford from the local steamship authority.

The paper's forceful advocacy invariably drew strong criticism, obliging one or the other editor to try to sooth offended readers. "Of course," observes Hough, "some people would like to see the Gazette become a Chamber of Commerce paper, whooping it up for this or that."

Their years of running the Gazette were difficult ones for the Houghs, requiring, the couple concluded, that they "give up practically everything for our newspaper," including the prospect of parenthood. Recalling the discouragements of his years as editor, Hough points to what he describes as "that Friday evening sense of dissatisfaction.

Betty would sit on the couch and go through the paper: 'Why didn't we have this? Why didn't we have that?' I thought I'd scream. She was absolutely right, of course, but I was so tired."

They also wrestled with recurrent financial problems each year before the influx of "July money" from summer advertising. "I just discovered our financial crisis by accident on Saturday while we were printing the second section," reads a decades-old memo from Betty to another staff member. Noting they were unable to meet the payroll, she prescribed drastic measures, including a halt to the payment of bills and to the purchase of any commodity except "gasoline and light bulbs, etc., which we have to have in small quantities." Envelopes were not excepted.

The Houghs decided early in their career to give the Gazette a distinctly provincial identity, without apologies for their failure to carry the major national and international stories of the time. People interested in broader coverage, the editors reasoned, could and did subscribe to larger, cosmopolitan papers. Thus, in the issue published after Germany invaded Poland in 1939, that fact was not mentioned in the Gazette, which did, however, contain detailed reporting on the Labor Day exodus of tourists, an annual island event. (The word "island," referring to the Vineyard, is always capitalized in the Gazette.)

While it avoided carrying the major stories, the Gazette aggressively pursued local stories evolving from them. These articles often were written in an evocative spirit that would have been scorned by most major dailies. Shortly after the first atomic bomb was dropped on Japan, the paper made scant reference to that fact, except for noting, "In the night there was wind and rain, and this morning a heavy fog wrapped the island, not as impenetrable, however, as that which still shrouds the scene of destruction in Japan. The events have no association except in our own minds, but this is how islanders will recall the time when the release of atomic energy was made known to the world."

The Gazette's editorials, addressed largely to topics of island-wide interest, are clear, provocative evidence of Hough's adherence to a tenet he himself set forth in 1952:

"No matter what the civic cause is—the preservation of some monumental tree, a change in some highway project, a protested decision affecting public rights—the champions of the cause should foresee the juncture at which they will be told 'nothing can be done.' And the real crusade should begin then and there."

Over the years, no crusade has consumed more of Hough's energy and passion than that of preserving the island's unspoiled natural enclaves against the encroachments of developers.

Henry Beetle Hough is neither a fisherman nor a sailor—even the seven-mile ferry trip between Woods Hole and Vineyard Haven makes him seasick—but his affection for the beauty and tranquility of Martha's Vineyard is so profound, friends say, that it is nearly impossible to entice him off the island, even for short periods. He politely declined James Reston's invitations to attend the Presidential inaugurations of Lyndon B. Johnson and Richard M. Nixon, and when he was asked to a party on Chappaquiddick Island, a five-minute boat trip from Martha's Vineyard, he is reported to have responded, "You know how I hate to go off-island."

Having known the Vineyard since the turn of the century, when fishing was still as important to the island's economy as summer visitors, Hough speaks wistfully of the island of his childhood, and he is skeptical about its future: "I don't see much hope for the Vineyard," he says sadly. "I think the Islands Trust Bill (to help control the growth of Nantucket and Martha's Vineyard) is long overdue. If it doesn't go through, I think the results are going to be tragic . . . The island can never return to what I knew—and it shouldn't in all respects—but I deplore the way some of the natural quality and natural resources have gone before so-called progress."

Although the Gazette has helped achieve significant victories in environmental conservation, Hough minimizes the paper's successes. "I see some accomplishments, surely, but I think the Gazette's role has even more largely been in preserving a solid wall, a sustained, unremitting opposition to exploitation," he says. "I think it has had a cumulative effect and it's helped public opinion to grow and cohere, so that things which would have been supported 20 years ago couldn't be supported now . . . The quick buck isn't quite as potent as it used to be." Nevertheless, Hough is saddened by each new subdivision, and he says he has come to believe the nation's economic system itself may be incompatible with environmental preservation.

Like the 19th Century romantics before him, Henry Hough harkens to the simpler, less guileful world he remembers from an earlier era, retreating gladly from the corruption he sees in modern society. "I know what has been lost," he writes, "and a lot of younger people don't and can't, and I value innocence or even the illusion and illiteracy of ignorance above what is so transparently and smugly put down as maturity, but this may be because innocence is so much the scarcer item."

In maintaining his own innocence from modern life, Hough has been selective. He avoids the intrusions of radio and television. His only television has been broken for 11 years, and he borrowed one only to watch the Watergate reports three years ago and a special report this year on sleeping. Yet he praises the latest books by Lillian Hellman and Daniel Bell, and he can provide a detailed analysis of a recent Supreme Court decision on the environment.

Hough's tastes in journalism and literature reflect the premium he places on clarity of writing and thought. A long-time admirer of the New Yorker, which he calls "the best magazine there is"; he relishes its articles on topics ranging from doestic politics and the environment to constitutional law (he praised a recent series on the 5th Amendment as "terribly important"). His attraction to the magazine's writers, Hough says, stems from "their enlightened liberalism, good forthright English, and often the vividness of the figures of speech that light up their prose." By contrast, he believes that Harper's and the Atlantic have compromised their literary excellence by "trying to be too close to the marketplace."

If Hough were hiring young journalists today, what qualities would he seek? Seated in an armchair in his Edgartown home, he reflected on the question as he stroked the head of Edith Blake's English setter that had affectionately draped herself over his lap. "I think seriousness is the important thing," he said, "seriousness and evidence of genuine interest in the things that are going on . . . I'd want someone who knows what to look for and what to appreciate, sensitivity."

In choosing what he reads, Henry Hough shuns what he calls "graceless language," and his own writing still exhibits the vigor and freshness of style and outlook that he brought to the Vineyard more than half a century ago. In a forthcoming book, he depicts a sunrise from the perspective of a voyager riding on a rotating earth:

"Attending to the sequence of divine events, I could make myself aware of the turning of the earth toward the sun, our stationary star and lamp. I could feel myself a passenger upon the bending rim, so slowly being advanced along with Graham, a great blue heron in the lagoon, and the gulls atop the wharfs piles . . . The close prelude to what we call sunrise gave way to a rapid fulfillment. Up, up—swiftly up now, and the roofs and treetops of the town were gilded as Graham and I walked back along the causeway."

Hough's writing has won him a number of awards, including a Pulitzer Prize, which he and a fellow Columbia student received in 1918 for their history of the services rendered by the American press the previous year. Theirs was the first and last Pulitzer Prize of its kind ever given, for the category they had entered was abolished the next year, a fact that still amuses Hough. "It was no important piece of work," he insists. "I don't know whether there were any other entries or not. I never asked because I was afraid to find out." In 1974 he won the Elijah Parish Lovejoy Award for courageous journalism in his sustained campaign against over-development of the island, and both he and the Gazette have been widely praised for the newspaper's excellence.

While he had considered selling the Gazette at least two decades earlier, it was not until 1968, three years after Betty's death, that Hough finally turned the 122-year-old journal over to new management. Betty's death followed a two-year illness and so affected him that friends wondered whether he would have the desire to continue working on the enterprise they had toiled so hard together to build. Hoping to maintain the Gazette's quality, and indifferent to inquiries from businessmen who saw the paper as little more than an investment, Hough was relieved to sell to the Restons his "nonpolitical journal of island life," as the masthead describes it. He had anxiously sought a skilled journalist who would guard the paper's standards and treasure it as he and Betty had.

Although he had met Reston only once, Hough wrote him in November 1967 to ask whether he knew "any good newspaperman, or potentially good newspaperman" who might like to buy the Gazette. Reston replied with an offer to discuss purchasing it himself "if you think I pass as a 'potentially good newspaperman'," Hough recalls. The question was answered with the paper's sale the following year.

One of the Reston's most difficult early decisions was to shift to the so-called "offset" method of printing that eliminated the use of lead type in printing the paper. The shift, which was inevitable, was emotionally painful to Henry Hough, who calls himself "an incorrigible hot metal man" and recalls how he and Betty had "sweated blood" raising the $28,000 to buy the press and the linotype machine that were scrapped for the new offset presses.

The press was dismembered with a torch before it was taken from the Gazette building. Hough has a vivid memory of the removal of the linotype: "There it was, dangling in the air from a crane. Graham and I walked home, and I wrote that I felt like the fadeout in an old movie, nostalgic and a little melancholic. But change is change, and you can't object to it in newspaper work." Resigned though he is to the shift, Hough still jokes privately about the offset process, describing it as "pasting those silly pieces of paper," a reference to the procedure that supplanted typesetting.

Nevertheless, Hough speaks highly of the Gazette's new managers, the Restons' 37-year-old son, Richard, a former Los Angeles Time diplomatic correspondent, and his wife, Jody, a former teacher. They arrived last fall and now work seven days a week on the paper, as Betty and Henry Hough did for 45 years.

Hough worries occasionally about whether the paper's morgue is being properly maintained, and while emphasizing he doesn't want to be "mean-spirited," he expresses misgivings about the introduction of cross-

word puzzles submitted by subscribers. But he is pleased about the Restons' affection for the paper and their commitment to perpetuate its traditions. For his part, Dick Reston stresses that any changes "are meant to be gentle and to fit in the tradition of what this paper is."

That tradition is the legacy of a man who still interrupts himself to note the first catbird call of the season, who swims in the ocean from April to November, and who stands in awe at the foot of a boulder-marked moraine he has known all his life and still wonders aloud, "I'll bet there was a thundering roar when the glacier let go." It also is the heritage of a country editor whose writing radiates with the classical romantic's esteem for the artlessness and splendor of nature.

On a nighttime walk through Sheriff's Meadow one summer, Hough noticed that a firefly had settled on Graham's ruff and was flashing on and off as the collie trotted down a path. He reflected on the scene:

"I thought, why does man exert himself so mightily instead of profiting by the example of nature which—or who—stands gently by, when permitted, and follows a different impulse and livelier rule book that says remarkable things will surely be revealed, maybe tonight, maybe tomorrow night, but at all events, within the span of cosmic time?

"A collie, full-coated and magnificently ruffed, and a firefly to flash on and off—these two on a warm-cool evening following a path through bayberry thickets, beside arrowwood, wild cherry, dogwood and the rest; what could be simpler, yet how worth collecting and storing in memory."

THE PLEDGE OF ALLEGIANCE AUTHORSHIP

Mr. PELL. Mr. President, as you may be aware, for many years there has been considerable discussion and controversy regarding the authorship of the Pledge of Allegiance of our Flag.

For some time a most distinguished historian in my State of Rhode Island, Miss Louise Harris, has undertaken extensive research on this subject. Recently, she prepared an article for the Rhode Island Bicentennial Foundation, supporting her position that James Bailey Upham is the author of the Pledge of Allegiance.

Mr. President, in view of the importance of this information to our Bicentennial celebration, I would like to bring Miss Harris' most recent article to the attention of my colleagues, and I ask unanimous consent that it be printed in the RECORD. Her research represents an oustanding contribution to our Bicentennial, one that I am very pleased to be associated with.

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

OUR FLAG'S BICENTENNIAL

(By Louise Harris)

The Bicentennial commemorates the birthday of the Flag of the United States of America. In researching The Youth's Companion I have found that this is the only country in which civilians fly the flag every pleasant day over homes, schools, business, public places and buildings, and just about any place. But does anyone really know how this privilege came to be? I know I never did, nor did I even think about it. I just took it for granted, having grown up seeing the flag flying everywhere; it was an everday occurrence!

Let us turn the clock back nearly a century and see how this right to fly the flag came about.

In 1886 James Bailey Upham, a loyal and devoted employee of The Youth's Companion for some years, was appointed head of the Premium Department, actually a mail order business and a member of the firm Perry Mason & Company of Boston, Massachusetts. Patriotism was at a very low ebb after the Civil War, and Mr. Upham was gravely concerned over this fact, for he revered the flag and all that it stood for very deeply. He pondered over this question. If a flag should fly over a schoolhouse, would it stimulate more serious study, better discipline, patriotism and understanding of citizenship in its students? Especially if the children should work and earn the money for it?

The staff of the Companion thought so, and many members helped after working hours to put the plan into operation. By October 1888 the plan was launched, the shelves stocked with flags made of the best bunting available, the kind used for federal government purposes. Children went to work with zeal to own a flag for their school. Lessons were better learned; teachers began to write, discipline was improved, leaving more time for serious teaching and study. To keep interest alive, Mr. Upham in January, 1890 devised an essay contest of six hundred words or less on the subject, "The Patriotic Influence Of The American Flag When Raised Over The Public Schools." The teachers judged the best essay for each school and sent them to the Companion by April, where the best one for each State and Territory would be chosen. The prize, a flag, was presented in time to be raised on July Fourth, with a suitable program followed by a big parade. For this event Hezekiah Butterworth wrote his famous poem, "Raising The School House Flag."

Enthusiasm was growing. In April 1890 Congress had passed a resolution for the World's Columbian Fair to be held in Chicago, Illinois. With the great success of the flag program, Mr. Upham was determined to keep interest alive, with a Salute or a Pledge of some kind to the Flag, or perhaps both. 1892 was not far away. Why not have the schools take part? Why not a program centered around raising the flag over the school at exactly the same time the Fair Grounds were being dedicated? The staff of the Companion agreed. Mr. Upham went to work on his Pledge while the Companion approached the schools for their ideas about a Columbus Celebration. The response was so great that the Companion approached the Governing Board of the World's Fair with the plan. Acceptance was spontaneous. C. C. Bonney, the originator and president of the World's Congress Auxiliary, sent William Torrey Harris, who was United States Commissioner of Education and National Chairman for all school projects and exhibits for the Fair, to the Superintendents' Convention, held in February 1892 in Brooklyn, New York. Mr. Harris' resolutions were unanimously accepted, and an Executive Committee for the school program was appointed, with help from all the educators in each state and from the newspapers.

By June 1892 the program was ready, including Mr. Upham's famous Pledge of Allegiance. By order of Congress, President Harrison made a Proclamation on July 21, 1892, declaring the twenty-first day of October to be a full legal holiday throughout the land. The date was chosen to coincide with October 12, 1492, in conjunction with the change in calendars.

With the fantastic success of the Columbus Celebration Mr. Upham did not stop but continued on with his patriotic work. Teachers, students, and young people were eager for more. He had revived the Lyceum League of America in October 1891 and there were programs for Washington's Birthday and Flag Day, and pictures of Washington, Lafayette and Lincoln. Mr. Upham encouraged due observance of Arbor Day, Decoration Day and, finally, Lincoln's Centennial. The list of days to fly the flag was constantly increasing. He had a special casting of the eagle made to be placed on the flag staff for parades and a socket belt made to Companion specifications. Programs were constantly being made or added to for all school events, especially the raising of the flag over the school, and there were instructions on how to care for it. Teachers wrote in for material, ideas, suggestions. Any town or village was aided in acquiring a circulating or public library. Mr. Upham's brain was ever-active with ideas.

In December 1905 Mr. Upham passed on. Once all the programs which Mr. Upham had planned had been put into operation there were no more, for the Companion had no one with the patriotic vision to carry on this valuable work.

The patriotic spirit in America, however, did not die with the passing of James Upham. It is interesting to note that, while the United States Flag is our national emblem, Old Glory has had a great and valuable influence on the history and growth of Rhode Island. Through the patriotic programs of James Bailey Upham, the flag has become an inspiration to both school children and adults in our state which, incidentally, was one of the first to pass state laws governing the use of the flag.

Patriotic programs have been compiled in such a manner as to be adjustable for each school's needs and to include all patriotic days. Rhode Island's own "Independence Day," celebrated on May 4, commemorates the bold step which leaders of our tiny colony took in renouncing allegiance to the English Crown. Patriotic observances such as these have resulted in the beautification of school grounds and continue to motivate adults to improve their homes, public places, all park areas and to fly the flag everywhere. "Little Rhody" can take pride in the achievements of James Bailey Upham.

There is no question as to the true author of the Pledge of Allegiance—James Bailey Upham. This is the first real research on the pages of the Companion and the first presentation of the actual facts that has been made to the general public. I accidentally stumbled onto this phase of the work when I discovered the list of the essay winners for each state. The town of Johnston won it for Rhode Island. I had to stop my work immediately and find out what it was all about. I never thought then that I would be setting out on a never-ending research project, or becoming involved in a long-standing controversy. Ninety-five percent to ninety-nine percent of the material found is in the columns with the advertisements and often with no identifying mark. I still do not know if I have discovered all information yet but after nearly fourteen years of research I am not yet ready to start on a repeat search of all those many hundreds of pages!

This article would not be complete without mention of my aims for the Bicentennial years. First, I must acquaint the general public with the fact that James Bailey Upham is the true author of the Pledge of Allegiance. In England the leaders of many organizations are just as interested in my work as those in Washington. I would like a stamp for the Flag Over The Schoolhouse with James Bailey Upham included. I believe there would be no better way to honor our Flag. And also I would like to have one of our Bicentennial medals made with the same idea.

So on this, the Bicentennial birthday of our National Emblem, the Flag of the United States of America, everyone should fly Old Glory with pride, reverence and humble sincerity for all the benefits, freedom, and opportunities she has so freely, willingly and

generously given us. Long may she wave over the land of liberty, justice and freedom for all who are willing to work and protect her.

EXTENDING THE 1975 TAX REDUCTIONS

Mr. MOSS. Tomorrow we are going to vote on Senator MUSKIE's amendment to extend the temporary tax reductions through all of fiscal 1977. As Senator MUSKIE has pointed out, continuation of those tax reductions are necessary. Economic growth and inflation shall erode the tax cut by the end of next year. If we do not extend the tax reduction we will, in effect, have legislated an increase in tax rates. This will have two adverse effects:

First, it will slow the economic recovery well before the effects of the recent recession have been eliminated.

Second, it will unnecessarily increase the tax burden on the average American family. I ask unanimous consent to have printed in the RECORD an analysis done by the Senate Budget Committee staff.

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

EXTENDING THE 1975 TAX REDUCTIONS

The temporary tax reductions of 1975 are being slowly eroded by rising incomes and the progressive income tax structure. Since the effect of the tax cut on revenues and on the economy will expire automatically, it is wrong to think of the 1975 tax reductions as temporary changes in the rate structure that will no longer be needed when the economy returns to full employment. To allow the temporary reductions to expire would, in effect, represent a large increase in tax rates over their 1974 levels, rather than a return to those levels. For this reason, the tax reductions that were once scheduled to be temporary could now be made permanent without any lasting effect on revenues.

TAXES AND FAMILY INCOME

The effect of the tax cut and the growth in money income on the taxes to be paid by a typical family can be seen in the following example, which is drawn directly from the tax tables that accompany the 1040 Form. The income projections are by Data Resources Incorporated (DRI).

Without the tax cut, a family of four with income of $12,000 in 1975 would have paid a tax of $1,228, assuming it would use the standard deduction. This would have amounted to 10.2 percent of income. The Tax Reduction Act of 1975 reduced taxes on this family to $1,085, however, or 9 percent of income. This tax cut included a tax credit of $30 per taxpayer and dependent, and an increase in the standard deduction from 15 to 16 percent of adjusted gross income.

If this family were to experience the average projected growth of money income from 1975 to 1976, its income would rise to $13,202. Taxes on this income under the 1975 law would be $1,280, or 9.7 percent of income. These taxes were further reduced by the Revenue Adjustment Act of 1975, however, to $1,220, or 9.2 percent of income. The Revenue Adjustment Act raised the tax credit to $35, introduced an alternative tax credit of 2 percent of income up to $9,000, and raised the minimum standard deduction.

If the family continued to experience the average rate of growth of income that is projected for 1977, its income would rise to $14,748. With full extension of the 1975 tax cuts, its tax liability would be $1,505, or 10.2 percent of income.

If the tax reductions are extended, this family will pay the same percent of its income in taxes in 1977 as it paid in 1975 before the tax cuts. If the tax reductions are not extended, the family's tax burden will grow from 10.2 percent of income to 11.6 percent in these two years.

Mr. President, in light of this analysis, the importance of extending the tax reduction is apparent if we want to continue the economic recovery and reduce the tax burdens on the American family.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

PUBLIC SAFETY OFFICERS BENEFITS ACT OF 1976

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to consideration of H.R. 366, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 366) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Public Safety Officers' Benefits Act of 1976".

SEC. 2. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by adding at the end thereof the following new part:

"PART J.—PUBLIC SAFETY OFFICERS, BENEFITS AWARDS

"SEC. 701. (a) In any case in which the Administration determines, under regulations issued pursuant to this title, that a public safety officer has died in the line of duty from injuries directly and proximately caused by a criminal act or an apparent criminal act, the Administration shall pay a benefit of $50,000 as follows:

"(1) if there is no surviving child of such officer, to the surviving spouse of such officer;

"(2) if there is a surviving child or children and a surviving spouse, one-half to the surviving child or children of such officer in equal shares and one-half to the surviving spouse;

"(3) if there is no surviving spouse, to the child or children of such officer in equal shares; or

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares.

"(b) Whenever the Administration determines, upon a showing of need and prior to taking final action, that the death of a public safety officer is one with respect to which a benefit will probably be paid, the Administration may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under subsection (a) of this section.

"(c) The amount of any interim payment under subsection (b) of this section shall be deducted from the amount of any final benefit paid to such person.

"(d) Where there is no final benefit paid, the recipient of any interim payment under subsection (b) of this section shall be liable for repayment of such amount. The Administration may waive all or part of such repayment, considering for this purpose the hardship which would result from such repayment.

"(e) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, but shall be reduced by—

"(1) payments authorized by section 8191 of title 5, United States Code;

"(2) payments authorized by section 12 (k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4-531(1)).

"(f) No benefit paid under this part shall be subject to execution or attachment.

"LIMITATIONS

"SEC. 702. No benefit shall be paid under this part—

"(a) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(b) if voluntary intoxication of the public safety officer was the proximate cause of such officer's death; or

"(c) to any person who would otherwise be entitled to a benefit under this part if such person's actions were a substantial contributing factor to the death of the public safety officer.

"SEC. 703. As used in this part—

"(a) 'child' means any natural, illegitimate, adopted, or posthumous child or stepchild of a deceased public safety officer who, at the time of the public safety officer's death, is—

"(1) eighteen years of age or under;

"(2) over eighteen years of age and a student as defined in section 8101 of title 5, United States Code; or

"(3) over eighteen years of age and incapable of self-support because of physical or mental disability;

"(b) 'criminal act' means any conduct which is declared by law to be a crime in the jurisdiction where the injury to the public safty officer occurred. Such conduct is a crime for the purpose of this part, notwithstanding that by reason of age, insanity, intoxication, or otherwise, the person engaging in such conduct was legally incapable of committing the crime;

"(c) 'dependent 'means a person who was substantially reliant for support upon the income of the deceased public safety officer;

"(d) 'fireman' includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department;

"(e) 'intoxication' means a disturbance of mental or physical faculties resulting from the introduction of alcohol, drugs, or other substances into the body;

"(f) 'law enforcement officer' means a person involved in crime control or reduction, or enforcement of the criminal laws. This includes, but is not limited to, police, corrections, probation, parole, and judicial officers;

"(g) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States, or any unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing; and

"(h) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or as a fireman.

"ADMINISTRATIVE PROVISIONS

"SEC. 704. Rules, regulations, and procedures issued under this title may include regulations governing the recognition of agents or other persons representing claimants under this part before the Administration. The Administration may prescribe the maximum fees which may be charged for services performed in connection with any claim under

this part before the Administration, and any agreement in violation of such rules and regulations shall be void.

"SEC. 705. In making determinations under section 701, the Administration may utilize such administrative and investigative assistance as may be available from State and local agencies. Responsibility for making final determinations shall rest with the Administration.".

MISCELLANEOUS PROVISIONS

SEC. 3. Section 520 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by adding at the end thereof the following new subsection:

"(c) There are authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J.".

SEC. 4. The authority to make payments under part J of the Omnibus Crime Control and Safe Streets Act of 1968 (as added by section 2 of this Act) shall be effective only to the extent provided for in advance by appropriation Acts.

SEC. 5. If the provisions of any part of this Act are found invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 6. This Act shall become effective and apply to deaths occurring from injuries sustained on or after the date of enactment.

Mr. MANSFIELD. Mr. President, I suggested the absence of a quorum, with the time being charged to neither side.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

VETO OF PUBLIC WORKS EMPLOYMENT ACT—ORDER FOR DEBATE AND VOTE ON WEDNESDAY, JULY 21, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, beginning at the hour of 1 p.m. on Wednesday next, debate on the Presidential veto of the public works employment bill begin, that the time be equally divided between the manager of the bill, the distinguished Senator from West Virginia (Mr. RANDOLPH), and the ranking Republican member, the distinguished Senator from New York (Mr. BUCKLEY), and that the vote on the override occur at 2 p.m.

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

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum without the time being applied to either side.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

PUBLIC SAFETY OFFICERS BENEFITS ACT OF 1976

The Senate continued with the consideration of the bill (H.R. 366) to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. McCLELLAN. What is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 366. Debate on the bill is limited to 1 hour, to be equally divided between and controlled by the Senator from Arkansas (Mr. McCLELLAN) and the Senator from Nebraska (Mr. HRUSKA), with 30 minutes on any amendment except an amendment by the Senator from Massachusetts (Mr. KENNEDY), on which there shall be a limitation of 1 hour, and with a limitation of 20 minutes on any debatable motion, appeal, or point of order.

Mr. McCLELLAN. I thank the Chair very much.

I yield myself 5 minutes on the bill.

Mr. President, the legislation embodied in the bill (H.R. 366), as reported, has passed the Senate in substantially this form in both the 92d and 93d Congresses. On September 5, 1972, the Senate passed a similar bill by a vote of 80 to 0; and on March 29, 1973, passed a similar bill by voice vote.

The subject matter, therefore, is not new to the Senate but the need to enact this legislation continues to be most urgent. The bill proposes to provide a $50,000 Federal benefit to the survivor or survivors of a public safety officer whose death was in the line of duty from injuries directly and proximately caused by a criminal act or an apparent criminal act.

The language of the amendment to H.R. 366 was introduced as S. 2572 on October 28, 1975, by this Senator and Senators THURMOND, HRUSKA, and HANSEN, and later cosponsored by Senator ROTH.

In my opinion, the motivation for this legislation is obvious—public safety officers are constantly subjected to great physical risks, the financial and fringe benefits available to such officers are only moderate, and the officers are generally young and with growing families. The economic and financial burdens on the survivors of such an officer are often heavy.

More than 200 policemen and firemen are killed each year in the performance of their duties. During 1974, 132 law enforcement officers were killed. Of these officers killed in 1974, 45 percent had less than 5 years' service, which means that in most instances pensions would not be available since the majority of pension plans vest only after 5 years of service.

During 1974, there were more law enforcement officers killed attempting arrests than in any other police activity. And 61 officers were killed during arrest situations. When anyone attacks a policeman, he is attacking a symbol of our criminal justice system; he is attacking our society. The policeman is taking the place of each and every one of us each time he faces the dangers of his duties.

I feel that we have a moral responsibility to provide a Federal death benefit to the survivors of those officers who have paid with their lives in the performance of their duties.

H.R. 366, as reported with an amendment in the nature of a substitute bill, would assist the survivors of a public safety officer when the burden of a tragic death results to that officer in the performance of his duty and the death was the result or apparently the result of a criminal act. After a determination that the officer's death occurred under such conditions, the Law Enforcement Assistance Administration would provide a Federal benefit of $50,000 to one or more survivors of such officer.

Generally, "public safety officer" is defined as a person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or a fireman.

Public agency means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States, or any local government, or any unit, department or agency of the foregoing. Employees of the Federal Government would not be covered under the measure since civil service annuity and life insurance plans are presently available to this group.

Law enforcement officer means a person involved in crime control or reduction, or enforcement of the criminal laws, including, but not limited to, police, corrections, probation, parole, and judicial officers.

Line of duty, as used in this bill, is intended to mean that the injury resulting in the officer's death must have occurred when the officer was performing duties authorized, required, or normally associated with the responsibilities of such officer acting in his official capacity as a law enforcement officer or a fireman.

The benefits are to be paid according to a specified order of priority: First, spouse, if there is no surviving child or children and a surviving spouse, one-half to the surviving child or children and one-half to the spouse; second, if there is no surviving spouse, to the child or children of such officer in equal shares; or third, if none of the above, to the dependent parent or parents of such officer in equal shares. It is noted that the requirement of dependency attaches only in the situation where a parent could qualify as a claimant.

Certain limitations are placed on the payment of the benefits. No award shall be paid, first, if the death was caused by the intentional misconduct of the officer, or by such officer's intention to bring about his death; second, if voluntary intoxication of the officer was the proximate cause of such officer's death; or third, to any person otherwise entitled to a benefit if such person's action were a substantial contributing factor to the death of the officer.

In order to preclude double payments, the amount of any award under this act shall be reduced by payments authorized under 5 U.S.C. 8191, which provides compensation for law enforcement officers not employed by the United States killed or injured while apprehending persons

suspected of committing Federal crimes; or payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4-531(1)).

The act is to become effective and apply to deaths occurring from injuries sustained on or after the date of enactment.

I urge the enactment of this legislation.

Mr. President, I ask unanimous consent that the following members of the staff of the Subcommittee on Criminal Laws and Procedures be accorded the privilege of the floor for the duration of the consideration of H.R. 366: Paul C. Summit and Dennis C. Phelen; and Ken Feinberg of the staff of the Subcommittee on Administrative Practices.

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

Mr. McCLELLAN. I also ask unanimous consent that the committee amendment in the nature of a substitute be agreed to, and that the bill as thus amended be considered as original text for the purpose of further amendment.

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

Mr. THURMOND. Mr. President, I ask unanimous consent that Bill Coates of my staff be accorded the privilege of the floor during the consideration and action on this bill.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. THURMOND. Mr. President, I rise in support of H.R. 366. As amended by the Committee on the Judiciary, H.R. 366 contains the text of S. 2572 which was introduced by the distinguished Senator from Arkansas on October 28, 1975. I was pleased to be a cosponsor of S. 2572, and I am pleased to support H.R. 366 as reported by the Committee on the Judiciary.

This legislation would provide a $50,000 benefit payable to the survivors of a public safety officer who is killed in the line of duty. As defined in this bill, "public safety officer" includes policemen, firemen, correction officers, probation officers, parole officers, and judicial officers.

Mr. President, in recent years many of our public safety officers have been killed by felonious assaults, and it is increasingly apparent that violent crime is spreading. Crime knows no jurisdictional boundary, nor respects the color of a law enforcement officer's uniform. Each officer, whether sheriff, deputy, highway patrolman, or policeman, must be fully cognizant that death may come to him in the performance of his sworn duties.

Mr. President, similar legislation passed the Senate in 1972. A Senate-House conference committee filed its report with the House of Representatives, but because the House failed to act, this important legislation died. The Senate passed S. 15, a similar measure, on March 29, 1973.

This legislation is designed to compensate the families of public safety officers killed in the line of duty. It is not a group insurance program and should not be modified to provide for group insurance. The purpose of this bill is to assure our public safety officers that their families will be taken care of in the event they are killed.

The alarming trend of crime can only be reversed by professional officers, who are assured that they and their families will be compensated in a manner commensurate with the risks inherent in law enforcement. Law enforcement careers must be made more acceptable to our qualified citizens. We cannot ask decent, hard-working men and women to face the constant risk of death in the line of duty and then ignore their rightful request that their families be protected from financial calamity.

Mr. President, I hope S. 366, as amended, will be approved by the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, will the Senator yield me 5 minutes?

Mr. McCLELLAN. If the Senator has an amendment it will be on his own time.

Mr. ALLEN. Yes, but I wish to speak with respect to the bill, if I may.

Mr. McCLELLAN. I yield 5 minutes.

Mr. ALLEN. Mr. President, I am delighted that this measure is now being considered once again by the Senate. In the last two Congresses the Senate had passed a similar bill and the House of Representatives had done the same. But for some reason, the bills never emerged from the conference committee.

I believe now, though, that when the Senate approves this bill, lest there are changes in the bill in the Senate, of course, it would go to the President for signature. If it is amended substantially and goes to conference, I feel certain that the conferees will report the bill speedily in order that the conference report can be agreed to.

Mr. President, at a time when the suppression of crime is one of the most important needs before the country today. I feel that the passage of this bill will do more than anything that we could do in Congress to assure our moral support for public safety officers, Federal, State, and local, as they perform their duties and as they protect the lives and property of our citizens.

I am pleasantly surprised with the cost estimate of this bill, as prepared by the Budget Committee, and I am pleased to note that this program would cost only $6.6 million a year. A public safety officer includes any person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or as a fireman. This would give public safety officers a sense of security as they go about the performance of their duties. I feel that this is something that is in the public interest.

We read in the press many times each year of public safety officers being killed, leaving widows and minor children. Most police officers are young with young families. Those who are risking their lives, in the main are young, and I feel that this would be a great morale booster for our public safety officers.

I am delighted that the bill has come before the Senate again. It is a House bill. When the Senate passes it, I feel sure that in a very short while the Senate and House will agree upon the bill and that the bill will go to the President for early signature.

There seems to be no opposition that I can ascertain to the bill. Why it has not been agreed to by both Houses is something of a mystery. But public opinion is very definitely behind this bill. It is an idea whose time has come and its time has long since come. I am hopeful that it will be agreed to by both Houses at any early date.

I yield back the remainder of my time.

UP AMENDMENT NO. 184

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

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment No. 184.

The amendment is as follows:

On page 7, line 17, after the word "Benefits", insert the words "and Group Life Insurance".

On page 7, line 20, strike the word "part" and insert in lieu thereof the word "parts".

On page 12, following line 5, insert the following new part:

"PART K—PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"DEFINITIONS

"SEC. 800. For the purposes of this part—

"(1) 'child' includes a stepchild, an adopted child, an illegitimate child, and a posthumous child;

"(2) 'month' means a month that runs from a given day in one month to a day of the corresponding number in the next or specified succeeding month, except when the last month has not so many days, in which event it expires on the last day of the month; and

"(3) 'public safety officer' means a person who is employed full time by a State or unit of general local government in—

"(A) the enforcement of the criminal laws, including highway patrol,

"(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees,

"(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

"(D) firefighting,

but does not include any person eligible to participate in the insurance program established by chapter 87 of title 5 of the United States Code, or any person participating in the program established by subchapter III of chapter 19 of title 38 of the United States Code.

"Subpart 1—Nationwide Program of Group Life Insurance for Public Safety Officers

"ELIGIBLE INSURANCE COMPANIES

"SEC. 801. (a) The Administration is authorized, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), to purchase from one or more life insurance companies a policy or policies of group life insurance to provide the benefits specified in this subpart. Each such life insurance company must (1) be licensed to issue life, accidental death, and dismemberment insurance in each of the fifty States of the United States and the District of Columbia, and (2) as of the most recent December 31, for which information is available to the Administration, have in effect at least 1 percentum of the total amount of group life insurance which all life insurance companies have in effect in the United States.

"(b) Any life insurance company issuing such a policy shall establish an administrative office at a place and under a name designated by the Administration.

"(c) The Administration may at any time discontinue any policy which it has purchased from any insurance company under this subpart.

"REINSURANCE

"SEC. 802. (a) The Administration shall arrange with each life insurance company issuing a policy under this subpart for the reinsurance, under conditions approved by the Administration, of portions of the total amount of insurance under the policy, determined under this section, with other life insurance companies which elect to participate in the reinsurance.

"(b) The Administration shall determine for and in advance of a policy year which companies are eligible to participate as reinsurers and the amount of insurance under a policy which is to be allocated to the issuing company and to reinsurers. The Administration shall make this determination at least every three years and when a participating company withdraws.

"(c) The Administration shall establish a formula under which the amount of insurance retained by an issuing company after ceding reinsurance, and the amount of reinsurance ceded to each reinsurer, is in proportion to the total amount of each company's group life insurance, excluding insurance purchased under this subpart, in force in the United States on the determination date, which is the most recent December 31 for which information is available to the Administration. In determining the proportions, the portion of a company's group life insurance in force on the determination date in excess of $100,000,000 shall be reduced by—

"(1) 25 per centum of the first $100,000,000 of the excess;

"(2) 50 per centum of the second $100,000,000 of the excess;

"(3) 75 per centum of the third $100,000,000 of the excess; and

"(4) 95 per centum of the remaining excess.

However, the amount retained by or ceded to a company may not exceed 25 per centum of the amount of the company's total life insurance in force in the United States on the determination date.

"(d) The Administration may modify the computations under this section as necessary to carry out the intent of this section.

"PERSONS INSURED; AMOUNT

"SEC. 803. (a) Any policy of insurance purchased by the Administration under this subpart shall automatically insure any public safety officer employed on a full-time basis by a State or unit of general local government which has (1) applied to the Administration for participation in the insurance program under this subpart, and (2) agreed to deduct from such officer's pay the amount of such officer's contribution, if any, and forward such amount to the Administration or such other agency or office as is designated by the Administration as the collection agency or office for such contributions. The insurance provided under this subpart shall take effect from the first day agreed upon by the Administration and the responsible officials of the State or unit of general local government making application for participation in the program as to public safety officers then on the payroll, and as to public safety officers thereafter entering on full-time duty from the first day of such duty. The insurance provided by this subpart shall so insure all such public safety officers unless any such officer elects in writing not to be insured under this subpart. If any such officer elects not to be insured under this subpart he may thereafter, if eligible, be insured under this subpart upon written application, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Administration.

"(b) A public safety officer eligible for insurance under this subpart is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule:

"If annual pay is—		The amount of group insurance is—	
Greater than—	But not greater than—	Life	Accidental death and dismemberment
0	$8,000	$10,000	$10,000
$8,000	9,000	11,000	11,000
$9,000	10,000	12,000	12,000
$10,000	11,000	13,000	13,000
$11,000	12,000	14,000	14,000
$12,000	13,000	15,000	15,000
$13,000	14,000	16,000	16,000
$14,000	15,000	17,000	17,000
$15,000	16,000	18,000	18,000
$16,000	17,000	19,000	19,000
$17,000	18,000	20,000	20,000
$18,000	19,000	21,000	21,000
$19,000	20,000	22,000	22,000
$20,000	21,000	23,000	23,000
$21,000	22,000	24,000	24,000
$22,000	23,000	25,000	25,000
$23,000	24,000	26,000	26,000
$24,000	25,000	27,000	27,000
$25,000	26,000	28,000	28,000
$26,000	27,000	29,000	29,000
$27,000	28,000	30,000	30,000
$28,000	29,000	31,000	31,000
$29,000		32,000	32,000

The amount of such insurance shall automatically increase at any time the amount of increase in the annual basic rate of pay places any such officer in a new pay bracket of the schedule and any necessary adjustment is made in his contribution to the total premium.

"(c) Subject to conditions and limitations approved by the Administration which shall be included in any policy purchased by it, the group accidental death and dismemberment insurance shall provide for the following payments:

"Loss	Amount payable
For loss of life	Full amount shown in the schedule in subsection (b) of this section.
Loss of one hand or of one foot or loss of sight of one eye.	One-half of the amount shown in the schedule in subsection (b) of this section.
Loss of two or more such members	Full amount shown in the schedule in subsection (b) of this section.

The aggregate amount of group accidental death and dismemberment insurance that may be paid in the case of any insured as the result of any one accident may not exceed the amount shown in the schedule in subsection (b) of this section.

"(d) Any policy purchased under this subpart may provide for adjustments to prevent duplication of payments under any program of Federal gratuities for killed or injured public safety officers.

"(e) Group life insurance shall include provisions approved by the Administration for continuance of such life insurance without requirement of contribution payment during a period of disability of a public safety officer covered for such life insurance.

"(f) The Administration shall prescribe regulations providing for the conversion of other than annual rates of pay to annual rates of pay and shall specify the types of pay included in annual pay.

"TERMINATION OF COVERAGE

"SEC. 804. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, to the effect that any insurance thereunder on any public safety officer shall cease two months after (1) his separation or release from full-time duty as such an officer or (2) discontinuance of his pay as such an officer, whichever is earlier: *Provided, however*, That coverage shall be continued during periods of leave or limited disciplinary suspension if such an officer authorizes or otherwise agrees to make or continue to make any required contribution for the insurance provided by this subpart.

"CONVERSION

"SEC. 805. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, for the conversion of the group life insurance portion of the policy to an individual policy of life insurance effective the day following the date such insurance would cease as provided in section 804 of this subpart. During the period such insurance is in force, the insured, upon request to the Administration, shall be furnished a list of life insurance companies participating in the program established under this subpart and upon written application (with such period) to the participating company selected by the insured and payment of the required premiums, the insured shall be granted life insurance without a medical examination on a permanent plan then currently written by such company which does not provide for the payment of any sum less than the fact value thereof. In addition to the life insurance companies participating in the program established under this subpart, such list shall include additional life insurance companies (not so participating) which meet qualifying criteria, terms, and conditions, established by the Administration and agree to sell insurance to any eligible insured in accordance with the provisions of this section.

"WITHHOLDING OF PREMIUMS FROM PAY

"SEC. 806. During any period in which a public safety officer is insured under a policy of insurance purchased by the Administration under this subpart, his employer shall withhold each pay period from his basic or other pay until separation or release from full-time duty as a public safety officer an amount determined by the Administration to be such officer's share of the cost of his group life insurance and accidential death and dismemberment insurance. Any such amount not withheld from the basic or other pay of such officer insured under this subpart while on full-time duty as a public safety officer, if not otherwise paid, shall be deducted from the proceeds of any insurance thereafter payable. The initial amount determined by the Administration to be charged any public safety officer for each unit of insurance under this subpart may be continued from year to year, except that the Administration may redetermine such amount from time to time in accordance with experience.

"SHARING OF COST OF INSURANCE

"SEC. 807. For each month any public safety officer is insured under this subpart, the Administration shall bear not more than one-third of the cost of insurance for such officer, or such lesser amount as may from time to time be determined by the Administration to be a practicable and equitable obligation of the United States in assisting the States and units of general local government in recruiting and retaining their public safety officers.

"INVESTMENTS AND EXPENSES

"SEC. 808. (a) The amounts withheld from the basic or other pay of public safety officers as contributions to premiums for insurance under section 806 of this subpart, any sums contributed by the Administration under section 807 of this subpart, and any sums contributed for insurance under this subpart by States and units of general local government under section 815 of this part, to-

gether with the income derived from any dividends or premium rate readjustment from insurers, shall be deposited to the credit of a revolving fund established by section 817 of this part. All premium payments on any insurance policy or policies purchased under this subpart and the administrative costs to the Administration of the insurance program established by this subpart shall be paid from the revolving fund by the Administration.

"(b) The Administration is authorized to set aside out of the revolving fund such amounts as may be required to meet the administrative costs to the Administration of the program and all current premium payments on any policy purchased under this subpart. The Secretary of the Treasury is authorized to invest in and to sell and retire special interest-bearing obligations of the United States for the account of the revolving fund. Such obligations issued for this purpose shall have maturities fixed with due regard for the needs of the fund and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of issue) on all marketable interest-bearing obligations to the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligation shall be the multiple of one-eighth of 1 per centum nearest market yield. The interest on and the proceeds from the sale of these obligations, and the income derived from dividends or premium rate adjustments from insurers, shall become a part of the revolving fund.

"BENEFICIARIES; PAYMENT OF INSURANCE

"SEC. 809. (a) Any amount of insurance in force under this subpart on any public safety officer or former public safety officer on the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

"(1) to the beneficiary or beneficiaries as the public safety officer or former public safety officer may have designated by a writing received in his employer's office prior to his death;

"(2) if there is no such beneficiary, to the surviving spouse of such officer or former officer;

"(3) if none of the above, to the child or children of such officer or former officer and to the descendants of deceased children by representation in equal shares;

"(4) if none of the above, to the parent or parents of such officer or former officer, in equal shares; or

"(5) if none of the above, to the duly appointed executor, or administrator of the estate of such officer or former officer.

Provided, however, That if a claim has not been made by a person under this section within the period set forth in subsection (b) of this section, the amount payable shall escheat to the credit of the revolving fund established by section 817 of this part.

"(b) A claim for payment shall be made by a person entitled under the order of precedence set forth in subsection (a) of this section within two years from the date of death of a public safety officer or former public safety officer.

"(c) The public safety officer may elect settlement of insurance under this subpart either in a lump sum or in thirty-six equal monthly installments. If no such election is made by such officer, the beneficiary or other person entitled to payment under this section may elect settlement either in a lump sum or in thirty-six equal monthly installments. If any such officer has elected settlement in a lump sum, the beneficiary or other person entitled to payment under this section may elect settlement in thirty-six equal monthly installments.

"BASIC TABLES OF PREMIUMS; READJUSTMENT OF RATES

"SEC. 810. (a) Each policy or policies purchased under this subpart shall include for the first policy year a schedule of basic premium rates by age which the Administration shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, taking into account expense and risk charges and other rates based on the special characteristics of the group. The schedule of basic premium rates by age shall be applied, except as otherwise provided in this section, to the distribution by age of the amount of group life insurance and group accidental death and dismemberment insurance under the policy at its date of issue to determine an average basic premium per $1,000 of insurance, taking into account all savings based on the size of the group established by this subpart. Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the policy, such readjustment to be made by the insurance company issuing the policy on a basis determined by the Administration in advance of such year to be consistent with the general practice of life insurance companies under policies of group life insurance and group accidental death and dismemberment insurance issued to large employers.

"(b) Each policy so purchased shall include a provision that, in the extent the Administration determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, the Administration may approve the determination of a tentative average group life premium, for the first of any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate may be increased by the Administration during any policy year upon a showing by the insurance company issuing the policy that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

"(c) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Administration on a basis consistent with the general level of such charges made by life insurance companies under polices of group life insurance and group accidental death and dismemberment insurance issued to large employers, taking into consideration peculiar characteristics of the group. Such maximum charges shall be continued from year to year, except that the Administration may redetermine such maximum charges for any year either by agreement with the insurance company or companies issuing the policy or upon written notice given by the Administration to such companies at least one year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

"(d) Each such policy shall provide for an accounting to the Administration not later than ninety days after the end of each policy year, which shall set forth, in a form approved by the Administration, (1) the amounts of premium actually accrued under the policy from its date of issue to the end of each policy year, (2) the total of all mortality, dismemberment, and other claim charges incurred for that period, and (3) the amounts of the insurers' expense and risk charge for that period. Any excess of item (1) over the sum of items (2) and (3) shall be held by the insurance company issuing the policy as a special contingency reserve to be used by such insurance company for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company issuing the policy, which rate shall be approved by the Administration as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies. If and when the Administration determines that such special contingency reserve has attained an amount estimated by the Administration to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited to the credit of the revolving fund established under this subpart. If and when such policy is discontinued, and if, after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited to the credit of the revolving fund, subject to the right of the insurance company issuing the policy to make such deposit in equal monthly installments over a period of not more than two years.

"BENEFIT CERTIFICATES

"SEC. 811. The Administration shall arrange to have each public safety officer insured under a policy purchased under this subpart receive a certificate setting forth the benefits to which such officer is entitled thereunder, to whom such benefit shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the officer. Such certificate shall be in lieu of the certificate which the insurance company would otherwise be required to issue.

"Subpart 2—Assistance to States and Localities for Public Safety Officers' Group Life Insurance Programs

"SEC. 812. (a) Any State or unit of general local government having an existing program of group life insurance for, or including as eligible, public safety officers during the first year after the effective date of this part, which desires to receive assistance under the provisions of this subpart shall—

"(1) inform the public safety officers of the benefits and allocation of premium costs under both the Federal program established by subpart 1 of this part and the existing State or unit of general local government program;

"(2) hold a referendum of the eligible public safety officers of the State or unit of general local government to determine whether such officers want to continue in the existing group life insurance program or apply for inclusion in the Federal program under the provisions of subpart 1 of this part; and

"(3) recognize the results of the referendum as finally binding on the State or unit of general local government for the purposes of this part.

"(b) Upon an affirmative vote of a majority of such officers to continue in such State or unit of general local government program, a State or unit of general local government may apply for assistance for such program of group life insurance and the Administration shall provide assistance in accordance with this subpart.

"(c) State and unit of general local government programs eligible for assistance under this subpart shall receive assistance

on the same basis as if the officer were enrolled under subpart 1 of this part, subject to proportionate reduction if—

"(1) the program offers a lesser amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only to the extent of coverage actually afforded;

"(2) the program offers a greater amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only for the amount of coverage afforded under subpart 1 of this part;

"(3) the cost per unit of insurance is greater than for the program under subpart 1 of this part, in which case assistance shall be available only at the rate per unit of insurance provided under subpart 1 of this part; or

"(4) the amount of assistance would otherwise be a larger fraction of the total cost of the State or unit of general local government program than is granted under subpart 1 of this part, in which case assistance shall not exceed the fraction of total cost available under subpart 1 of this part.

"(d) Assistance under this subpart shall be used to reduce proportionately the contributions paid by the State or unit of general local government and by the appropriate public safety officers to the total premium under such program: *Provided, however,* That the State or unit of general local government and the insured public safety officers may by agreement change the contributions to premium costs paid by each, but not so that such officers must pay a higher fraction of the total premium than before the granting of assistance.

"Subpart 3—General Provisions

"UTILIZATION OF OTHER AGENCIES

"SEC. 813. In administering the provisions of this part, the Administration is authorized to utilize the services and facilities of any agency of the Federal Government or a State or unit of general local government or a company from which insurance is purchased under this part, in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

"ADVISORY COUNCIL ON PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"SEC. 814. There is hereby created an Advisory Council on Public Safety Officers' Group Life Insurance consisting of the Attorney General as Chairman, the Secretary of the Treasury, the Secretary of Health, Education, and Welfare, and the Director of the Office of Management and Budget, each of whom shall serve without additional compensation. The Council shall meet not less than once a year, at the call of the Chairman, and shall review the administration of this part and advise the Administration on matters of policy relating to its activity thereunder. In addition, the Administration may solicit advice and recommendations from any State or unit of general local government participating in a public safety officers' group life insurance program under this part, from any insurance company underwriting programs under this part, and from public safety officers participating in group life insurance programs under this part.

"PREMIUM PAYMENTS ON BEHALF OF PUBLIC SAFETY OFFICERS

"SEC. 815. Nothing in this part shall be construed to preclude any State or unit of general local government from making contributions on behalf of public safety officers to the premiums required to be paid by them for any group life insurance program receiving assistance under this part.

"WAIVER OF SOVEREIGN IMMUNITY

"SEC. 816. The Administration may sue or be sued on any cause of action arising under this part.

"PUBLIC SAFETY OFFICERS' GROUP INSURANCE REVOLVING FUND

"SEC. 817. There is hereby created on the books of the Treasury of the United States a fund known as the Public Safety Officers' Group Life Insurance Revolving Fund which may be utilized only for the purposes of subpart 1 of this part.".

On page 12, line 12, strike the phrase "part J" and insert in lieu thereof the phrase "parts J and K.".

On page 12, line 13, strike the phrase "part J" and insert in lieu thereof the phrase "parts J and K".

On page 13, line 1, strike the word "This" and insert in lieu thereof the following words: "Part J of this".

On page 13, line 3, add the following sentence after the period: "Part K of this Act shall become effective on the date of enactment.".

The PRESIDING OFFICER. Is this the amendment on which the Senator desires 1 hour?

Mr. KENNEDY. Yes.

Mr. President, first of all I express my support for the legislation that is before the Senate, announce my support for that particular proposal. But I do think it is important, as we move to consider that particular legislation, that we understand what the legislation does do and what it does not do.

It is extremely important that every firefighter, every police official, and every public safety officer, those involved in the frontline of the protection of the American family, have a clear understanding of what we are doing here today.

Under the pending legislation, in order to receive any benefit at all there will have to be a determination made by the Federal Government, not the local community or State agency, but by the Federal Government, that the death is actually caused by criminal activity.

As I am sure we will hear during the course of this debate and discussion about what the roles of the Federal Government, local communities, and the States are and we ought to understand that H.R. 366 requires a Federal determination that a particular firefighter or policeman has actually been killed in the line of duty as a result of a criminal act.

Such a determination will not, therefore, be made by those people in local communities who will understand the situation best.

It will be made here at the Federal level. I would have preferred that such decision be made at the local level and be spelled out in considerable detail, so that any benefit of the doubt could be resolved in favor of the families themselves.

What we are attempting to do with my amendment, Mr. President, is to recognize a very basic and fundamental reality which led to this legislation being recommended by President Nixon in 1972.

In 1968, as a result of the Federal Crime Commission report, it was recognized that law enforcement personnel and firefighters have difficulty in obtaining any type of comprehensive life insurance.

If you are a janitor in a school, you can get group life insurance; if you are a teacher in the public school, you can get life insurance. But if you are a policeman walking the beat, you cannot get it. In instance after instance the record shows that you cannot get it. I will include in the RECORD statistics showing many cities in this country where public safety officers cannot get proper, comprehensive life insurance today. In my own State of Massachusetts, some policemen are able to buy only $2,000 of insurance.

What we are doing by this amendment is recognizing that those who are in the front line in providing security to the American people should be able to receive insurance, thus assuring security for their families and for their children.

We recognized this concept when we provided insurance for the Armed Forces, for the people who are in the front line, protecting the security and defense of the United States. We should be able to provide it for those who are in the front line of our domestic security—our firefighters, court and correctional officers, and police officials—for any such official in a local community. The State is going to participate in my plan. It is strictly a voluntary program. But if they decide to participate, they will be able to get a life insurance policy.

They will be able to benefit themselves and their families—not if they are killed as a result of a criminal act defined by the Federal Government, but if they are maimed, if they lose an arm or a leg regardless of cause.

My amendment recognizes the fact that because they are public safety officers, they are denied the opportunity to get any kind of insurance—and that is part of the documented record. We have had ample testimony to that effect in our hearings here in the Senate. Under my amendment they will be eligible, and they will get coverage.

What we are talking about is a small, modest program. The Federal Government is liable only up to one-third of the insurance premiums. The program is administered through LEAA.

It is going to depend upon the participation of the State, the local community, and the local officials themselves. We are not promoting a total underwriting by the Federal Government. What we are doing is providing important incentives by providing group life insurance to local law enforcement officials, firefighters, and court and correctional officers of this country who want it. The Federal cost will be $26 million the first year, $27 million the second year, and $29 million the third year—if almost 600,000 public safety officers in this country actually utilize the program. We are not, therefore, talking about great amounts of money.

Mr. President, this amendment has been agreed to by the Senate on two occasions. It was adopted in 1970 and again in 1972 by overwhelmingly votes.

We heard a great deal about an idea whose time has come. This amendment was offered years ago. The hearings on this proposal have been extensive and it seems to me that we should be prepared to give this kind of security to the people in the front line of our domestic defense and protection.

Mr. President, in my own State of Massachusetts we have what we call The Hundred Club, which was started 18 to 20 years ago, in which a group of busi-

nessmen and workers contribute $100 a year. The money is used when an officer dies in the line of duty. The money is used to pay off the mortgage on the home and a small amount is set aside to provide education to the children. It has had an enormously powerful impact on the firefighters, policemen, and correctional officers in my State. Other One Hundred Clubs have been formed in other parts of the country, and they have been supported by people all over this Nation. I am glad to have been a charter member of the One Hundred Club in my State of Massachusetts.

But no law enforcement officials in our country, or their families, should have to rely on contributions—as generous as they may be—to assure his family of financial security in the event of his death.

It is in an attempt to deal with this issue that this amendment is offered, and I am hopeful that it will pass.

My amendment would complement H.R. 366 by adding a new part K, which provides for a nationwide, federally subsidized program of group life, accidental death and dismemberment insurance for public safety officers, including police, firefighters, correctional officers and criminal court officers. Coverage under this plan is patterned closely after the highly successful Federal employees and servicemen's group life insurance programs which are available to all Federal civilian employees and members of our Armed Forces.

Under my amendment, the Law Enforcement Assistance Administration would purchase a national group policy from eligible nationwide private life insurance carriers. Thus, program coverage and administration of the program would be undertaken by the private sector.

Any applicable unit of State or local government could apply to LEAA to participate in the program. Officers in participating groups could elect not to be covered; those remaining in the program would have their share of the premiums deducted from their wages. LEAA would pay up to one-third of the total cost of the premiums, leaving the remainder to be covered by the insured and/or the employing agency.

Coverage would be at a level of the officer's annual salary plus $2,000, with a floor of $10,000 coverage rising to a maximum of $32,000. Accidental death and dismemberment insurance would be included with the usual double indemnity feature. LEAA would set the premium.

I am aware that public safety is and must remain a local responsibility. If an existing State or local group life insurance plan is already in existence which provides similar coverage for public safety officers, eligible officers would choose in a referendum between the Federal and local plan. If they choose the local plan, they would still be eligible to receive a significant Federal subsidy, without being bound by the provisions of the Federal program. The bill thus respects fully the interest of States, localities, and their officers in their existing plans.

Mr. President, the need for this type of group insurance program is just as apparent now as it was in 1970 and 1972 when the Senate passed similar measures. Today, faced with the hazards and dangers of their high risk occupations, many public safety officers find themselves unable to acquire regular life insurance. Even if they are eligible, premium costs may be prohibitive and insurance benefits restricted.

If public safety officers try, despite the possibility of such obstacles, simply to buy as much insurance as they think they need for themselves and their family, they are held back by the disgracefully low salaries we so often pay them. In a 1972 survey of 300 New York City policemen, 95 percent said they felt their salaries were too low for them to afford adequate life insurance.

Further, employer-supported group plans to remedy the insurance problems of public safety officers vary widely in their coverage and are frequently not offered at all. For example, almost 70 percent of our State and local law enforcement officers are covered by some form of insurance to which the employer contributes. But that still leaves 30 percent uncovered. More importantly, LEAA figures show very clearly that under 4 percent of all officers have coverage as high as the $10,000 minimum which would be provided by my amendment.

From my contact with public safety officers and groups across the Nation, the picture that emerges of available insurance is a very mixed one, with some officers enjoying good benefits at reasonable cost but many others having little or no coverage, higher cost, or less favorable conditions. Many areas are unable or unwilling to provide this benefit, which is so important both to officers personally and to the recruitment and retention of highly qualified personnel. The Federal Government has committed itself in legislation since 1968 to providing major financial aid to State and local law enforcement, in an effort to help all public safety officers attain a 20th century level of performance.

Simply stated, because of job hazards, disgracefully low salaries, and public employer inaction—all factors which are job related—many officers and their families are inadequately protected against death or major disability on or off the job.

Mr. President, we all talk about the need to support the efforts of our public safety personnel in making this Nation a safer, better place in which to live. This amendment provides us with an opportunity to back up our words with action. As was the case in 1970 and 1972, this amendment should not lead to any partisan division. In the past it has attracted support from Democrats and Republicans, liberals and conservatives. It has received wide-ranging support from the major public safety officers' organizations and the insurance industry.

Most importantly, Mr. President, this amendment will go a long way toward alleviating a serious human problem with which the Federal Government is uniquely qualified to deal. We owe these men and women no less. The time for action is now if we are to provide adequate insurance for our Nation's public service protectors.

Mr. President, I ask unanimous consent that the life insurance statistics to which I referred earlier be printed in the RECORD.

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

LIFE INSURANCE

Name of city or jurisdiction	Amount of coverage (specify formula or amount)	Average cost of coverage per officer	
		Paid by officer	Paid by employer
Atlanta	$40,000 is maximum	$0.70 per $1,000 per month.	$0.26 per $1,000 per month.
Baltimore	$10,000 on officer, $2,000 on his wife (double indemnity) plus $7,500 on officer.	$120 per year	$35 per year.
Boston	$2,000 plus additional insurance to amount equal 80 percent of salary.	$13 per year $0.40 per $1,000 per month.	$13 per year. 0.
Buffalo	$5,000 plus $5,000 accidental, $2,000 for wife and $1,000 for each child under 19.	0	$78 per year.
Chicago	$6,000 if 49 years old or younger, less if older.	$33 per year	0.
Cincinnati	None		
Cleveland	None		
Columbus	$2,000	0	$12 per year.
	$5,000	$36 per year	0.
	$10,000	$71 per year	0.
Dallas	$5,000	$21 per year	$17 per year.
Denver	None		
Detroit	$14,900	$55 per year	$58 per year.
Ft. Worth	$5,000	$26 per year	$39 per year.
Houston	$7,000	0	See table 9A—Life and Health insurance costs are combined.
Indianapolis	None		
Jacksonville	$2,000	0	$8.88 per year.
Kansas City, Mo.	$3,000	0	$18 per year.
	Officer can choose an additional coverage average limited to his salary—at his expense.	50 cents per $1,000 coverage per month.	0.
Los Angeles	None		
Memphis	Amount equal to salary	Average of $26 per year.	Average of $41 per year.
Milwaukee	1½ times officer's salary to next highest $1,000. Patrolmen have $18,000 of coverage. Sergeants and detectives $20,000.	$20 per year	$133 per year
Minneapolis	$3,000	0	$20 per year.
Nashville	1⅓ times salary	$18 per year	Varies.
New Orleans	None		

Name of city or jurisdiction	Amount of coverage (specify formula or amount)	Average cost of coverage per officer	
		Paid by officer	Paid by employer
New York	$2,000 or $4,000	0	Not available.
Philadelphia	$4,000	0	30.
Phoenix	$4,000	0	$19 per year.
Pittsburgh	$10,000	$68.16 per year	$84.24 per year.
St. Louis	$10,000 plus additional $1,000 for each 6 years of service.	0	$91 per year for $10,000 coverage plus $9.10 per $1,000 per year for any additional coverage.
San Antonio	One-half of annual salary	0	$11 per year.
San Diego	$1,000	0	$4.32 per year.
San Francisco	None		
San Jose	$5,000	0	$36 per year.
Seattle	$5,000	0	$6.20 per year.
Toledo	$5,000	0	Not available.
Washington	Employee's salary to next highest $1,000 plus $2,000.	$96 per year	$46 per year.

LIFE INSURANCE

	Amount of coverage
Mean (including cities that have no life insurance program)	$7,424
Median (including cities that have no life insurance program)	5,000
Mean (excluding cities that have no life insurance program)	10,096
Median (excluding cities that have no life insurance program)	7,000

Note: NB. Where amounts vary, they are averaged; where the entry of a city is impossible to determine, that city is excluded from that particular entry.

Mr. McGOVERN. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. McGOVERN. Mr. President, first, I commend the Senator from Massachusetts for what I think is obviously an attempt on his part to achieve simple justice in dealing fairly with the public safety employees of this Nation—the firemen and policemen who protect us and look after our security.

On two previous occasions, the Senator guided this measure through the Senate by an overwhelming vote. It certainly should be approved today.

I suggest to the Senator one change in wording in an amendment I suggest for his consideration. The language he has now offered covers full-time employees—full-time firemen, full-time policemen. Would the Senator accept a modification in that language so that it also could cover part-time firemen and part-time policemen?

As the Senator knows, in a great many parts of the country, we depend upon volunteers to assist in the fighting of fires, in particular. There are other times when the police force has to be supplemented by part-time employees. In some cases, both the police services and the fire services are supplemented by people who work for nothing, who volunteer their services, but who may die in the line of duty.

It seems to me that it would be in line with what the Senator is trying to accomplish if we simply were to change that language from full-time service to include full or part time, with or without compensation.

I wonder whether the Senator would accept that as a modification to his amendment.

Mr. KENNEDY. Mr. President, I feel that this suggestion would be a useful and valuable one, for the reasons that the Senator from South Dakota has mentioned. It would benefit not only rural areas of this country but even industrial States such as my own State of Massachusetts. There are a number of areas in rural Massachusetts which are dependent upon volunteer fire services. It seems to me that this addition would be useful and helpful.

What we are talking about here are those people who are risking a considerable amount for the protection of a community, and we should be providing this small degree of security to them.

This is not asking a great deal. So I would modify my amendment to conform with the McGovern amendment.

Mr. McGOVERN. I thank the Senator. I shall give him the language. I appreciate his modifying it in that degree.

The PRESIDING OFFICER. Is there objection to the amendment being modified? It takes unanimous consent.

If there be no objection, the amendment is so modified.

The modification is as follows:

On page 2, lines 8 and 9, strike out "is employed full time by" and insert in lieu thereof "serves full time or part-time, with or without compensation,".

On page 5, line 23, strike out "employed on a full-time basis" and insert in lieu thereof "who serves".

On page 6, line 1, strike out "by".

On page 6, line 3, immediately after "(2)" insert "in the case of an officer serving with compensation,".

On page 6, lines 12 and 13, strike out "the payroll" and insert in lieu thereof "duty".

On page 6, line 14, strike out "full-time".

On page 7, between lines 2 and 3, immediately before the zero on the first line of the schedule insert "or equal to".

On page 8, line 24, strike out "full-time".

On page 8, line 25, immediately after "(2)" insert "in the case of an officer serving with compensation,".

On page 10, line 6, immediately after "officer" insert "serving with compensation".

On page 10, line 9, strike out "full-time".

On page 10, line 14, strike out "full-time".

Mr. ALLEN. Will the Senator yield?

Mr. KENNEDY. Yes, I yield.

Mr. ALLEN. I wish to commend the distinguished Senator from Massachusetts for offering this amendment at this time. I supported this same concept in the two previous times that this issue was before the Senate. I do feel that this is a good amendment. I feel that firemen and policemen—law enforcement officers generally, public safety officers—perform such a valuable service and they receive so little in benefits from the Federal Government that I believe that it is entirely appropriate that this group life insurance plan be set up so that the Federal Government will participate to the extent of one-third of the premium, leaving local governments and the officers themselves to pay the balance if they desire to come under the program. I think the cost is reasonable. I think it will be a big morale booster; it will afford a sense of security to the law enforcement officers. I feel that it is something that we should have done long ago and I am delighted that the Senator is offering this amendment at this time to accomplish this end. I commend him for his amendment.

Mr. KENNEDY. I thank the Senator from Alabama.

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

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield myself 5 minutes.

Mr. President, this amendment presents us with a difficulty—at least, it does me—with respect to the practicality of adopting this language, now pending on the Senate Calendar as S. 230, as an amendment to the pending measure. I just want to point out, for the information of the Senate, the record of this particular bill. I am apprehensive that placing it on the pending measure will tend to jeopardize any prospect of agreement with the House in conference. I may be wrong, but I am persuaded that the House will not look with favor on it, as it has not in the past. I hope that the Senator will let the bill stand on its own merits as a separate measure and send it to the House in a form that will permit the House to have an opportunity to accept or reject it on its merits without involving this very important legislation.

I think the Senator from Massachusetts knows that I am not opposed to what he is trying to do. I have supported him on three or four occasions in the Senate in the past. I cooperated with him in getting this bill out of committee so that it would be on the calendar and it is now on the calendar. It is not an attitude of antagonism toward the measure itself, Mr. President, that prompts me to take the position I am taking today. I am trying to be practical to get the legislation through that is now the pending business of the Senate.

Originally, the pending amendment of the Senator was, I believe, included in the Crime Control Act of 1970. That provision was not accepted at that time in conference by the House. The Senate had to strike it in conference.

Again this bill passed the Senate as S. 33 in the 92d Congress on September 18, 1972, by a vote of 61 to 6. Again, the House failed to act on it.

Then the bill passed the Senate again as S. 33 in the 93d Congress. It also passed in the 93d Congress as title II of S. 800. That was on March 29, 1973. The House failed to act on this measure in any of those instances.

Mr. President, as I recall, S. 800 was an omnibus bill. It contained not only the bill before us as an amendment by the distinguished Senator from Massachusetts; it also contained the Mansfield victims of crime bill, and provisions for civil remedies for victims of racketeering activity and theft. It also contained the Public Safety Officer's Benefits Act that is pending before us now.

Mr. President, with all of these instances in which the distinguished Senator's amendment has gone to the House over the last 6 years, it seems inadvisable to put it on this bill unless we want to risk jeopardizing the enactment of any bill at all. I hope that the Senator will let us pass his proposal separately and let it go to the House. Hopefully, the House will take action on it. I believe that if we put it on this bill, after it has been over there four times and no action taken on it, we may be confronted with an adamant conference and might not get the pending bill enacted that we have worked on so long.

I hope that the distinguished Senator from Massachusetts will not press his amendment. I cannot do more than pledge my cooperation, as I have given it in the past. If it is attached to this bill, of course, I shall undertake to support the Senate version of it in conference and, as I have in the past, do what I can. But I think the Senator can appreciate my position. I hope that this time we may get this bill providing benefits for the survivors of law enforcement officers and firemen who are killed in the line of duty, while actually performing their duties, enacted into law in this session.

I am ready to yield my time.

Mr. KENNEDY. Mr. President, I want to say on the record how helpful and accommodating the chairman of the Criminal Laws Subcommittee, the Senator from Arkansas, has been in permitting hearings on this legislation and supporting it in the past.

This legislation, I believe, directly complements H.R. 366 that is before the Senate at the present time.

As a matter of fact, it was introduced and passed in the Senate prior to the time that H.R. 366 had even been introduced or had been the subject of any hearings. So this is not a new idea. It is not a new suggestion. It is one that has very broad support among police officials, firefighters, and others involved in court and correctional activities.

As I understand it, we are going to have to go to conference in any event on this legislation. Bringing this major piece of legislation to the conference with this amendment is not going to endanger or jeopardize it.

Only in the last half hour I have talked to the chairman of the House Judiciary Committee, Chairman RODINO, who is familiar with the general thrust of this legislation. I asked him specifically, if we did pass it would he give us assurance of a good faith examination of this particular proposal and a fair consideration in conference, and he said that I was authorized to indicate to the Senate that that would be his position.

He is familiar with the issue, and I feel he is sympathetic to it. He was unable to speak, of course, for the other members of the House Judiciary Committee.

That is really all we are asking. So I would hope we could take this matter to conference.

I do want to state again my appreciation for the accommodation that has been made in order to permit this amendment to be debated and discussed. The Senate has overwhelmingly supported this idea in the past. It is not a new idea, it is not a revolutionary idea. It is a rather standard idea but it is one that is strongly supported by the law enforcement and public safety officer community.

I hope that we can get action on it by the Senate. Then I would give assurances to my colleague, the chairman, to support the proposal in the conference and strongly support the chairman on the basic legislation which is before us at this time.

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

Mr. KENNEDY. Yes.

UP AMENDMENT NO. 186

Mr. FORD. I applaud the Senator from Massachusetts for his effort, and I endorse his amendment to this bill 100 percent.

There is one small problem that confronts my State and, maybe, several other States where the State legislature would have to approve any such State plan.

Since my State will not go into session, unless they have a special session, for 2 additional years, I wonder if the Senator would entertain an amendment which would be on, I believe, page 18, line 11, and just change it, merely amend it, to say: "during the first year or 2 years where the State legislatures meet every 2 years" after the effective date of this part?

Mr. KENNEDY. I would be more than glad to accept it for the reasons that have been stated by the Senator from Kentucky. He is quite right in drawing this to our attention. It results from a technical oversight.

Quite clearly, as the Senator points out, there are a number of States that meet biennially, and this amendment, quite clearly, would provide for those States to participate if, and only if, they so desire.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none, and the Amendment is so modified.

The modification is as follows:

On page 18, line 11, after the word "year" insert the following: ", or two years where State legislatures meet every two years,".

Mr. FORD. I thank the Senator from Massachusetts for his cooperation and ask him to move hard in this area. I shall support him in any way I can.

Mr. KENNEDY. Mr. President, I am prepared to yield back my time, although I would withhold from yielding my time if there is going to be further comment.

Mr. THURMOND. Mr. President, I rise in opposition to this amendment.

Mr. McCLELLAN. How much time does the Senator want?

Mr. THURMOND. Just about 3 or 4 minutes.

Mr. McCLELLAN. I yield the Senator 5 minutes.

Mr. THURMOND. Mr. President, I rise in opposition to this amendment. The amendment offered by the distinguished Senator from Massachusetts is now embodied in a bill which is on the calendar. There is no reason why there cannot be an up or down vote directly on the Senator's bill without affecting and complicating this bill, which has been considered here for years and years.

If this amendment is agreed to, we might well expect trouble in reaching an agreement in conference. The House has shown its displeasure with this amendment. Why jeopardize this important bill?

Since 1972 when we first passed this bill in the Senate, a lot of public safety officers have been killed in line of duty. Policemen have been killed, as well as other public safety officers. Their widows and their children have gone without any aid. Why not go ahead and pass the bill like it is and not jeopardize final action on this bill? Then let the bill by the distinguished Senator from Massachusetts come up on its own merits. It is on the calendar now, and it can be brought up at such time as he wishes to bring it up.

Mr. President, this bill is long overdue. It should not be delayed by any obstacle of any kind. This amendment, if adopted, might delay it. A policeman might be killed any day after the Senate passes this bill and before an agreement is reached by the conference committee.

I am sorry the Senator is offering this amendment at this time. He can get a vote on his bill; he can get a direct vote an up-or-down vote. Why does he want to attach it here to this important bill, a bill we have worked on here for years and years to try to help the families and the dependents of public safety officers?

Public safety officers do not make much money, and many of their families are left practically penniless when the breadwinner in the family is killed.

I hope the Senator will withdraw this amendment. If he does not do that, I hope the Senate will reject the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. Mr. President, I listened with some interest to my colleague from South Carolina. I just want to correct the record on some of the Senator's comments. He said this matter, H.R. 366, has been before the Senate for some years. That is true. But the amendment we are considering now was before the Senate 2 years before the survivors' benefits program was even considered by the Senate. It was recommended in the Crime Commission report of 1968.

The idea has been around for a long time. I question the argument which says "why should we offer this as an amendment? Let us consider it as a special bill."

The Senator from South Carolina is too good a Senator not to understand that that is the sentence of death for this particular proposal this year. This is no corresponding legislation in the House of Representatives. If you want to turn your thumbs down, or turn your back on the police officials and public safety officials of our Nation you vote with the Senator from South Carolina. Go ahead and vote with him. But it will be a clear message to all the safety officials in this country that the Senate and the Congress of the United States are too much involved in procedure and parliamentary device to face up to a vital public safety issue.

I say we have an opportunity this afternoon to vote, and vote strongly, for a measure that is supported overwhelmingly by the police officials, by the firefighters, and by other officers throughout this country.

It seems to me that is our responsibility. I have never seen the Senator from South Carolina shirk from going through a conference with the House of Representatives on a difficult issue, let alone an issue which now at least, from the initial inquiry of the chairman of the Judiciary Committee, has been responded to in a sympathetic way, and in a way which I think could guarantee us at least an open forum and an open mind.

So, Mr. President, I welcome the chance to vote on this measure. I think it is about time we passed it. I am not prepared to go back and talk to law enforcement officials of my State and say, "Well, we got involved in an amendment to an amendment, and there were those who thought it was too complex to take to conference.

Maybe the Senator from South Carolina can use that as a justification when he sits across the table from men who are trying to protect their communities.

But here is one Senator who will not be put in that position.

I withhold the remainder of my time.

Mr. THURMOND. Will the Senator yield me 2 or 3 minutes?

Mr. McCLELLAN. I yield 2 minutes to the Senator.

Mr. THURMOND. Mr. President, I am not discussing the merits of the amendment of the Senator from Massachusetts. I have made the statement and I make it again, there is no use to jeopardize this bill when it goes to conference by having the Kennedy amendment attached.

Why does the Senator not have a vote on his bill on its own merits? Does he feel the amendment is weak and he has to attach it to this strong bill to which practically nobody will be opposed? Why does he not let it come up on its own merits?

This bill that the distinguished Senator from Arkansas has proposed for years—and I have joined him along with the Senator from Nebraska (Mr. HRUSKA)—is a very important bill. It means a lot to the families of the public safety officers of this Nation, and I say there is no use to jeopardize it with any amendment.

The Senator from Massachusetts can vote on his own amendment. He can get a direct vote. Why run any risk?

I want to help the public safety officers. That is the reason I am trying to keep this bill clear and clean—just as the able chairman of the Appropriations Committee who is handling this bill here is trying to do.

We want to be sure that we get this bill through this time. As I said, for years this bill has been stopped with one amendment or one technicality after another. Now is the time to pass it clean, clear, and fair, and to be sure we get it through.

Mr. KENNEDY. Mr. President, I yield myself 2 more minutes.

I have complete confidence in this amendment in terms of its purpose and in terms of the support of those that will be most affected by it.

What I do not have confidence in is the Congress of the United States taking fresh action in the final few hours of this session.

I think the law enforcement officials and firefighters have waited long enough. They have waited long enough and there should be no problem, no delay. Let us pass this amendment now, go to conference, get this enacted into law and meet our responsibilities to those who are meeting their responsibilities in securing our communities and homes.

Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. McCLELLAN. Mr. President, I yield myself a minute.

I want to make my position very clear. I do not oppose the Kennedy amendment. I have supported this amendment as a bill.

It is on the calendar. I helped to get it on the calendar so we could act on it this session, along with H.R. 366.

As to his apprehension with respect to passing it this late—it has not been acted upon in the House—I can appreciate that it has some merit. But, Mr. President, it also has some merit that, if we attach it to this bill, we will get neither bill. That is my concern.

If the Senate accepts the amendment, we will do our best. But I am of the opinion, since the House has had it four times before without action that it will not just immediately capitulate and accept it.

For that reason, and that reason only, I shall vote against the amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

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

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time yielded back?

Mr. McCLELLAN. 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. MOSS. Mr. President, I ask unanimous consent that the order for the quorum be rescinded.

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

Does the Senator from Arkansas yield back the remainder of his time?

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

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, may I 2 minutes to the Senator from Maine?

Mr. McCLELLAN. Mr. President, I withhold yielding back the remainder of my time. I thought time had been yielded back.

Mr. MOSS. It was.

The PRESIDING OFFICER. All time has been yielded back.

Mr. McCLELLAN. Mr. President, I yield 2 minutes on the bill to the distinguished Senator.

The PRESIDING OFFICER. Very well.

Mr. HATHAWAY. Mr. President, I thank the distinguished Senator for yielding me time.

Mr. President, I support both H.R. 366, the Public Safety Officers' Benefits Act, and Senator KENNEDY's amendment to that act, which would add a public safety officers' life insurance program. Together, I believe these two programs constitute a comprehensive, well-reasoned approach to the problems experienced by both police and fire protection officers in providing for the welfare and security of their dependents.

Senator McCLELLAN's measure, which is supported by the administration, would provide a $50,000 death benefit to public safety officers killed in the line of duty as a result of a criminal act.

Senator KENNEDY's amendment, which has been accepted by the Senate on two previous occasions, would establish a federally administered group life insurance program making such insurance available for the first time at reasonable rates to public safety officers.

These two programs complement one another nicely. The McClellan approach would guarantee the payment of survivor benefits to dependents of officers killed in the line of duty, on a fair and equitable basis. The Kennedy amendment would provide broader coverage for officers, paying benefits regardless of the cause of death, at affordable premiums not presently available to such officers.

There is clear need for equitable treatment of public safety officers with regard to fringe benefits normally available to all other employees, such as life insurance and survivor benefits. With the enactment of these two programs, I believe that need will be fulfilled.

There is a bill coming before the Senate shortly, however, which would further expand the Government's role in underwriting benefits for public safety officers, in ways which I consider both overly specific and disruptive of the integrity of other Federal programs. I am referring to S. 972, the Public Safety Officers Memorial Scholarship Act, which I would like to take a moment to discuss briefly at this time.

S. 972 was originally proposed by Senator Moss to the Judiciary Committee

as a part of H.R. 366, the bill before us at the present time. However, it was rejected by that committee, and it was subsequently proposed as a separate measure to the Committee on Labor and Public Welfare. It was reported by the latter committee earlier this spring, with four dissenting votes, including my own.

My reasons for opposing S. 972 concern several of its aspects and implications, including the discriminatory nature of the benefit among public safety officers—those with no dependents would get no benefits; those with many would realize a substantial sum; the discriminatory nature of the benefit as opposed to benefits available to other governmental employees; and the inequitable implications of the specific education provisions of the bill for our national education policy. I elaborated on those objections in my dissenting views to the committee report on S. 972, and I ask that those views be included in the RECORD at the conclusion of these remarks.

After careful research into this matter, I determined that the Kennedy and McClellan approaches to the problem of inadequate public safety officer survivor benefits made considerable more sense and were more equitable. Indeed, if S. 972 had come up on the floor at an earlier date, I had already determined to offer a proposal similar to Senator KENNEDY'S group life insurance proposal as a substitute to S. 972. However, the Senate's action today in passing both the McClellan bill and the Kennedy amendment will obviate the need for such a substitute, and I strongly believe it will also obviate the need for S. 972. Accordingly, if the Senate passes the bill before us today, with the Kennedy amendment, I will move at an appropriate time either to lay S. 972 on the table, or to recommit that measure to the Committee on Labor and Public Welfare for additional study in light of the Senate's action today.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Virginia (Mr. HARRY F. BYRD, Jr.), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY), are necessarily absent.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Rhode Island (Mr. PELL), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), and the Senator from Maryland (Mr. MATHIAS), are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT), is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA), is absent due to a death in the family.

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

The result was announced—yeas 62, nays 17, as follows:

[Rollcall Vote No. 366 Leg.]

YEAS—62

Abourezk	Ford	Moss
Allen	Glenn	Nelson
Baker	Gravel	Nunn
Beall	Hart, Gary	Pastore
Bellmon	Hartke	Pearson
Bentsen	Haskell	Percy
Biden	Hathaway	Proxmire
Brock	Helms	Randolph
Brooke	Huddleston	Ribicoff
Bumpers	Inouye	Roth
Burdick	Jackson	Schweiker
Byrd, Robert C.	Javits	Sparkman
Cannon	Johnston	Stafford
Case	Kennedy	Stevens
Church	Long	Stevenson
Clark	Magnuson	Stone
Cranston	Mansfield	Symington
Dole	McGee	Taft
Durkin	McGovern	Weicker
Eastland	McIntyre	Williams
Fong	Morgan	

NAYS—17

Bartlett	Goldwater	Scott, William L.
Buckley	Griffin	Talmadge
Curtis	Hansen	Thurmond
Domenici	McClellan	Tower
Fannin	McClure	Young
Garn	Packwood	

NOT VOTING—21

Bayh	Hollings	Montoya
Byrd, Harry F., Jr.	Hruska	Muskie
Chiles	Humphrey	Pell
Culver	Laxalt	Scott, Hugh
Eagleton	Leahy	Stennis
Hart, Philip A.	Mathias	Tunney
Hatfield	Metcalf	
	Mondale	

So Mr. KENNEDY'S amendment, as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. MOSS and Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. KENNEDY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MOSS. I yield for a unanimous-consent request.

Mr. KENNEDY. Mr. President, I ask unanimous consent to add the Senator from New Hampshire (Mr. DURKIN), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Alabama Mr. ALLEN) as cosponsors of the amendment.

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

S. 230 PLACED UNDER "SUBJECTS ON THE TABLE"

Mr. KENNEDY. Mr. President, I ask unanimous consent that S. 230, which is identical to my amendment, be placed under the heading "Subjects on the Table."

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

Mr. MOSS. Mr. President, I yield to the Senator from Arkansas for a unanimous-consent request.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Bob Brown of my staff be accorded the privilege of the floor during voting on this bill.

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

UP AMENDMENT NO. 187

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

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. MOSS), for himself and Mr. THURMOND, Mr. CANNON, Mr. ALLEN, Mr. GARY HART, Mr. FORD, Mr. BARTLETT, Mr. BAKER, Mr. DURKIN, and Mr. HATHAWAY, proposes unprinted amendment No. 187.

The amendment is as follows:

On page 7, line 25 and continuing into line 2 on page 8, strike out "in line of duty from injuries directly and proximately caused by a criminal act or an apparent criminal act," and insert in lieu thereof "as the direct and proximate result of a personal injury sustained in the line of duty,".

On page 10, strike out lines 12 through 18.

On pages 10 and 11, redesignate subsections "(c)," "(d)", "(e)", "(f)", "(g)", and "(h)" as subsections "(b)", "(c)", "(d)", "(e)", "(f)", and "(g)" respectively.

Mr. MOSS. Mr. President, I ask unanimous consent that I may be permitted to explain the amendment rather than have it read in full.

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

Mr. MOSS. Mr. President, this is a very simple amendment. It changes the language in the bill which would require that before an award be paid, a person be found to have been engaged, either directly or indirectly, in suppressing a criminal act. This amendment broadens that to say simply that the public safety officer whose death triggers the award be found to have sustained his injury in the direct line of duty. This broadens it somewhat.

Not only that, it has the effect of broadening it with respect to firemen. The only way they would qualify would be if there were a finding of arson, under the bill as it was written. This is a correction of the language with respect to eligibility with which there is wide agreement.

Mr. President, I commend the distinguished senior Senator from Arkansas for the fine work he has done on this legislation both in chairing the hearing and in managing the bill. There are few bills in the Congress about which I feel more strongly than the legislation which we are now considering, the Public Safety Officers Death Benefit Act. That conviction is best demonstrated by the testimony which I have offered many times in the past and rather than repeating that testimony now I will simply contain my remarks to those matters of the greatest importance at the moment.

Mr. President, there is a critical need for this legislation to provide both incentive and appropriate recognition for our public safety officers who willingly risk their lives to preserve an orderly society. In recent years there has been a great hew and cry for "law and order." In Congress we have responded to that cry by enacting varying forms of legislation to assist our public safety officers in the performance of their duties. Congress has made its commitment to improving the lives of this Nation's citizens through the enactment of laws which afford better protection. There has been considered many alternatives to make effective that commitment. Today we are considering another of those alternatives. We will today be enacting the Public Safety Officers Death Benefits Act to provide some measure of assurance to those who work diligently to protect our lives and property. We are assuring them that their dependents will have some future because the public safety officer was willing to act to preserve an orderly society and to protect our lives and our property.

The reason why I think the bill should be broadened this way is that there will be much uncertainty unless we have it apply in the line of duty.

For example, take the case of a public safety officer who got into an automobile which had been wired with an explosive that was intended for him, but he would not be engaged at that time in detecting or apprehending criminals or suppressing a criminal act. There are many other situations of that type.

The public safety officers are an absolute need in this Nation; without them our lives and property stand as prey to those who would attack. In providing protection to us, from 1970 through 1975 there were 735 law enforcement officers killed in the United States and Puerto Rico. There have also been approximately 943 firemen who lost their lives during that same period of time. Thus far in 1976, there have been 12 police officers killed in each month through March. If that trend continues, there will be 144 law enforcement officers killed in our Nation in 1976, more than ever before—not a very fitting tribute to our Bicentennial Year.

The public safety officers are the only public service professionals—other than those of the military forces—who are required to risk their life as a part of their job description.

Every law enforcement officer knows that he must face abuse as a part of his job, abuse which may easily turn to violent rage at any moment but he still performs the task of keeping the peace.

Every fireman is keenly aware of the risks of entering a burning building, but each one will go into a critical situation when it is necessary to save life or property. Despite the necessary risks, those men and women who serve as public safety officers do so because of a dedication. They are public servants and because of that they are paid salaries which are traditionally held low. But low salaries are not the major problem which is encountered by public safety officers, a part of being a public servant is to expect pay which is less than those in the private sector—it is a part of the dedication.

With this realization of our need for able public safety officers, I am amazed when I scan the literature in the field. I was hard-put to find any discussions of what our society intends to do when this dedicated public servant dies, leaving a young family behind with mortgage payments, bills, educational expenses, and grief from a shattered dream.

Clearly this bill will be an incentive to help in those recruitment needs. The bill will not only aid in recruitment, but it will dramatically improve the morale of our public safety officers, morale which I believe needs an uplift.

Once again I would like to commend the distinguished senior Senator from Arkansas. However, I find a serious flaw in the bill as it has been reported. We are most anxious to provide these benefits to those who are willing to give their lives to protect our lives and property. The committee's report clearly states this in the following ways:

> The motivation for this legislation is obvious: The physical risks to public safety officers are great; the financial and fringe benefits are not usually generous; and the officers are generally young with growing families and heavy financial commitments. The economic and emotional burden placed on the survivors of a deceased public safety officer is often very heavy.
>
> The dedicated public safety officer is concerned about the security of his family, and to provide the assurance of a Federal death benefit to his survivors is a very minor recognition of the value our government places on the work of this dedicated group of public servants.

Yet, by requiring that the benefit be limited to death resulting from an injury directly or proximately caused by a criminal act, the committee has failed to provide for the stated purpose and need of this legislation. This specific language leaves a loophole in the bill whereby those who should be benefited and are deserving may be excluded. There can arise a situation which may give cause to question whether a death was actually the result of a criminal act. An excellent example is the police officer who is directing traffic.

A motorist failing to obey his direction may cause the public safety officer to be fatally injured. The question arises, was the motorist committing a criminal act? There is room for debate. Why leave room for debate in this bill—we should not.

Consideration must also be given to the purpose stated by the committee. As the committee said:

> It's a very minor recognition of the value our government places on the work of the dedicated group of public servants.

To compensate them for their services with this benefit which will give some assurance to the future of their dependents. We are failing to meet the stated purpose of this legislation if we provide only a partial benefit by accepting the committee limitation.

There is also an extraordinary need for recruitment of new personnel into the public safety officer professions. That recruitment need is not being fulfilled because of low pay, inadequate fringe benefits, and the heavy emotional burden. Part of the purpose of this legislation is to compensate for those recruiting inadequacies—again the restriction placed in this bill by the committee fails that purpose.

In addition, this language would literally exclude the dependents of firemen from receiving the benefit by requiring that the cause of death be related to a criminal act. More firemen lose their lives than any other public service professional in the United States each year while protecting our lives and property, but virtually no fireman dies as a result of a criminal act. Clearly the most dangerous profession in public service in the United States is the job of the fireman. I consider it a great disservice to pass a law for the benefit of public safety officers and specifically exclude from coverage many who are deserving and in need of such coverage.

Therefore, Mr. President, I believe that it would be in the best interest of the intent and purpose of the legislation to amend it in order to provide that the dependent of a public safety officer shall be eligible for benefits under the bill if the public safety officer dies "as the direct and proximate result of a personal injury sustained in the line of duty."

Mr. President, I am joined in this amendment by a number of cosponsors, including the Senator from South Carolina (Mr. THURMOND), the Senator from Nevada (Mr. CANNON), the Senator from Alabama (Mr. ALLEN), the Senator from Colorado (Mr. GARY HART), the Senator from Kentucky (Mr. FORD), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Tennessee (Mr. BAKER), the Senator from New Hampshire (Mr. DURKIN), and the Senator from Maine (Mr. HATHAWAY), whose cosponsorship I appreciate very much.

Mr. President, I ask the manager of the bill, with whom I have discussed this amendment, if he will be willing to accept the amendment. If so, I think we can dispose of it rather quickly.

I have found that the Senator from Arkansas is very sympathetic to the idea. I wish to make clear for the record that if this amendment is adopted, it will include firemen as well as other public safety officers; whereas, the previous language had very little application to firemen.

I reserve the remainder of my time.

Mr. McCLELLAN. I yield myself about 5 minutes.

Mr. President, I support this amendment. It does two things, in my judgment, aside from taking care of the firemen, a matter in which the Senator originally was interested. Originally, his amendment just applied to firemen, I believe. I felt that it also should apply to the law enforcement officials.

The effect of this amendment is to make the survivors of a law enforcement officer or fireman, as defined by the bill, eligible for receipt of benefits if the latter is killed in the line of duty. In other words, it is not health insurance; but it does provide for payment if an officer is killed in the line of duty, either by accident or by willful assault by a

criminal. That is one thing the amendment does.

It will be recalled that when this bill was introduced in the 92d Congress, it was following a time when we were having riots, and an effort was made to obtain some relief for the families of the officers in a period when their work, their profession, possibly was more hazardous than now. We were trying to pass some urgent legislation.

In view of developments since, if we are going to provide death benefits to the survivors of law enforcement officers and firemen, I feel it should be expanded to cover them whether or not a crime is involved, provided the injury occurs in the line of duty. I believe it should be extended that far.

The second thing the amendment does is remove doubt and uncertainty. I call attention to the House bill. The House bill defines an "eligible public safety officer" in terms of activities such officers may be engaged in at a particular time, such as trying to arrest somebody or maintaining custody of a criminal. The fourth instance in the House bill provides that payment be made if the injury occurs in the performance of his duty, where the activity is determined by the administrator to be potentially dangerous to the law enforcement officer. That qualification seems to me to be ambiguous and confusing. I do not know what it means.

When an officer is in a police station and decides to walk across the street to get a sandwich for lunch, would it be a potentially dangerous activity if he becomes the target of an assault or is run over by a car? If he is sitting at his desk making out a report or performing office duties, and someone who has been offended by him walks in and shoots him, is he doing a potentially dangerous job at the moment?

I believe it is confusing. We should make this broad enough to apply if they are killed in the line of duty.

For that reason, I support the amendment, and I am willing to accept it, unless there is objection on the part of another Member of the Senate.

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

Mr. MOSS. I yield 3 minutes to the Senator.

Mr. THURMOND. Mr. President, I was pleased to join the distinguished Senator from Utah and others in sponsoring this amendment.

As the bill came from the committee, a man would have to be killed as a result of a criminal act or an apparent criminal act for recovery to be had. As it is now amended, recovery could be had or the award could be granted if a person were injured in the line of duty.

I can visualize a firetruck rushing to a fire, and if the firetruck has to turn a curve quickly and a fireman is thrown off, hits his head on the pavement and is killed, as the bill came from the committee, his family would get no award. Under this amendment, they would get an award. That is a simple illustration.

Under all the circumstances, it seems to me that this would be a fair and just thing to do, and I hope the Senate will adopt the amendment.

Mr. MOSS. I yield myself 1 minute.

Mr. President, I appreciate very much the remarks of the chairman and the Senator from South Carolina.

Being a public safety officer is one of the difficult positions to be filled in our society. We certainly should attract the most capable and able people we can. Since it is not possible to pay them excessively high salaries because they are public officers, at least we can give assurance to those people that in the event their lives are lost in the line of duty, their survivors will have the benefits under the bill.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. President, I yield back the remainder of my time.

Mr. ALLEN. Will the Senator yield me 2 minutes?

Mr. MOSS. Mr. President, I withhold that. I yield 2 minutes to the Senator from Alabama.

Mr. ALLEN. I thank the distinguished Senator from Utah.

Mr. President, I commend the distinguished Senator from Utah for his leadership in offering this amendment. I had a similar amendment prepared. When I learned that the distinguished Senator from Utah had this amendment, I asked him and he was kind enough to allow me to be a cosponsor of his amendment.

I thought the chief shortcoming of the bill as it came out of the committee was the provision that, in order to qualify the family of the officer for this death benefit, he would be required to have been killed as a result of a criminal act. That would always put on the family the burden of proof that a criminal act had caused the death. I think it is sufficient that the death occur while the public safety officer, including law enforcement officers and firemen, is engaged in the performance of his duty. I think this amendment will greatly improve the bill and make it equitable, make it fair, make it easier to provide benefits for those entitled to the benefits.

I again commend the distinguished Senator from Utah (Mr. Moss) for this amendment.

Mr. McCLELLAN. I am prepared to yield back the remainder of my time.

Mr. MOSS. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

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

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

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 188

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

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MANSFIELD) proposes unprinted amendment No. 188.

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

Mr. ALLEN. Reserving the right to object, what was the request?

Mr. MANSFIELD. That further reading of the amendment be dispensed with.

Mr. ALLEN. I do not object.

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

The amendment is as follows:

At the appropriate place in the bill add the following which may be referred to as the "Victims of Crime Act of 1976".

REIMBURSEMENT FOR VICTIMS OF VIOLENT CRIME

Declaration of Purpose

SEC. 101. It is the declared purpose of Congress in this Act to promote the public welfare by establishing a means of meeting the financial needs of the innocent victims of violent crime or their surviving dependents and intervenors acting to prevent the commission of crime or to assist in the apprehension of suspected criminals.

"PART F—FEDERAL REIMBURSEMENT FOR VICTIMS OF VIOLENT CRIME

"DEFINITIONS

"SEC. 450. As used in this part—

"(1) 'Board' means the Violent Crimes Reimbursement Board established by this part;

"(2) 'Chairman' means the Chairman of the Violent Crimes Reimbursement Board established by this part;

"(3) 'child' includes a stepchild, an adopted child, and an illegitimate child;

"(4) 'claim' means a written request to the Board for reimbursement made by or on behalf of an intervenor, a victim, or the surviving dependent or dependents of either of them;

"(5) 'claimant' means an intervenor, victim, or the surviving dependent or dependents of either of them;

"(6) 'reimbursement' means payment by the Board for net losses or pecuniary losses to or on behalf of an intervenor, a victim, or the surviving dependent or dependents of either of them;

"(7) 'dependent' means—

"(A) a surviving spouse;

"(B) an individual who is a dependent of the deceased victim or intevenor within the meaning of section 152 of the Internal Revenue Code of 1954 (26 U.S.C. 152); or

"(C) a posthumous child of the deceased intervenor or victim;

"(8) 'gross losses' means all damages, including pain and suffering and including property losses, incurred by an intervenor or victim, or surviving dependent or dependents of either of them, for which the proximate cause is an act, omission, possession enumerated in section 456 of this part, or set forth in paragraph (B) of subsection (18) of this section;

"(9) 'guardian' means a person who is entitled by common law or legal appointment to care for and manage the person or property, or both, of a minor or incompetent intervenor or victim, or surviving dependent or dependents of either of them;

"(10) 'intervenor' means a person who goes to the aid of another and is killed or injured while acting not recklessly to prevent the commission or reasonably suspected commission of a crime enumerated in section 456 of this part, or while acting not recklessly to apprehend a person reasonably suspected of having committed such a crime;

"(11) 'member' means a member of the Violent Crimes Reimbursement Board established by this part;

"(12) 'minor' means an unmarried person who is under eighteen years of age;

"(13) 'net losses' means gross losses, excluding pain and suffering, that are not otherwise recovered or recoverable—

"(A) under insurance programs mandated by law;

"(B) from the United States, a State, or unit of general local government for a personal injury or death otherwise compensable under this part;

"(C) under contract or insurance wherein the claimant is the insured or beneficiary; or

"(D) by other public or private means;

"(14) 'pecuniary losses' means net losses which cover—

"(A) for personal injury—

"(1) all appropriate and reasonable expenses necessarily incurred for medical, hospital, surgical, professional, nursing, dental, ambulance, and prosthetic services relating to physical or psychiatric care;

"(2) all appropriate and reasonable expenses necessarily incurred for physical and occupational therapy and rehabilitation;

"(3) actual loss of past earnings and anticipated loss of future earnings because of a disability resulting from the personal injury at a rate not to exceed $150 per week; and

"(4) all appropriate and reasonable expenses necessarily incurred for the care of minor children enabling a victim or his or her spouse, but not both of them, to continue gainful employment at a rate not to exceed $30 per child per week, up to a maximum of $75 per week for any number of children;

"(B) for death—

"(1) all appropriate and reasonable expenses necessarily incurred for funeral and burial expenses;

"(2) loss of support to a dependent or dependents of a victim, not otherwise compensated for as a pecuniary loss of personal injury, for such period of time as the dependency would have existed but for the death of the victim, at a rate not to exceed a total of $150 per week for all dependents; and

"(3) all appropriate and reasonable expenses, not otherwise compensated for as a pecuniary loss for personal injury, which are incurred for the care of minor children, enabling the surviving spouse of a victim to engage in gainful employment, at a rate not to exceed $30 per week per child, up to a maximum of $75 per week for any number of children;

"(15) 'personal injury' means actual bodily harm and includes pregnancy, mental distress, and nervous shock; and

"(16) 'victim' means a person who is killed or who suffers personal injury where the proximate cause of such death or personal injury is—

"(A) a crime enumerated in section 456 of this part; or

"(B) the not reckless actions of an intervenor in attempting to prevent the commission or reasonably suspected commission of a crime enumerated in section 456 of this part or in attempting to apprehend a person reasonably suspected of having committed such a crime.

"(17) 'designated agent' means any United States attorney outside the District of Columbia.

"BOARD

"SEC. 451. (a) There is hereby established a Board within the Department of Justice to be known as the Violent Crimes Reimbursement Board. The Board shall be composed of three members, each of whom shall have been members of the bar of the highest court of State for at least eight years, to be appointed by the President, by and with the advice and consent of the Senate. Not more than two members shall be affiliated with the same political party. The President shall designate one of the members of the Board to serve as Chairman.

"(b) No member of the Board shall engage in any other business, vocation, or employment.

"(c) The Board shall have an official seal.

"(d) The term of office of each member of the Board shall be eight years, except that (1) the terms of office of the members first taking office shall expire as designated by the President at the time of appointment, one at the end of four years, one at the end of six years, and one at the end of eighty years and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(e) Each member of the Board shall be eligible for reappointment.

"(f) Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(g) The principal office of the Board shall be in or near the District of Columbia, but the Board or any duly authorized representative may exercise any or all of its powers in any place.

"ADMINISTRATION

"SEC. 452. The Board is authorized in carrying out its functions under this part to—

"(1) appoint and fix the compensation of an Executive Director and a General Counsel and such other personnel as the Board deems necessary in accordance with the provisions of title 5 of the United States Code;

"(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5 of the United States Code, but at rates not to exceed $100 a day for individuals;

"(3) promulgate such rules and regulations as may be required to carry out the provisions of this part;

"(4) designate representatives to serve or assist on such advisory committees as the Board may determine to be necessary to maintain effective liaison with Federal agencies and with State and local agencies developing or carrying out policies or programs related to the provisions of this part;

"(5) request and use the services, personnel, facilities, and information (including suggestions, estimates, and statistics) of Federal agencies and those of State and local public agencies and private institutions, with or without reimbursement therefor;

"(6) enter into and perform, without regard to section 529 of title 31 of the United States Code, such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of its functions, with any public agency, or with any person, firm, association, corporation, or educational institution, and make grants to any public agency or private nonprofit organization;

"(7) request and use such information, data, and reports from any Federal agency as the Board may from time to time require and as may be produced consistent with other law;

"(8) arrange with the heads of other Federal agencies for the performance of any of its functions under this part with or without reimbursement and, with the approval of the President, delegate and authorize the redelegation of any of its powers under this part;

"(9) request each Federal agency to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available to the greatest practicable extent to the Board in the performance of its functions;

"(10) pay all necessary expenses of the Board, including all necessary travel and subsistence expenses of the Board outside the District of Columbia incurred by the members or employees of the Board under its orders on the presentation of itemized vouchers therefor approved by the Chairman or his designate; and

"(11) establish a program to assure extensive and continuing publicity for the provisions relating to reimbursement under this part, including information on the right to file a claim, the scope of coverage, and procedures to be utilized incident thereto.

"REIMBURSEMENT

"SEC. 453. (a) The Board shall order the payments—

"(1) in the case of the personal injury of an intervenor or victim, to or on behalf of that person; or

"(2) in the case of the death of the intervenor or victim, to or on behalf of the surviving dependent or dependents of either of them.

"(b) The Board shall determine the amount of reimbursement under this part—

"(1) in the case of a claim by an intervenor or his surviving dependent or dependents, by computing the net losses of the claimant; and

"(2) in the case of a claim by a victim or his surviving dependent or dependents, by computing the pecuniary losses of the claimant.

"(c) The Board may order the payment of reimbursement under this part to the extent it is based upon anticipated loss of future earnings or loss of support of the victim for ninety days or more, or child care payments in the form of periodic payments during the protracted period of such loss of earnings, support of payments, or ten years, whichever is less.

"(d)(1) Whenever the Board determines, prior to taking final action upon a claim, that such claim is one with respect to which an order of reimbursement will probably be made, the Board may order emergency reimbursement not to exceed $1,500 pending final action on the claim.

"(2) The amount of any emergency reimbursement ordered under paragraph (1) of this subsection shall be deducted from the amount of any final order for reimbursement.

"(3) Where the amount of any emergency reimbursement ordered under paragraph (1) of this subsection exceeds the amount of the final order for reimbursement, or if there is no order for reimbursement made, the recipient of any such emergency reimbursement shall be liable for the repayment of such reimbursement. The Board may waive all or part of such repayment.

"(e) No order for reimbursement under this part shall be subject to execution or attachment.

"(f) The availability or payment of reimbursement under this part shall not affect the right of any person to recover damages from any other person by a civil action for the injury or death, subject to the limitations of this part—

"(1) in the event an intervenor, a victim, or the surviving dependent or dependents of either of them who has a right to file a claim under this part should first recover damages from any other source based upon an act, omission, or possession giving rise to a claim under this part, such damages shall be first used to offset gross losses that do not qualify as net or pecuniary losses; and

"(2) in the event an intervenor, victim, or the surviving dependent or dependents of either of them receives reimbursements under this part and subsequently recovers damage from any other source based upon an act, omission, or possession that gave rise to reimbursement under this part, the Board shall be reimbursed for reimbursements previously paid to the same extent reimbursement would have been reduced had recovery preceded reimbursement under paragraph (1) of this subsection.

"LIMITATIONS

"SEC. 454. (a) No order for reimbursement under this part shall be made unless the claim has been made within one year after the date of the act, omission, or possession resulting in the injury or death, unless the Board finds that the failure to file was justified by good cause.

"(b) No order for reimbursement under this part shall be made to or on behalf of an intervenor, victim, or the surviving depend-

ent or dependents of either of them unless a minimum pecuniary or net loss of $100 or an amount equal to a week's earnings or support, whichever is less, has been incurred.

"(c) No order for reimbursement under this part shall be made unless the act, omission, or possession giving rise to a claim under this part was reported to the law enforcement officials within seventy-two hours after its occurrence, unless the Board finds that the failure to report was justified by good cause.

"(d) No order for reimbursement under this part to or on behalf of a victim, his surviving dependent or dependents, as the result of any one act, omission, or possession, or related series of such acts, omissions, or possessions, giving rise to a claim, shall be in excess of $50,000, including a lump-sum and periodic payments.

"(e) The Board, upon finding that any claimant has not substantially cooperated with it or with all law enforcement agencies incident to the act, omission, or possession that gave rise to the claim, may proportionately reduce, deny, or withdraw any order for reimbursement under this part.

"(f) The Board, in determining whether to order reimbursement or the amount of the reimbursement shall consider the behavior of the claimant and whether, because of provocation or otherwise, he bears any share of responsibility for the act, omission, or possession that gave rise to the claim for reimbursement and—

"(1) the Board shall reduce the amount of reimbursement to the claimant in accordance with its assessment of the degree of such responsibility attributable to the claimant, or

"(2) in the event the claimant's behavior was a substantial contributing factor to the act, omission, or possession giving rise to a claim under this part, he shall be denied reimbursement.

"(g) No order for reimbursement under this part shall be made to or on behalf of a person engaging in the act, omission, or possession giving rise to the claim for reimbursement to or on behalf of his accomplice, a member of the family within the third degree of affinity or consanguinity or household of either of them, or to or on behalf of any person continuing unlawful sexual relations with either of them.

"PROCEDURES

"SEC. 455. (a) The Board or its designated agent is authorized to receive claims for reimbursement under this part filed by an intervenor, a victim, or the surviving dependent or dependents of either of them, or a guardian acting on behalf of such a person. If received by its designated agent such claims shall be transmitted forthwith to the Board.

"(1) may subpena and require production of documents in the manner of the Securities and Exchange Commission as provided in subsection (c) of section (18) of the Act of August 26, 1935, except that such subpena shall only be issued under the signature of the Chairman, and application to any court for aid in enforcing such subpena shall be made only by the Chairman, but a subpena may be served by any person designated by the Chairman;

"(2) may administer oaths, or affirmations, to witnesses appearing before the Board, receive in evidence any statement, document, information, or matter that may, in the opinion of the Chairman, contribute to its functions under this part, whether or not such statement, document, information, or matter would be admissible in a court of law, provided it is relevant and not privileged;

"(3) shall, if hearings are held, conduct such hearings open to the public, unless in a particular case the Chairman determines that the hearing, or a portion thereof, should be held in private, having regard to the fact that a criminal suspect may not yet have been apprehended or convicted, or to the interest of the claimant; and

"(4) may, at the discretion of the Chairman, appoint an impartial licensed physician to examine any claimant under this part and order the payment of reasonable fees for such examination.

"(c) The Board shall be an 'agency of the United States' under subsection (1) of section 6001 of title 18 of the United States Code for the purpose of granting immunity to witnesses.

"(d) The provisions of chapter 5 of title 5 of the United States Code shall not apply to adjudicatory procedures to be utilized before the Board.

"(e)(1) A claim for reimbursement under this part may be acted upon by a member or designated agent appointed by the Chairman to act on behalf of the Board.

"(2) In the event the disposition by a member as authorized by paragraph (1) of this subsection is unsatisfactory to the claimant upon notification to the Board within thirty days of such disposition shall be entitled to a de novo hearing of record on his claim by the full Board.

"(f)(1) Decisions of the full Board shall be in accord with the will of the majority of the members and shall be based upon a preponderance of the evidence.

"(2) All questions as to the relevancy or privileged nature of evidence at such times as the full Board shall sit shall be decided by the Chairman.

"(3) A caimant at such times as the full Board shall sit shall have the right to produce evidence and to cross-examine such witnesses as may appear.

"(g)(1) The Board shall publish regulations providing that an attorney may, at the conclusion of proceedings under this part, file with the Board an appropriate statement for a fee in connection with services rendered in such proceedings.

"(2) After the fee statement is filed by an attorney under paragraph (1) of this subsection, the Board shall award a fee to such attorney on substantially similar terms and conditions as is provided for the payment of representation under section 3006A of title 18 of the United States Code.

"(3) Any attorney who charges or collects for services rendered in connection with any proceedings under this part any fee in any amount in excess of that allowed under this subsection shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(h) The United States Court of Appeals for the District of Columbia shall have jurisdiction to review all final orders of the Board. No finding of fact suppported by substantial evidence shall be set aside.

"CRIMES

"SEC. 456. (a) The Board is authorized to order reimbursement payments under this part in any case in which an intervenor, victim, or the surviving dependent or dependents of either of them files a claim when the act, omission, or possession giving rise to the claim for reimbursement occurs—

"(1) within the Federal jurisdiction of the United States;

"(2) within the special jurisdiction of the United States;

"(3) within the extraterritorial jurisdiction of the United States.

"(b) This part applies to the following acts, omissions, or possessions:

"(1) aggravated assault;

"(2) arson;

"(3) assault;

"(4) burglary;

"(5) forcible sodomy;

"(6) kidnapping;

"(7) manslaughter;

"(8) mayhem;

"(9) murder;

"(10) negligent homicide;

"(11) rape;

"(12) robbery;

"(13) riot;

"(14) unlawful sale or exchange of drugs;

"unlawful use of explosives;

"(16) unlawful use of firearms;

"(17) any other crime, including poisoning, which poses a substantial threat of personal injury; or

"(18) attempts to commit any of the foregoing.

"(c) For the purposes of this part, the operation of a motor vehicle, boat, or aircraft that results in an injury or death shall not constitute a crime unless the injuries were intentionally inflicted through the use of such vehicle, boat, or aircraft or unless such vehicle, boat, or aircraft is an implement of a crime to which this part applies.

"(d) For the purposes of this part, a crime may be considered to have been committed notwithstanding that by reason of age, insanity, drunkenness, or otherwise, the person engaging in the act, omission, or possession was legally incapable of committing a crime.

"SUBROGATION

"SEC. 457. (a) Whenever an order for reimbursement under this part has been made for loss resulting from an act, omission, or possession of a person, the Attorney General may, within three years from the date on which the order for reimbursement was made, institute an action against such person for the recovery of the whole or any specified part of such reimbursement in the district court of the United States for any judicial district in which such person resides or is found. Such court shall have jurisdiction to hear, determine, and render judgment in any such action. Any amounts recovered under this subsection shall be deposited in the Criminal Victim Indemnity Fund established by section 458 of this part.

"(b) The Board shall provide to the Attorney General such information, data, and reports as the Attorney General may require to prosecute actions in accordance with this section.

"INDEMNITY FUND

"SEC. 458. (a) There is hereby created on the books of the Treasury of the United States a fund known as the Criminal Victim Indemnity Fund (hereinafter referred to as the 'Fund'). Except as otherwise specifically provided, the Fund shall be the repository of (1) criminal fines paid in the various courts of the United States, (2) amounts withheld in accordance with the provisions of section 4129, title 18, of the United States Code, (3) additional amounts that may be appropriated to the Fund as provided by law, and (4) such other sums as may be contributed to the Fund by public or private agencies, organizations, or persons.

"(b) The Fund shall be utilized only for the purposes of this part.

"ADVISORY COUNCIL

"SEC. 459. (a) There is hereby established an Advisory Council on the Victims of Crime (hereinafter referred to as the 'Council') consisting of the members of the Board and one representative from each of the various State crime victims compensation or reimbursement programs referred to in paragraph (10) of subsection (b) of section 301 of this title, each of whom shall serve without additional compensation.

"(b) The Chairman of the Board shall also serve as the Chairman of the Council.

"(c) The Council shall meet not less than once a year, or more frequently at the call of the Chairman, and shall review the administration of this part and programs under paragraph (10) of subsection (b) of section 301 of this title and advise the Administration on matters of policy relating to their activities thereunder.

"(d) The Council is authorized to appoint

an advisory committee to carry out the provisions of this section.

"(e) Each member of the advisory committee, other than a member of the Board, appointed pursuant to subsection (d) of this section shall receive $100 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of the committee. Each member of the Council or advisory committee shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

"REPORTS

"SEC. 460. The Board shall transmit to the Congress an annual report of its activities under this part. In its third annual report, the Board upon investigation and study shall include its findings and recommendations with respect to the operation of the overall limit on reimbursement under section 454(d) of part F of this title and with respect to the adequacy of State programs receiving assistance under section 301(b)(10) of this Act."

COMPENSATION OF BOARD MEMBERS

SEC. 103. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(60) Chairman, Violent Crimes Reimbursement Board."

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(98) Members, Violent Crimes Reimbursement Board (2)."

CRIMINAL VICTIM INDEMNITY FUND FINES

SEC. 104. (a) Chapter 227 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 3579. Fine imposed for Criminal Victim Indemnity Fund

"In any court of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, upon conviction of a person of an offense resulting in personal injury, property loss, or death, the court shall take into consideration the financial condition of such person, and may, in addition to any other penalty, order such person to pay a fine in an amount of not more than $10,000 and such fine be deposited into the Criminal Victim Indemnity Fund of the United States."

(b) The analysis of chapter 227 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"3579. Fine imposed for Criminal Victim Indemnity Fund.".

SEC. 104A. (a) Chapter 307 of title 18, of the United States Code, is amended by adding at the end thereof the following new section:

"§ 4129. Criminal Victim Indemnity Fund, Contributions

"The Federal Prison Industries is authorized to withhold from the wages of any offender employed in such Industries, an amount not to exceed 10 per centum of such wages. The amounts withheld under this section shall be deposited in the Criminal Victim Indemnity Fund established by section 458 of the Omnibus Crime Control and Safe Streets Act of 1968."

(b) The table of contents of chapter 307 of title 18, of the United States Code, is amended by adding at the end thereof the following new item:

"4129. Criminal Victim Indemnity Fund, Contributions.".

PART B—FEDERAL GRANT PROGRAM

SEC. 105. Subsection (b) of section 301 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968, is amended by adding at the end thereof the following new paragraph:

"(10) The cost of administration and that portion of the costs of State programs, other than in the District of Columbia, to reimburse victims of violent crime which are substantially comparable in coverage and limitations to part F of this title."

SEC. 106. Paragraph (a) of section 601 of part G (redesignated part K by this Act) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking "and" the second time it appears, striking "or" the sixth time it appears, the period, and inserting the following: ", or programs for the reimbursement of victims of violent crimes."

SEC. 107. Section 501 of part F (redesignated as part I by this Act) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended by inserting "(a)" immediately after "501" and adding at the end thereof the following new subsection:

"(b) In addition to the rules, regulations, and procedures under subsection (a) of this section, the Administration shall, after consultation with the Violent Crimes Reimbursement Board, establish by rule or regulation criteria to be applied under paragraph (10) of subsection (b) of section 301 of this title. In addition to other matters, such criteria shall include standards for—

"(1) the persons who shall be eligible for reimbursement;

"(2) the categories of crimes for which reimbursement may be ordered;

"(3) the losses for which reimbursement may be ordered; and

"(4) such other terms and conditions for the payment of such reimbursement as the Board deems necessary and appropriate."

SEC. 108. Section 301 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of law, no grant may be made under the provisions of subsection (a)(10) of this section after June 30, 1975, to any State, unless the Attorney General has determined that such State has enacted legislation of general applicability within such State establishing a fund similar to the Criminal Victim Indemnity Fund established under section 458 of this Act.".

PART C—MISCELLANEOUS PROVISIONS

SEC. 109. Section 569 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended and as redesignated by this Act, is amended by inserting "(a)" immediately after "569" and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated for the fiscal year ending June 30, 1975, $1,000,000 for the purposes of part F.".

SEC. 110. Until specific appropriations are made for carrying out the purposes of this Act, any appropriation made to the Department of Justice or the Law Enforcement Assistance Administration shall, in the discretion of the Attorney General, be available for payments of obligations arising under this Act.

SEC. 111. If the provisions of any part of this Act are found invalid or any amendments made thereby or the application thereof to any persons or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

SEC. 112. This Act shall become effective upon the date of enactment.

Mr. MANSFIELD. Mr. President, the Senate has, I believe, on five occasions passed the pending amendment in the form of a bill which was before it and the House has not acted on any of those occasions. It is my understanding that even though a bill seeking to compensate victims of crime was reported out of the Committee on the Judiciary of the House last April, it has not as yet even been reported to the full committee.

I think it is all right to talk about the constitutional rights of criminals, alleged or otherwise, but I think that it is about time that we given some consideration to victims of crime. As of now, they have no compensation. They have no relief, and, many times, their punishment is worse than the crime itself. I have been interested in two particular items: First, compensation for the victims of crime, which is now legal in six or seven of our States and in a like number of foreign countries; second, legislation which would make the carrying of a gun in the commission of a crime a crime in itself.

In that respect, I point out that if that bill ever becomes law, it would mean that a criminal engaged in such an endeavor would be tried for two separate reasons; that the sentences would not run concurrently but would follow one another; and that the first sentence would be mandatory, as would those subsequently following.

I do not want to spend too much time going into this amendment. I think it is thoroughly understood, but as long as the bill has been opened up, I think that it is appropriate that, at this time, I offer this amendment. I hope that the Senate will give the most serious consideration to the victims of crime, who almost always seem to be forgotten in the constitutional process.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Alabama?

Mr. ALLEN. Mr. President, I do not desire recognition until all time has been yielded back. At that time, I intend to make a point of order that the amendment is not germane. I do not seek to make that point at this time.

Mr. MANSFIELD. Mr. President, I wonder, is the Senator in favor of compensation for victims of crime, or is he opposed to it and, for that reason, raising the point of order?

Mr. ALLEN. I do not want to overburden the bill. I think this brings in an entirely new concept that might endanger passage of the bill. As the Senator has pointed out, this bill has passed the Senate on five occasions. I think there would be no difficulty in passing it again as a separate bill. I believe it does open up an entirely new subject. I am so interested in the passage of the original bill, as amended by the Kennedy amendment, that I do not think we ought to overburden the bill.

Mr. MANSFIELD. Mr. President, if the bill had not been overburdened already, I would not be offering my amendment. I hasten to say that, in my opinion, a point of order raised against this amendment would be most ill-advised at this time. I point out to my distinguished colleague and to the Senate that this amendment, in my opinion, is germane in that the basic bill awards benefits to public safety officers who are, themselves, victims of crime. I certainly do

not intend to differentiate between a uniformed or a nonuniformed officer and an ordinary citizen, because I think that they are entitled to just as much consideration and certainly ought to be given the full approval of the Senate in this respect.

I point out that there are five or six, maybe seven, States which have a law of this kind on the books and that there are a number of foreign countries, just about the same number, which likewise have laws of this nature which seek, at long last, to give some consideration to the victims of crime. These forgotten people ought to be given the recognition and the relief which I think they deserve.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I have supported this bill in the past when it was in the Senate, when it came up as a separate bill. I supported it in the omnibus bill a year or two ago, S. 800. That bill had four different titles, including a title that covered the pending bill in its original form, and also including the amendment that was sponsored by Senator KENNEDY. It also included, Mr. President, a title which I had introduced as a bill, "Civil Remedies for Victims of Racketeering Activity and Theft." There were four titles in that bill which passed the Senate. The House did nothing with it.

I am put in a rather difficult situation as manager of this bill. I opposed the Kennedy amendment, not on its merits; I opposed it for the very reason that the distinguished Senator from Alabama has just stated, that it will load this bill down and we may get nothing. But the Senate wanted to load it, and they have loaded it, with this other amendment. I am in a difficult situation here to vote against this amendment, which I support and have supported in the past as separate bills. If we are going to make this an omnibus bill, I cannot bring myself to vote against this amendment.

This is where we are. That is what I tried to guard against when I asked the Senate to just pass the bill in the form we thought we could get through.

I do not know; maybe it will go through. Maybe the House will take the Kennedy amendment; maybe it will take this amendment. I do not know. I do know the difficulty we have had in the past in trying to reach agreement in conference and I am apprehensive about it this time.

If I had voted, as others have, to place the Kennedy amendment on this bill, I would want to support the victims of crime and do something to alleviate their distress, as well as the distress of the survivors of victims of crime who are public safety officers. So I guess we may as well put them all on here and see what we can do in the House.

I do not want to be inconsistent. I probably shall vote against this amendment. But I am just talking to the Senate now. If we are going to make additions to the bill, this, to me, has just as much merit, possibly, as the Kennedy amendment and, on its merits, I should like to support it.

I am going to abide by whatever the Senate does. But we have created a condition by putting the other amendment on the bill.

Mr. THURMOND. Mr. President, I spoke against the Kennedy amendment on the ground that it would jeopardize the passage of this bill. I want to say that I think this amendment can do the same thing.

I will remind the Senate that for years and years some of us on the Judiciary Committee, especially the able and the distinguished Senator from Arkansas (Mr. McCLELLAN), the able and distinguished Senator from Nebraska (Mr. HRUSKA), and I, have worked to get through a piece of legislation that would take care of the families of public safety officers who were killed in line of duty.

We have passed a bill through the Senate a number of times—someone said five times; if not five, a number of times. Each time the House has objected to some portion of the bill, some amendment to the bill and, at last, we thought we had a bill that we could pass through the Senate, and the House would accept it.

The Kennedy amendment was accepted by a large vote. Along comes another amendment of a new sort, to pay victims of crime. I do not know whether the House will take this or not. But the point is why run the risk, why take the chance? Why not be sure that we will get the families of policemen, sheriffs, deputies, and highway patrolmen, and other public safety officers' families, the $50,000 to help to support the widows and the orphans of those killed in the line of duty?

I think it is a mistake to put anything on this bill except the Moss amendment. I hope this amendment will be rejected, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. MOSS. Mr. President, I have supported this matter before, and I am very much like the chairman in my concern about it that we may be getting ourselves to a place where we will get nothing this time, as has happened before, in going to the House on the bills that have to do with compensation for survivors, and now having this question of expanding it to include victims of crime.

I have been wondering about the costs involved, too, and how it would fit in with our budget joint resolution. I do not know how much is involved. May I ask the Senator from Montana to give me an estimate as to the annual costs?

Mr. MANSFIELD. Of course, I cannot—nobody can—because the law has to be put into operation first, the board has to be set up, and the matter has to be given the consideration which is its due. But the costs have not been too great in States like New York and others—Maryland as well—which have laws of this nature in effect. But I would hope we would forget the costs involved and think of the victims of crime.

Mr. MOSS. Yes, indeed, we should do that.

We do have an estimate on the amount we are talking about for the compensation of the survivors of police officers.

Mr. MANSFIELD. Mr. President, will the Senator yield there? Are they not victims of crime?

Mr. MOSS. Well, surely. If they are assaulted and injured, they are. But in their case they are people whom we seek to employ to get into that business of protecting us. This is a hazardous thing. The hazards are greater and, therefore, it is an inducement, of course, to them that we hold out that their survivors, in the event they do lose their lives, will have some compensation.

Mr. MANSFIELD. Mr. President, if the Senator will yield further, they do have protection, do they not?

Mr. MOSS. We try to protect them as well as we can.

Mr. MANSFIELD. Physically, as the other victims of crime, the ordinary citizens, do not.

Mr. MOSS. Yes. If you are talking about pain and suffering, there is no question that often the most vulnerable of our citizens, the older people and children, are subjected to.

Mr. MANSFIELD. Mr. President, if the Senator will yield further, I am in receipt of information, although it is not authenticated, I am informed that the Budget Committee has indicated that the cost for this year, if it is enacted, would be $35 to $50 million.

Mr. MOSS. $35 to $50 million?

Mr. MANSFIELD. Million.

Mr. MOSS. Well, that is the concern I have, and I certainly do not want to be recorded as opposed to the thrust of the compensation to victims of crime. Some of the most heart-rending situations that we have are those who are set upon without any defense and without any warning of any sort. But it does move us off into another area where we may have difficulty in getting the matter considered by the House, and that is the only expression of misgiving I have about the amendment.

I certainly would not want to be recorded as being opposed to it in its thrust in what it has been trying to do.

Mr. ALLEN. Mr. President, will the Senator from Arkansas yield me some time?

Mr. McCLELLAN. How much time do I have remaining.

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. McCLELLAN. I yield 3 minutes to the Senator.

Mr. ALLEN. Mr. President, this argument may be moot because I believe the Parliamentarian will rule that this amendment is not germane. The public safety officers' families are not being compensated to recompense them for being victims of a criminal act. That is out of the bill altogether, so it is not germane at that point. Of course, it is not germane because it does not have anything to do with the subject before the Senate. But I do not know where the $35 million figure came from, anu no one, I assume, knows what is in the bill. I think if it is going to pay off for all victims of crime, if somebody burned up the Empire State Building, I do not know whether that would be compensated. What about the thousands of homicides throughout the country? I think $35 million will be mighty small compensation for the murder of thousands of American citizens. So I do not believe that these cost figures would

stand up. But I am not going to argue the point because when the time has been yielded back I am going to raise a point of order.

The PRESIDING OFFICER. The Senator's time is up.

Who yields time?

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes.

I would only reiterate that it is pretty hard to differentiate between victims of crime, whether they are uniformed members of the police law forces or whether they are firemen, but I would point out that public safety officers assume certain tasks attendant to their jobs. Innocent victims of crime do not, nor do they have the protection that the public officers are accorded.

I also point out that this amendment covers the following acts, omissions, or possessions:

"(1) aggravated assault;
"(2) arson;
"(3) assault;
"(4) burglary;
"(5) forcible sodomy;
"(6) kidnapping;
"(7) manslaughter;
"(8) mayhem;
"(9) murder;
"(10) negligent homicide;
"(11) rape;
"(12) robbery;
"(13) riot;
"(14) unlawful sale or exchange of drugs;
"(15) unlawful use of explosives;
"(16) unlawful use of firearms;
"(17) any other crime, including poisoning, which poses a substantial threat of personal injury; or
"(18) attempts to commit any of the foregoing.

Mr. BUCKLEY. Mr. President, I have often urged that we pay more attention to the problems faced by the victims of crime. I have the concerns, however, that have been expressed about endangering the underlying bill by loading it with amendments. I also believe the Mansfield amendment should be restricted to the victims of Federal crimes. For both of these reasons, I must oppose it.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I will yield, if I have any time.

Mr. ALLEN. Has all time been yielded back?

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

The PRESIDING OFFICER. Is all time yielded back?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. All time has been yielded back.

Mr. ALLEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. I make a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. That the amendment is not germane as required by the unanimous-consent agreement.

The PRESIDING OFFICER. Will the Senator restate it?

Mr. ALLEN. I make the point of order that the amendment submitted by the distinguished majority leader is not germane as required by the unanimous-consent agreement under which we are operating.

The PRESIDING OFFICER. The point of order is sustained.

Mr. MANSFIELD. Mr. President, I appeal the ruling by the Chair.

Mr. ALLEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. ALLEN. I move to table the appeal and 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. MANSFIELD. Mr. President, what is the question?

The PRESIDING OFFICER. The question is on agreeing to the motion to table the appeal of the Chair.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Vermont (Mr. LEAHY), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), the Senator from California (Mr. TUNNEY), and the Senator from Minnesota (Mr. HUMPHREY) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PELL) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent due to a death in the family.

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

The result was announced—yeas 34, nays 47, as follows:

[Rollcall Vote No. 386 Leg.]

YEAS—34

Allen	Dole	McClure
Baker	Domenici	McIntyre
Bartlett	Fannin	Packwood
Bellmon	Fong	Roth
Biden	Garn	Scott,
Brock	Goldwater	William L.
Buckley	Griffin	Sparkman
Byrd,	Hansen	Taft
Harry F., Jr.	Hart, Gary	Talmadge
Byrd, Robert C.	Helms	Thurmond
Cannon	Laxalt	Tower
Curtis	Long	Young

NAYS—47

Abourezk	Haskell	Nunn
Beall	Hathaway	Pastore
Bentsen	Huddleston	Pearson
Brooke	Inouye	Percy
Bumpers	Jackson	Proxmire
Burdick	Javits	Randolph
Case	Johnston	Ribicoff
Church	Kennedy	Schweiker
Clark	Magnuson	Stafford
Cranston	Mansfield	Stevens
Durkin	McClellan	Stevenson
Eastland	McGee	Stone
Ford	McGovern	Symington
Glenn	Morgan	Weicker
Gravel	Moss	Williams
Hartke	Nelson	

NOT VOTING—19

Bayh	Hruska	Muskie
Chiles	Humphrey	Pell
Culver	Leahy	Scott, Hugh
Eagleton	Mathias	Stennis
Hart, Philip A.	Metcalf	Tunney
Hatfield	Mondale	
Hollings	Montoya	

So the motion to lay on the table was rejected.

The PRESIDING OFFICER (Mr. STAFFORD). The question now recurs on the appeal from the ruling of the Chair by the Senator from Montana. The question is, Shall the ruling of the Chair stand as the judgment of the Senate? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Is this not debatable?

The PRESIDING OFFICER. The question is not debatable.

Mr. ALLEN. The unanimous-consent agreement says it is debatable.

The PRESIDING OFFICER. The Chair is advised that the unanimous-consent agreement provides for debate on points of order that have been submitted, and this has not been submitted.

The clerk will call the roll.

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

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator agree to withdraw his unanimous-consent request? I voted with him on his motion, but it is obvious that the appeal is going to carry; why not just have a voice vote?

Mr. ALLEN. No, I do not think that would be fair. I think that on the question of the appeal itself, the majority of Senators may well feel that the Chair should interpret the rules rather than permit them to be interpreted from the floor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Alabama be permitted to proceed for 10 minutes and I be permitted to proceed for 10 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

Mr. ALLEN. I thank the distinguished majority leader.

Mr. President, what we have before us at this time is a bill that would compensate the families of law-enforcement officers, including firemen, who are killed in line of duty. To that has been added an amendment by the distinguished Senator from Massachusetts (Mr. KENNEDY)

providing for a program of group life insurance——

Mr. BIDEN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators who wish to converse will kindly remove from the floor to the cloakroom. The business of the Senate will be expedited if Senators will take their seats.

Mr. ALLEN. Group life insurance for law enforcement officers, with the Federal Government to pay one-third of the cost and the remaining two-thirds to be paid by either local governments or the officers themselves.

The unanimous-consent agreement provides that no amendment not germane will be in order. Now an effort is made to add an entirely new concept—and, by the way, the payment is made if the officer is in the line of duty, whether it comes about by criminal action or not. Now an attempt is being made to add an entirely new concept, the cost of which is unknown, and to my mind would be staggering. The distinguished majority leader has said the Budget Committee has said it probably would run $35 million per year, but that is not reasonable, based on the terms of the amendment itself. It seeks to compensate victims of crime for the loss or injury, and, in the event of death of a person, the family, for the crime that is perpetrated upon them. It is entirely nongermane. But it would seek to compensate for aggravated assault, arson, assault, burglary, forcible, sodomy, kidnaping, manslaughter, mayhem, murder, negligent homicide, rape, robbery, riot, unlawful sale of drugs, and so forth and so on, going on much farther.

Mr. President, if the victims of an arson are to be compensated—nothing is said about any limit—suppose someone burned down the Empire State Building? $100 million? There are thousands of homicides committed in this country, thousands of rapes. How could you compensate anyone for homicide? The courts and juries are giving verdicts of half a million dollars in death cases. So the cost of this thing could run up to hundreds of millions of dollars, if we start compensating victims of crimes.

What we have is a bill that is needed to boost the morale of law enforcement officers. But if we add a thing like this, which is not germane and the Chair has ruled it is not germane, if we add such a provision, we say goodby to the good provisions of the bill.

The Chair has ruled that this amendment is not germane. Many Senators came in and voted to uphold the Chair, and certain employees of the policy committee were able to switch them on telling them what was involved. The question is, Is the Chair going to interpret the rules of the Senate, or are they going to be interpreted from the floor by the force and influence of the leadership?

Let us let this be a Senate of rules. Let us let the Senate be governed by rules and by law, rather than by men, Mr. President. The amendment is clearly not germane. I hope the Senate will vote to sustain the Chair, in order that we can get this simple bill passed in the interest of the law enforcement officers of this country.

I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, if ever there was a valid question raised about a point of order, I think this is it.

I would point out again that police officers and firemen, even in the conduct of their duty, if they are assaulted or killed or wounded, are victims of crime. What I am trying to do is apply the same principle to civilians who are not as well prepared, not as well protected as are policemen and firemen, but who are U.S. citizens and who are entitled to every consideration. So I would hope that the Senate, in its wisdom, recognizing the germaneness of the question involved, will vote to overturn the ruling of the Chair in this particular instance, and this is one of the rare times that I have ever adopted this position.

I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is, Shall the ruling of the Chair stand as the judgment of the Senate? The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent due to a death in the family.

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

The yeas and nays resulted—yeas 38, nays 44, as follows:

[Rollcall Vote No. 387 Leg.]

YEAS—38

Allen	Cannon	Hart, Gary
Baker	Curtis	Hartke
Bartlett	Dole	Helms
Bellmon	Domenici	Johnston
Biden	Fannin	Laxalt
Brock	Fong	McClure
Buckley	Garn	McIntyre
Byrd, Harry F., Jr.	Goldwater	Moss
	Griffin	Nelson
Byrd, Robert C.	Hansen	Packwood
Proxmire	Sparkman	Tower
Roth	Taft	Young
Scott, William L.	Talmadge	
	Thurmond	

NAYS—44

Abourezk	Haskell	Pastore
Beall	Hathaway	Pearson
Bentsen	Huddleston	Pell
Brooke	Inouye	Percy
Bumpers	Jackson	Randolph
Burdick	Javits	Ribicoff
Case	Kennedy	Schweiker
Church	Magnuson	Stafford
Clark	Mansfield	Stevens
Cranston	McClellan	Stevenson
Durkin	McGee	Stone
Eastland	McGovern	Symington
Ford	Montoya	Weicker
Glenn	Morgan	Williams
Gravel	Nunn	

NOT VOTING—18

Bayh	Hollings	Metcalf
Chiles	Hruska	Mondale
Culver	Humphrey	Muskie
Eagleton	Leahy	Scott, Hugh
Hart, Philip A.	Long	Stennis
Hatfield	Mathias	Tunney

The PRESIDING OFFICER. On this vote the yeas are 38 and the nays are 44. The ruling of the Chair does not stand as the judgment of the Senate. The amendment is in order.

The question is on agreeing to the amendment of the Senator from Montana.

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

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

The yeas and nays were ordered.

Mr. ALLEN. Mr. President, I call for a division of the amendment.

The PRESIDING OFFICER. The Senator calls for a division of the amendment.

The question is on agreeing to the first part of the amendment, beginning on page 1, line 3, continuing through page 7, line 8.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent due to a death in the family.

The result was announced—yeas 64, nays 20, as follows:

[Rollcall Vote No. 388 Leg.]

YEAS—64

Abourezk	Ford	Montoya
Baker	Glenn	Morgan
Beall	Gravel	Moss
Bellmon	Hart, Gary	Nunn
Bentsen	Hart, Philip A.	Packwood
Biden	Hartke	Pastore
Brooke	Haskell	Pearson
Bumpers	Hathaway	Pell
Burdick	Helms	Percy
Byrd,	Huddleston	Randolph
Harry F., Jr.	Inouye	Ribicoff
Byrd, Robert C.	Jackson	Schweiker
Cannon	Javits	Sparkman
Case	Johnston	Stafford
Church	Kennedy	Stevens
Clark	Laxalt	Stevenson
Cranston	Magnuson	Stone
Dole	Mansfield	Symington
Domenici	Mathias	Tower
Durkin	McGee	Weicker
Eastland	McGovern	Williams
Fong	McIntyre	

NAYS—20

Allen	Goldwater	Roth
Bartlett	Griffin	Scott,
Brock	Hansen	William L.
Buckley	McClellan	Taft
Curtis	McClure	Talmadge
Fannin	Nelson	Thurmond
Garn	Proxmire	Young

NOT VOTING—16

Bayh	Hruska	Muskie
Chiles	Humphrey	Scott, Hugh
Culver	Leahy	Stennis
Eagleton	Long	Tunney
Hatfield	Metcalf	
Hollings	Mondale	

So division 1 of Mr. MANSFIELD's amendment was agreed to.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I would like to point out that if we vote on a division basis all the way through there will be a total of 35 votes, which is OK as far as I am concerned, but I am not at all sure it is OK as far as the Senate as a whole is concerned.

I wonder if the distinguished Senator from Alabama would consider voting on the rest of the division en bloc?

Mr. ALLEN. Not at this time.

Mr. MANSFIELD. All right, Mr. President.

Mr. President, will the Senator from Alabama consider voting on a number of divisions en bloc?

Mr. ALLEN. Let us just take them as the rules provide for the time being.

Mr. MANSFIELD. All right.

REQUEST FOR UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent—and I think the Senate can be prepared for 34 more votes if the Senator from Alabama carries through his proposal—that from now on because of the fact that the votes will be following one another, that there be a time limitation of 10 minutes attached thereto. I think this will be for the benefit of the Senate. Otherwise, it will be 15-minute votes.

Mr. CASE. Mr. President, reserving the right to object—and I hate to interpose even the hint of an objection——

Mr. MANSFIELD. That is all right.

Mr. CASE. The New Jersey delegation to the Republican Convention is meeting with the President this afternoon, and I have the honor of leading that delegation, so I would be remiss in my duty there if I do not show up at the White House. I would be very unhappy to miss 12 votes instead of 9, and that is the only reason I would ask that something be done about it so that we do not crowd that kind of a load onto the frail shoulders of the Senator from New Jersey.

Mr. MANSFIELD. All right. I withdraw my request, so the Senate can expect 15-minute limitations on the votes.

The PRESIDING OFFICER. The question is on agreeing to division 2 of the Mansfield amendment. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that George Shanks of my staff be granted the privileges of the floor.

Mr. ALLEN addressed the Chair.

The PRESIDING OFFICER. If the Senator will withhold, the Chair did not hear the request of the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that George Shanks of my staff be granted the privilege of the floor.

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

Mr. ROBERT C. BYRD. Mr. President, would the Chair have the clerk state or the Chair state himself what area of the bill we are proceeding to vote on.

The PRESIDING OFFICER. The Chair will ask the clerk to advise the Senate as to the constitution of division 2.

The legislative clerk stated as follows:

Division No. 2: On page 7 of the amendment, line 9, over to line 24 on page 10.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Are these various parts subject to amendment?

The PRESIDING OFFICER. The Chair is advised that this being an amendment in the first degree, an amendment in the second degree would be available.

Mr. ALLEN. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to division 2. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent due to a death in the family.

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

The result was announced—yeas 67, nays 19, as follows:

[Rollcall Vote No. 389 Leg.]

YEAS—67

Abourezk	Fong	McIntyre
Baker	Ford	Montoya
Bartlett	Glenn	Morgan
Beall	Goldwater	Moss
Bellmon	Gravel	Nunn
Bentsen	Hart, Gary	Packwood
Biden	Hart, Philip A.	Pastore
Brooke	Hartke	Pearson
Bumpers	Haskell	Pell
Burdick	Hathaway	Percy
Byrd,	Helms	Randolph
Harry F., Jr.	Huddleston	Ribicoff
Byrd, Robert C.	Inouye	Schweiker
Cannon	Jackson	Sparkman
Case	Javits	Stafford
Chiles	Kennedy	Stevens
Church	Laxalt	Stevenson
Clark	Long	Stone
Cranston	Magnuson	Symington
Dole	Mansfield	Weicker
Domenici	Mathias	Williams
Durkin	McGee	Young
Eastland	McGovern	

NAYS—19

Allen	Hansen	Scott,
Brock	Johnston	William L.
Buckley	McClellan	Taft
Curtis	McClure	Talmadge
Fannin	Nelson	Thurmond
Garn	Proxmire	Tower
Griffin	Roth	

NOT VOTING—14

Bayh	Hruska	Muskie
Culver	Humphrey	Scott, Hugh
Eagleton	Leahy	Stennis
Hatfield	Metcalf	Tunney
Hollings	Mondale	

So division 2 of Mr. MANSFIELD's amendment was agreed to.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I would like to make a request of the distinguished Senator from Alabama, pointing out that if we continue in this fashion we will have 33 votes yet to go. The request is, Will he give consideration to the possibility of voting on the rest of the divisions en bloc?

Mr. ALLEN. I will reply to the distinguished Senator from Montana that I wish he had made his request of the entire Senate because this is a matter to be considered by the Senate. But inasmuch as the amendment offered by the distinguished majority leader, which I feel is not germane and which the Chair felt was not, but which the Senate voted to declare was germane since it has an additional 32, I believe—is that correct, may I inquire of the Chair—32 additional parts to be voted upon?

The PRESIDING OFFICER (Mr. HANSEN). Thirty-three.

Mr. ALLEN. Thirty-three additional parts to be voted upon by a rollcall vote, the Senator from Alabama, not wanting to prolong the issue, and following his uniform policy of seeking to expedite the work of the Senate, would certainly have no objection to a vote on all of the parts put into one.

I think this is an amendment that

should not be agreed to because it departs from the thrust of the bill. It adds an amendment that is highly conjectural as to cost. As I see it, it would cost hundreds of millions of dollars a year, as I outlined a few moments ago. I think it is nongermane. I think the House will rule it is nongermane. I think the conferees will say that it is nongermane. But since the distinguished majority leader has 33 parts of an amendment before us, I would certainly not wish to put the distinguished majority leader to a rollcall vote on each of the parts of his amendment. So if the Senator will make that request, I will impose no objection.

Mr. MANSFIELD. Do not put it off on me, because I am prepared to stay here ad infinitum and vote 33 times. I am thinking of the Senate. I will make that request at this time in line with the suggestion of the distinguished Senator from Alabama. I want it understood, as far as I am prepared personally, it does not make a bit of difference. I am prepared to stay here and vote ad infinitum 33 times. I make the request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

The Senate will now proceed to vote on the remainder of the amendment by the Senator from Montana.

Mr. HARRY F. BYRD, JR. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. Will the Chair indicate where the rest of the amendment begins?

The PRESIDING OFFICER. It is the rest of the amendment starting at the top of page 11, all of the rest of the Mansfield amendment.

Mr. HARRY F. BYRD, JR. It goes through the remainder of the amendment?

The PRESIDING OFFICER. I did not hear the last of what the Senator said.

Mr. HARRY F. BYRD, JR. It starts at the top of page 11 and goes through the remainder of page 28.

The PRESIDING OFFICER. That is correct.

Mr. HARRY F. BYRD, JR. I thank the Chair.

The PRESIDING OFFICER. The yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE) and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent due to a death in the family.

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

The result was announced—yeas 62, nays 23, as follows:

[Rollcall Vote No. 390 Leg.]

YEAS--62

Abourezk	Goldwater	McIntyre
Baker	Gravel	Montoya
Beall	Hart, Gary	Morgan
Bentsen	Hart, Philip A.	Moss
Biden	Hartke	Nunn
Brooke	Haskell	Packwood
Bumpers	Hathaway	Pastore
Burdick	Helms	Pearson
Byrd, Robert C.	Huddleston	Pell
Cannon	Inouye	Percy
Chiles	Jackson	Randolph
Church	Javits	Ribicoff
Clark	Johnston	Schweiker
Cranston	Kennedy	Stafford
Dole	Laxalt	Stevens
Domenici	Long	Stevenson
Durkin	Magnuson	Stone
Eastland	Mansfield	Symington
Fong	Mathias	Weicker
Ford	McGee	Williams
Glenn	McGovern	

NAYS--23

Allen	Griffin	Taft
Bartlett	Hansen	Talmadge
Bellmon	McClellan	Thurmond
Brock	McClure	Tower
Buckley	Nelson	Young
Byrd,	Proxmire	
Harry F., Jr.	Roth	
Curtis	Scott,	
Fannin	William L.	
Garn	Sparkman	

NOT VOTING—15

Bayh	Hollings	Mondale
Case	Hruska	Muskie
Culver	Humphrey	Scott, Hugh
Eagleton	Leahy	Stennis
Hatfield	Metcalf	Tunney

So the remainder of Mr. MANSFIELD's amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

UP AMENDMENT NO. 189

Mr. ALLEN. Mr. President, I call up an unprinted amendment, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes unprinted amendment No. 189.

Mr. ALLEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in full in the RECORD, and I shall explain it.

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

The amendment is as follows:

At the end of the Act, amend by adding the following new section:

SEC. . The Omnibus Crime Control and Safe Streets Act of 1968, as amended, is amended (1) by redesignating title XI thereof as title XII, (2) by redesignating section 1601 as section 1701, and (3) by adding immediately after title X thereof the following new title:

"TITLE XI—LAW ENFORCEMENT OFFICERS NOT EMPLOYED BY THE UNITED STATES

"SEC. 1601. For purposes of this title—

"(1) The term 'retired officer' means a person who the Administration in its discretion determines—

"(A) was employed either as a State or local law enforcement officer or as a State or local firefighter,

"(B) retired after the enactment of this title, and

"(C) is receiving qualifying State and local retirement benefits.

"(2) The term 'State or local law enforcement officer' means a full-time, certified, law enforcement officer with power of arrest employed by a State, a political subdivision of a State, or any municipal corporation in a State, who is required by the terms of his employment, whether such employment exists by virtue of election or appointment, to give his full time to the preservation of public order and the protection of life or property, or the detection of crime in the State, and shall include enforcement officers for conservation laws and full-time coroners, but shall not include any district attorney, assistant district attorney, assistant attorney general, commissioner, deputy commissioner, any municipal inspector, county inspector, or State inspector, or any like employees of a State, any political subdivision of a State, or any municipal corporation in a State.

"(3) The term 'State or local firefighter' means a full-time, certified, fireman employed by a State, a political subdivision of a State, or any municipal corporation in a State, who is required by the terms of his employment, whether such employment exists by virtue of election or appointment, to give his full time to duties related directly to being prepared to extinguish or extinguishing accidental or maliciously initiated fires for the preservation of public order and for the protection of life or property.

"(4) The term 'State' includes the fifty States of the United States and any territory of the United States.

"(5) The term 'qualifying State or local retirement benefit' means a retirement benefit including disability retirement paid by a retirement system established by a State or a political subdivision of a State and attributable to the payee's service as a State or local law enforcement officer or as a State or local firefighter.

"(6) The term "Administration" means the Law Enforcement Assistance Administration.

"SEC. 1602. The Administration shall furnish to each retired officer retirement benefits equal to 25 per centum of his qualifying State and local retirement benefits.

"SEC. 1603. (a) An application for any benefit under this title may be made only—

"(1) to the Administration;

"(2) by—

"(A) a retired officer,

"(B) any association of law enforcement officers which is acting on behalf of a retired officer,

"(C) any association of firefighters which is acting on behalf of a retired officer; and

"(3) in such form as the Administration may require.

"(b) Benefits under this title shall be paid at such times and in such manner as the Administration shall provide by regulation.

"(c)(1) No State or political subdivision or municipal corporation may, by reason of the receipt of benefits under this title by a retired officer, reduce benefits otherwise due such officer.

"(2) The Administration or any person described in subsection (a)(2)(A), (B), or (C) may bring a civil action (without regard to the amount in controversy) against any State or political subdivision thereof of any municipal corporation within such State in a United States district court in order to obtain

injunctive or other relief for a violation of paragraph (1).".

Mr. ALLEN. Mr. President, I am particularly pleased that the Senate is considering passage of H.R. 366, a bill reported by my distinguished colleague from the State of Arkansas, Senator McCLELLAN, which, if enacted, would provide substantial benefits to the survivors of public safety officers killed in the line of duty. As I have stated earlier in the Chamber today, I support H.R. 366 because I believe the Federal Government has a responsibility to survivors of State and local as well as Federal public safety officers who are killed in the line of duty and who are engaged throughout their careers in assisting the Federal Government in enforcing the laws of the United States.

Although I know of no study done on the subject, I believe few in this body would disagree that a substantial portion of the duties performed by State and local public safety officers are duties solely accruing to the benefit of the Federal Government through State and local enforcement of Federal criminal statutes. The occasions are clearly, but regretably, countless upon which local public safety officers have paid with their lives in confrontinig criminals engaged in violating Federal law. So I believe it is appropriate and long overdue that the Federal Government assume its portion of the responsibility to the survivors of these officers. I therefore strongly support H.R. 366, and I commend Senator McCLELLAN, Senator HRUSKA, and the committee, for their fine work in studying the problem of inadequate survivors' benefits for local public safety officers and for responding to that problem by introducing this very fine measure now before us.

I want to pay particular tribute to the efforts of the distinguished Senior Senator from South Carolina (Mr. THURMOND) for his dedicated efforts through the years in support of public safety officers and his work in bringing this bill to the floor during this Congress and his leadership in sponsoring similar bills in past Congresses. Without his efforts this effort to help public safety officers and their families could not have succeeded.

Mr. President, I introduced earlier today a bill closely related to this amendment which has been referred to the Committee on the Judiciary.

My bill also recognizes the very fine contribution to Federal law enforcement made by State and local public safety officers by providing a Federal supplement to qualified State and local pension plans for those officers. My bill would thus further recognize the major contributions of time, dedication, and service rendered to the Federal Government by these State and local officers who now receive no compensation whatsoever from the Federal Government and who are in many instances undercompensated by the State and local governments which they serve. Moreover, Mr. President, I believe it should be pointed out that, regardless of direct compensation, in nearly all instances, State and local pension plans for retired firemen and police officers are very inadequate and fall far short of retirement programs reflecting the actual risks taken and service rendered by police officers and firemen. In view of the Federal component of their service, I believe that Congress ought to enact legislation which would permit the Federal Government to accept its responsibility toward all police officers and firemen by supplementing their retirement benefits.

Mr. President, my bill and this amendment calls for a supplement of 25 percent of the amount being received by a retired officer under a State or local pension plan. I believe that contribution is modest when considered against the substantial services received by the Federal Government from these State and local employees. Accordingly, I urge that this bill be given prompt consideration in committee and be reported to the Senate in the very near future so that action may be taken by the Senate during this Congress.

Mr. President, I believe the legislation I have introduced today is long overdue, and with that thought in mind, I am also offering my bill to the Senate as an amendment to the pending bill, H.R. 366. I recognize that Senators may not be willing to act favorably on my amendment without full information regarding its impact on the budget and without a detailed committee report such as has been prepared so well in support of H.R. 366. And so, Mr. President, I am offering my bill as an amendment to H.R. 366 primarily for the purpose of bringing the measure to the direct attention of the Senate and the committee.

Should my amendment be rejected at this time—and I state parenthetically that I am going to withdraw it after I have called it to the attention of the managers of the bill—I would urge my distinguished colleagues who serve on the Committee on the Judiciary to hold promptly hearings on this measure so that it may be considered carefully by the committee to the end that the committee will ultimately report the measure favorably to the Senate as has been done in the case of H.R. 366.

Mr. President, the Congressional Budget Office earlier this month began to prepare a cost estimate on my bill, but unfortunately a final estimate is not available today. An estimate should be completed sometime this week or at the latest by the end of the month, and I am asking the Budget Office to make its estimate immediately available to the Committee on the Judiciary so that action on the bill will not be delayed for lack of facts regarding its cost impact.

It is my hope, therefore, Mr. President, if the Senate and the managers of H.R. 366 are not ready at this time to accept the amendment I am offering to H.R. 366, that the managers of the bill and the distinguished chairman and members of the Committee on the Judiciary will see fit to hold hearings on my bill, analyze its cost impact, and at a very early date—if it deems advisable—report the measure for reconsideration in light of all facts developed by the committee. I am confident that once hearings are held and a cost estimate obtained, the Committee on the Judiciary will support the measure I have introduced and join with me in urging its final adoption.

I call this to the attention of the distinguished chairman of the committee and the manager of the bill.

Mr. McCLELLAN. Mr. President, as I understand the bill—it would go to the Committee on the Judiciary and be referred to the Subcommittee on Criminal Laws and Procedures.

Mr. ALLEN. I am sure it would.

Mr. McCLELLAN. That would fall under my jurisdiction as chairman of that subcommittee. I will hold hearings on it at a date as early as practical. The Senator realizes the situation we are in.

Mr. ALLEN. Yes.

Mr. McCLELLAN. There is no disposition on my part to be uncooperative with the Senator. He should get a proper hearing as expeditiously as we can do it practically under the circumstances.

Mr. ALLEN. I thank the distinguished Senator.

Mr. McCLELLAN. As I understand the bill, the Federal Government would subsidize present State-municipal pension plans by 25 percent. Am I correct?

Mr. ALLEN. Yes, that is correct.

The main thrust of the bill as approved by the committee provides for benefit payments to the survivors of public health officers who are killed in line of duty, but it does nothing for those who live and who retire. This would be an effort to supplement the State and local pensions to the extent of 25 percent of the amount of the pension.

Mr. McCLELLAN. The Senator says that he does not have an estimate of the cost now but will obtain one.

Mr. ALLEN. That is correct. The request for the hearing would not be insisted upon until the figures are obtained.

Mr. McCLELLAN. Has the Senator's bill been introduced?

Mr. ALLEN. Yes; and by unanimous consent, it was referred to the Committee on the Judiciary.

Mr. McCLELLAN. It probably will be rereferred to the Subcommittee on Criminal Laws and Procedures, which I chair.

In the meantime, if the Senator obtains information from the Budget Committee with an estimate as to the cost, I hope he will submit it to us.

Mr. ALLEN. I will be glad to do that. I appreciate the Senator's friendly cooperation in this area and I appreciate his assurance that the bill will be given a hearing at an early date.

I thank the distinguished Senator from Arkansas.

Mr. President, I withdraw the amendment.

Mr. McCLELLAN. Mr. President, if there are no further amendments I yield back the remainder of my time.

Mr. THURMOND. Third reading, Mr. President.

The PRESIDING OFFICER. All time has been yielded back. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CULVER), the Senator from Missouri (Mr. EAGLETON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Vermont (Mr. LEAHY), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Vermont (Mr. LEAHY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE) and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent due to a death in the family.

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

The result was announced—yeas 80, nays 4, as follows:

[Rollcall Vote No. 391 Leg.]

YEAS—80

Abourezk	Ford	Montoya
Allen	Garn	Morgan
Baker	Glenn	Moss
Bartlett	Gravel	Nelson
Beall	Griffin	Nunn
Bellmon	Hansen	Packwood
Bentsen	Hart, Gary	Pastore
Biden	Hart, Philip A.	Pearson
Brock	Hartke	Pell
Brooke	Haskell	Percy
Buckley	Hathaway	Proxmire
Bumpers	Helms	Randolph
Burdick	Huddleston	Ribicoff
Byrd,	Inouye	Roth
Harry F., Jr.	Jackson	Schweiker
Byrd, Robert C.	Javits	Sparkman
Cannon	Johnston	Stafford
Chiles	Kennedy	Stevens
Church	Laxalt	Stevenson
Clark	Long	Stone
Cranston	Magnuson	Taft
Curtis	Mansfield	Talmadge
Dole	Mathias	Thurmond
Domenici	McClellan	Tower
Durkin	McGee	Weicker
Eastland	McGovern	Williams
Fong	McIntyre	Young

NAYS—4

Fannin	McClure	Scott,
Goldwater		William L.

NOT VOTING—16

Bayh	Hruska	Scott, Hugh
Case	Humphrey	Stennis
Culver	Leahy	Symington
Eagleton	Metcalf	Tunney
Hatfield	Mondale	
Hollings	Muskie	

So the bill (H.R. 366), as amended, was passed.

The title was amended so as to read:

An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the survivors of public safety officers.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make certain technical and clerical corrections as necessary in the engrossment of the Senate amendments to H.R. 366.

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

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCLELLAN, Mr. PHILIP A. HART, Mr. KENNEDY, Mr. HRUSKA, and Mr. THURMOND conferees on the part of the Senate.

DEPARTMENT OF COMMERCE MARITIME PROGRAMS AUTHORIZATIONS

Mr. MAGNUSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11481.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 11481) to authorize appropriations for the fiscal year 1977 for certain maritime programs of the Department of Commerce, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MAGNUSON. I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. LONG, Mr. HOLLINGS, Mr. GRIFFIN, and Mr. BEALL conferees on the part of the Senate.

SURETY BOND GUARANTEE FUND

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 3370, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 3370) to amend the Small Business Investment Act of 1958 to increase the authorization for the Surety Bond Guarantee Fund.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Debate on this bill is limited to 1 hour equally divided and controlled by the Senator from North Carolina (Mr. MORGAN) and the Senator from Utah (Mr. GARN), with 30 minutes on any amendment, except an amendment by the Senator from Arkansas (Mr. BUMPERS), No. 1867, on which there shall be 1 hour; and 20 minutes on any debatable motion, appeal, or point of order.

Mr. MORGAN. Mr. President, I ask unanimous consent that Tony Cluff, Tommy Brooks, Robert Locklin, and Rick Wahlstrom have the privilege of the floor during the consideration and voting on S. 3370.

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

Mr. MORGAN. Mr. President, as I understand the order of business that was presented on the last day of business of the session of the Senate, the yeas and nays were ordered on this bill and also on the amendment to be offered by the Senator from Arkansas, if I am not mistaken.

The PRESIDING OFFICER. The yeas and nays have been ordered on the bill but not on the amendment of the Senator from Arkansas.

Mr. MORGAN. Mr. President, this bill is a relatively simple bill, and I ask unanimous consent that the order for the yeas and nays be vitiated.

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

Mr. MORGAN. Mr. President, one of the most important programs of the Small Business Administration, in my opinion, has been the surety bond guarantee program, and it is also one of the best run programs.

From my many years of experience as a smalltown lawyer advising with and consulting with small contractors, I found it most difficult for such contractors to get a surety bond in order to perform work for various agencies of Government and various governments which required it.

A number of years ago there was an amendment for a surety bond guarantee program created under the Small Business Administration, and it has been most effective.

Mr. President, I believe the surety bond guarantee program is one of the best programs run by the Small Business Administration. I do not know of any other program that did more to help the small businessman and to help the economy during the economic instability of the last few years.

Since the program's inception in fiscal year 1971, nearly 46,000 bond guarantees have been approved, resulting in over 27,000 contract awards with a value of close to $2 billion. In fiscal year 1975 alone, over 21,000 guarantees were approved and 11,595 contracts obtained for a total value of $760 million.

I rather suspect, Mr. President, that many of these contracts would never have been awarded had it not been for this program, because these small contractors would not have been in a position to obtain a surety bond, and thus competition in this area would have been lessened. I am satisfied that in the long run the U.S. Government and the vari-

ous agencies of Government would have paid far more in excessive costs.

At the request of the administration, S. 3370 was introduced to provide the required increase in the capital authorized for the surety bond guarantee fund to finance the 1977 and 1978 levels for this program of $833 million. The capital requirement is $36 million in 1977 and $19 million in 1978.

On June 4, President Ford signed into law Public Law 94-305. One of the provisions of this law increased the authorization for the surety bond guarantee program from $35 to $56.5 million. I supported this provision when it was introduced by Senator MONDALE last December because it appeared the surety bond program would reach its budgeted ceiling in the spring, and be forced to discontinue.

The $18.5 million of the increase in Senator MONDALE's amendment enables the SBA to cover expected defaults on the $833 million in bond guarantees it is budgeted to write during the remainder of this fiscal year. The remaining $8 million enables the program to guarantee an additional $150 million in bonds in order to cover the program's increased volume.

S. 3370 was reported from the Committee on Banking, Housing and Urban Affairs before the President signed Public Law 94-305, so I will offer a technical amendment to reflect that authorization increase.

Since the proposed authorization increase is expected to cover 2 fiscal years, I realize it may be necessary to come back at a later date to make sure that the program's authorization level will adequately finance the program's rapid expansion.

Mr. President, I fully support the administration's authorization recommendation and urge my colleagues to approve S. 3370. It is a program that has cost the Government very little and has saved it, in my opinion, millions and millions of dollars.

UP AMENDMENT NO. 190

Mr. President, at this time I send to the desk a technical amendment which would insert "$56,500,000" in lieu of "$35,000,000" which was in the original bill.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. MORGAN) proposes unprinted amendment No. 190:

On page 1, line 4, strike "$35,000,000" and insert in lieu thereof "$56,500,000".

Mr. BARTLETT. Mr. President, I would like to offer an amendment.

The PRESIDING OFFICER. Does the Senator from North Carolina yield the floor?

Mr. MORGAN. Mr. President, I call for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment was agreed to.

UP AMENDMENT NO. 191

Mr. BARTLETT. Mr. President, I have an amendment I would like to offer.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. BARTLETT) proposes unprinted amendment No. 191.

Mr. BARTLETT. 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 1, line 6, insert the following:

SEC. 2. Section 410 of the Small Business Act of 1958 is amended—

(1) by inserting before the period at the end of clause (4) a comma and the following: "but such term does not include its producing agent in the event the producing agent is an independent contractor"; and

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

"(9) The term 'guarantee' means an absolute undertaking by the Administration that it will pay the surety a sum not to exceed 90 per centum of the loss incurred by the surety by reason of its execution of a bond as contemplated herein, except that the Administration will not be obligated to perform such undertaking if it has substantial evidence that the surety perpetrated a fraud in the inducement upon the Administration."

SEC. 3. Section 411(a)(5) shall be amended by striking the words "and reasonableness of cost".

SEC. 4. The first, second, and fourth sentences of section 411(c) of such Act are amended by striking out "fee" each place it appears and inserting in lieu thereof "premium".

Mr. BARTLETT. Mr. President, I wish to commend the sponsors of the bill and the distinguished Senator from North Carolina for his interest in the surety bond program and for his support for it. I think it is an excellent program. I have had the privilege of chairing oversight hearings on the entire matter, and I concur very heartily with the Senator from North Carolina in the views that he has expressed.

Mr. President, the amendment that I offer to Senate bill, S. 3370, does three things: it strengthens the guarantee by encouraging the insurers to take part in the program, because it would provide that the Federal Government actually be an insurer, which it is at the present time in most cases, but with this amendment the Federal Government would be an insurer in all cases except where substantial fraud is shown.

The other two parts of the amendment are technical. One concerns the use of the word "fee" and substitutes the word "premium" which is in conformity with language used in the insurance business.

Finally, the amendment on the definition of charity is exclusionary in that it provides that the term "charity" does not include a producing agent in the event that the producing agent is an independent contractor.

Mr. President, on November 19, 1975, the Select Committee on Small Business began hearings on the surety bond program of the Small Business Act of 1958. Testimony was taken from contractors, surety bond companies, and the Small Business Administration concerning the viability of this program. All witnesses concurred in the effectiveness and need for this program. One matter which was heavily stressed was the need to increase the authorization so that continuity within the program could be maintained. S. 3370, authored by Senator PROXMIRE and Senator TOWER, seeks to do this; and I congratulate them for their interest and effort in presenting this bill.

This legislation will address the problem of frequent intermittent delays and shutdowns in the surety bond program. These delays have caused havoc with the small business contractor because delays have prevented them from developing any meaningful future business planning.

A second problem was brought out during the 3 days of hearings concerning the language of the original surety bond legislation. Primarily, the language of the Surety Bond Act does not address the question of an adequate guarantee for participating surety companies. It is felt by a number of surety companies that the guarantee is insufficient; and therefore, a number of areas in this Nation are not being served by either major or specialty surety companies, because of the question of risk that must be undertaken by the surety when working in cooperation with the Small Business Administration.

It is accurate to say that all private sector surety risks, whether undertaken by major companies or specialty companies, are reinsured by the surety. This means that a portion of each risk undertaken by the surety is shared by a separate and distinct insurance company, normally termed a "reinsurer." By reason of the insurance regulations in each State which control the amount of risk in relation to capital and surplus that must be outstanding at any one time, a sharing of the risk by a reinsurer allows the surety to write bonds in greater volume for more contract clientele and in a higher total dollar amount.

This process places the reinsurer in the position of following the fortunes of the surety. That is to say, the surety has sole responsibility for the administration of that bond, for the claims handling upon default, and for all resulting litigation. In the end, the surety submits a voucher to the reinsurer setting forth the net dollar loss, and the reinsurer forwards its percentage of that loss in dollars to the surety.

If a reinsurer refuses to pay a surety under these circumstances, the ability of that surety to write further bonds is placed in jeopardy. From that point on, no surety would be confident that the reinsurer would honor his commitment.

This very thing has occurred with the Small Business Administration. It should be said that it is not widespread, but when you are dealing with an industry such as that of construction contracting with its corresponding ups and downs, a denial on a surety bond by the Small Business Administration does cause a good deal of commotion within the surety industry. Therefore, there are numerous areas within this country that are not being served by either the major surety companies or the specialty surety companies, because the original legislation does not require the Small Business Administration to follow the fortunes of the surety.

The amendment that I offer to S. 3370 amends the language of the original act to provide for a redefinition of the word "guarantee." This redefinition would still provide the protection to the Federal Government where substantial fraud is shown but would place the Small Business Administration in the actual position that it serves at this time, that of a reinsurer, but with the full responsibility of a private reinsurer. The SBA would not be free, as it is now, to deny liability through a mechanism of second guessing the underwriting judgment of the surety or the settlement judgment of its claims department.

This concern for the "Monday morning quarterbacking" by the Small Business Administration was uniformly expressed by all witnesses in the surety bond industry, and these witnesses also related that they believed more companies would begin to participate in the program when full responsibility was provided. This participation would provide broader access by the small businessman and the construction industry to the surety bond program.

The next matter concerns the use of the word "fee" in section 411(c). My amendment substitutes the word "premium" in each place that the word "fee" is used. This is simply a matter of exchanging terms so that the act corresponds with the common usage within the surety bond industry. This will simplify the language of all surety bond operations both for the Federal Government and for the surety bond industry. The change of words does not affect the intention of this section but merely conforms the act to long accepted industry practice.

Finally, my amendment changes the definition of "surety" found in section 410. As stated in the act, the term "surety" includes three different types of entities. One entity included is that which undertakes to pay a sum of money to the obligee in the event the principal breaches the conditions of the contract; a second entity includes one that undertakes to incur the cost of completing the terms of the contract where the principal breaches the conditions of the contract; and the third type of entity undertakes the payment to all persons supplying labor and material in the execution of work provided in the contract where the principal fails to make prompt payment.

This amendment is exclusionary in that it provides that the term "surety" does not include a producing agent in the event that the producing agent is an independent contractor. This often occurs particularly in relation to the specialty companies which handle the burden of the surety bond business. There are independent agents scattered throughout this country who produce surety bonds in the SBA program but are not actually the entity which undertakes the obligation in the case of a breach or default on the contract. This again is language to encourage the further activity of insurance agents and surety bond companies in the program. The independent agent in any sort of insurance program does not undertake personally to guarantee the obligation. He is merely acting as agent for an insurance company that places its assets, and in this case those of the Federal Government, as a guarantee that the contract will be completed.

All three of these areas are minor changes in the surety bond program but are major in their impact on the effectiveness of the program and the willingness of the surety bond industry, both specialty sureties and major sureties, to broaden the use of this program to all areas of the country.

Again, I would like to commend Senator PROXMIRE and Senator TOWER for introducing this much needed increased authorization, and I would like to encourage my fellow Senators to act favorably on these amendments which I offer to S. 3370.

Mr. President, I ask unanimous consent that Mr. Ed King, of my staff, be granted privilege of the floor during the debate and all votes on this bill.

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

The Senator from Utah.

Mr. GARN. Mr. President, on behalf of the minority, we accept the Bartlett amendment.

Mr. MORGAN. Mr. President, on behalf of the majority, I say that the amendment simply takes away practically all of the defenses that would be available to the Government except that of fraud. I do not know of any reason why that should not be done.

After all, one of the biggest problems with this whole program has been trying to get surety bond companies to get involved. If they have to get involved and then run the risk of every possible defense the Government can pull out of the hat, they just are not going to get involved.

I think it is a good amendment. I discussed it with the distinguished Senator from Utah and the distinguished sponsor of the amendment. We are willing to accept it and then if we run into any difficulties, we will try to work those out between us at the conference.

Mr. BARTLETT. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is all time yielded back?

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

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

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

AMENDMENT NO. 1867

Mr. BUMPERS. Mr. President, I call up amendment No. 1867.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arkansas (Mr. BUMPERS) proposes an amendment No. 1867.

Mr. BUMPERS. 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 1, line 6, insert the following:

SEC. 2. Section 411 of title IV of Public Law 85-699, as amended, is hereby amended by inserting at the end thereof the following new subsection (e):

"(e) If there is a breach by the principal of the terms of a bid bond, performance bond, or payment bond, resulting in loss to the obligee, and if the surety by reason of insolvency or bankruptcy defaults and does not discharge its obligation to the obligee, the administration shall, notwithstanding any other provision of law, pay the obligee whatever sum would otherwise have been payable to the surety under subsection (b) of this section 411.".

Mr. BUMPERS. Mr. President, on June 16, 1976, I introduced amendment No. 1867 to S. 3370, a bill to increase the authorization for the surety bond guarantee fund administered by the Small Business Administration. Since that time I have been advised by representatives of the Committee on the Budget that the amendment might be subject to a point of order, in that it arguably provides new spending authority to SBA. The effect of the amendment is simply to provide that payments heretofore made by SBA to a surety company's trustee in bankruptcy or receiver shall instead be made to the obligee of the bond directly. Arguably, no new spending authority is involved, but out of an abundance of caution I am asking that my amendment be modified in the fashion advised by the Committee on the Budget.

Therefore, Mr. President, I modify my amendment number 1867 by adding the following at the end:

"This amendment shall be effective on and after October 1, 1976," and I send the amendment as so modified in writing to the desk.

The PRESIDING OFFICER. Without objection, the amendment will be modified as stated.

The amendment, as modified, is as follows:

On page 1, line 6, insert the following:

SEC. 2. Section 411 of title IV of Public Law 85-699, as amended, is hereby amended by inserting at the end thereof the following new subsection (e):

"(e) If there is a breach by the principal of the terms of a bid bond, performance bond, or payment bond, resulting in loss to the obligee, and if the surety by reason of insolvency or bankruptcy defaults and does not discharge its obligation to the obligee, the administration shall, notwithstanding any other provision of law, pay the obligee whatever sum would otherwise have been payable to the surety under subsection (b) of this section 411." This amendment shall be effective on and after October 1, 1976.

Mr. BUMPERS. Mr. President, I think, and hope, that the managers of the bill will accept this amendment. I would like to take just 3 short minutes to explain, as simply as I can, what it does.

In this amendment, there are four characters in the cast. First, there is the owner, who is the person or corporation that may wish to build a building, or highway, or anything else; second, there is a contractor who would bid on the job to do the building; third, there is the surety who would guarantee the performance of the job; and in the event he is a marginal contractor who has a difficult time getting a surety bond, the fourth character is the SBA, who, under

this very provision, guarantees up to 90 percent of the amount of any loss.

So the characters are the owner, the contractor, the surety bond company, and the SBA.

Incidentally, this amendment goes to a very narrow, limited situation.

Under present law, today, if the owner, and we will say it is a church—and I do not use that speciously because it happened to a church in my State—hires somebody to build a new sanctuary or a new church, the contractor who wants to build the church is a financially marginal operator, he goes to the surety company and he tells them, "I want a bond for $1 million to build this church."

They look at his financial statement and say, "You are not financially stable enough for us to issue a bond in that amount. If you go to the SBA and under present law get SBA to guarantee up to 90 percent of any loss, we will write it for you."

So he does that and SBA agrees.

During the course of construction two things must happen before my amendment would come into play. First, the contractor has to become insolvent; second, the surety company becomes insolvent.

Under present law, if these two things occur, SBA pays over the 90 percent that they have guaranteed to the receiver or trustee of the insolvent surety company and that money is not allocated to the contractor, the church, which we legally call the obligee. Instead, it goes to all the creditors of the surety company. The church that originally demanded the bond and for whose benefit it was issued stands in line with all other creditors of the surety company. They may get some small portion, they may get a significant portion.

But what my amendment does in that narrow situation where both the surety company and the contractor are insolvent, SBA would pay whatever their obligation was directly to the church, or the owner, rather than to the surety company.

Mr. President, I say that this is a very simple amendment of the law designed to do justice and equity to the obligee who asks that the bond be written for his own benefit and to give him the benefit of it, and to help small contractors who could not otherwise engage in that kind of construction.

Mr. MORGAN. Will the Senator yield for a question or so for the record?

Mr. BUMPERS. I am happy to yield.

Mr. MORGAN. I think I understood correctly when the Senator said that in the event the builder goes broke and cannot complete the job and then, of course, the owner calls on the surety company, by this time the surety company has become insolvent and is in the hands of a trustee?

Mr. BUMPERS. The Senator is correct.

Mr. MORGAN. Whatever money the SBA would pay the trustee would not go to the church, the owner, but would be distributed among all the creditors of the surety company notwithstanding the fact that it was written for this particular church.

Mr. BUMPERS. The Senator is precisely correct.

Mr. MORGAN. Now, the SBA has raised a number of questions as to whether or not this would place a tremendous administrative burden on the SBA. I say to the Senator that it is my understanding that two men in the SBA handle this work, which is amazing to me. I think maybe this ought to be our next task, to try to beef up that department because it is probably the best received.

Would the Senator anticipate that there would be many such situations in which both the builder and the surety company would be involved?

Mr. BUMPERS. I would respond by saying I wish I had specific information, and I assume that SBA could supply it. I perhaps have been remiss in not getting that sort of documentation before I offered the amendment. Certainly, I would think commonsense would indicate that this very narrow situation would only occur in a very limited number of cases. I am not saying that two people could handle the claims that would arise in such a case, but certainly it would not require, I do not think, any significant amount of beefing up.

Mr. MORGAN. That would also be my judgment, Mr. President.

There is another objection raised by SBA which I think I should mention and ask the Senator about. If we adopt his amendment, there is some concern that all of the contracting owners would tend to seek out surety companies that were backed by SBA. But it is my feeling that most contractors are so happy to get a surety bond of any kind that they are not really going to look behind a surety company that is licensed by the State to do business. Would the Senator concur with that?

Mr. BUMPERS. I certainly would. In addition to that, I might say to the Senator that I assume that SBA has very specific and definitive guidelines that they use in determining who is eligible for this kind of assistance. For example, I think one of the guidelines is that the contract has to be for $1 million or less. The contractor would have to have a financial statement that simply would indicate that he could not get the surety bond any place else. As I say, if they use their criteria, it would not make a great deal of difference what the owner wanted. SBA would simply apply its guidelines in determining whether or not they would issue such a guarantee.

Mr. MORGAN. Mr. President, I agree with the distinguished Senator. I wanted to raise these two questions because I am sure that if and when we get to conference the SBA will want these two questions discussed and I wanted them in the record.

Mr. BUMPERS. I thank the Senator very much and I appreciate it. I discussed this with the managers and they have indicated they would accept the amendment. I am not asking for a rollcall vote. Sometimes we do that here in our zest to make certain we can go to conference and say this amendment was adopted 93 to 7 and the Senate would not recede from the amendment. I have the assurance that if the amendment is accepted, they will fight for it in the conference. I appreciate that very much. I am not asking for the yeas and nays.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. I might indicate to the Senator from Arkansas that a vote would indicate overwhelming support, and there is not the need, obviously, to ask for a rollcall.

The PRESIDING OFFICER. Is all time yielded back?

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

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

UP AMENDMENT NO. 193

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN) proposes an unprinted amendment No. 193.

The amendment is as follows:

At the end of the bill add a new section as follows:

SEC. That Subsection (a) of the first Section of the Act of August 24, 1935, as amended (40 U.S.C. 270(a)) is amended by striking out $2,000 and inserting in lieu thereof "$25,000".

Mr. BENTSEN. Mr. President, what I am trying to do here is to bring this bonding requirement minimum up to present inflationary standards as we see them today.

What is now required on any contract on a public works building is that anything above $2,000 has to have a bond. In my amendment, I am calling for raising that to $25,000. Too often what happens is that small contractors and small businessmen have a difficult time arranging that. I believe that the Government has enough protection without putting that kind of limitation on the very small businessman. It is particularly true of some of the minority businesses that we seem to be trying to get into the contracting business. This will give them a better chance without going through all the legalities, all the redtape, and all the expenses they have to to try to substantiate the bond on a job that would be running under $25,000.

It is my understanding that in 1970 the GSA awarded 1,114 contracts in the category between $2,000 and $20,000. That is a total of some $7.34 million. That is an example of the sort of contracts that they have a chance to work-on.

I would hope very much that the managers of the bill on the majority and minority side will consider this amendment favorably.

Mr. MORGAN. I thank the distinguished Senator for offering this amendment. I think his amendment will enable a lot of smaller contractors, and especially minority contractors who are try-

ing to get started, to do work for the government. If we are going to require these bonds somebody has to pay for them. That will be the government and the taxpayers. So far as the majority is concerned, I am willing to accept the amendment and commend the Senator for offering it.

Mr. GARN. I would suggest that due to inflation alone, a $2,000 job is such a very, very small one and it does place a burden on the small businessman and the contractor. The minority accepts the amendment.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Small Business Investment Act of 1958 is amended by striking out "$56,000,000" and inserting in lieu thereof "$88,000,000".

SEC. 2. Section 410 of the Small Business Act of 1958 is amended—

(1) by inserting before the period at the end of clause (4) a comma and the following: "but such term does not include its producing agent in the event the producing agent is an independent contractor"; and

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

"(9) The term 'guarantee' means an absolute undertaking by the Administration that it will pay the surety a sum not to exceed 90 per centum of the loss incurred by the surety by reason of its execution of a bond as contemplated herein, except that the Administration will not be obligated to perform such undertaking if it has substantial evidence that the surety perpetrated a fraud in the inducement upon the Administration.".

SEC. 3. Section 411(a)(5) shall be amended by striking the words "and reasonableness of cost".

SEC. 4. The first, second, and fourth sentences of section 411(c) of such Act are amended by striking out "fee" each place it appears and inserting in lieu thereof "premium".

SEC. 5(a). Section 411 of title IV of Public Law 85-699, as amended, is hereby amended by inserting at the end thereof the following new subsection (e):

"(e) If there is a breach by the principal of the terms of a bid bond, performance bond, or payment bond, resulting in loss to the obligee, and if the surety by reason of insolvency or bankruptcy defaults and does not discharge its obligation to the obligee, the administration shall, notwithstanding any other provision of law, pay the obligee whatever sum would otherwise have been payable to the surety under subsection (b) of this section 411.".

(b) This section shall be effective on and after October 1, 1976.

SEC. 6. That subsection (a) of the first section of the Act of August 24, 1935, as amended (40 U.S.C. 270(a)) is amended by striking out $2,000 and inserting in lieu thereof "$25,000".

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 3370.

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

WATERGATE REORGANIZATION AND REFORM ACT OF 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 897, S. 495.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 495) to establish certain Federal agencies, effect certain reorganizations of the Federal Government, and to implement certain reforms in the operation of the Federal Government recommended by the Senate Select Committee on Presidential Campaign Activities, and for other purposes.

The Senate resumed the consideration of the bill, which had reported from the Committee on Government Operations with an amendment to strike all after the enacting clause and insert the following:

That this Act may be cited as the "Watergate Reorganization and Reform Act of 1976".

TITLE I—AMENDMENTS TO TITLE 28, UNITED STATES CODE

REORGANIZATION OF THE DEPARTMENT OF JUSTICE

SEC. 101. (a) Title 28, United States Code, is amended by adding after chapter 37 the following new chapter:

"Chapter 39—DIVISION OF GOVERNMENT CRIMES AND APPOINTMENT OF TEMPORARY SPECIAL PROSECUTOR

"Sec.
"591. Establishment of Division of Government Crimes.
"592. Jurisdiction.
"593. Final decision by the Attorney General.
"594. Standard for appointment of temporary special prosecutor.
"595. Temporary special prosecutor.
"596. Disqualification of officers and employees of the Department of Justice.
"597. Expedited judicial review.

"§ 591. Establishment of Division of Government crimes

"(a) There is established within the Department of Justice the Division of Government Crimes which shall be headed by the Assistant Attorney General for Government Crimes (hereinafter referred to in this chapter as the 'Assistant Attorney General') who shall be appointed by the President, by and with the advice and consent of the Senate, for a term coterminous with that of the President making the appointment.

"(b) An individual shall not be appointed Assistant Attorney General if such individual has, during the five years preceding such appointment, held a high level position of trust and responsibility while serving on the personal campaign staff or in an organization or political party working on behalf of the campaign of an individual who was elected to the office of President or Vice President.

"(c) The confirmation by the Senate of a Presidential appointment of the Assistant Attorney General shall constitute a final determination that such officer meets the requirements under subsection (b).

"(d) While serving as Assistant Attorney General, an individual shall not engage in any other business, vocation, or employment.

"(e) The Attorney General, at the beginning of each regular session of the Congress, shall report to the Congress on the activities and operation of the Division of Government Crimes for the last preceding fiscal year, and on any other matters pertaining to the Division which he considers proper, including a listing of the number, type, and nature of the investigations and prosecutions conducted by such Division and the disposition thereof, and any proposals for new legislation which the Attorney General may recommend. Such report shall be made public except that the Committee on the Judiciary of the House of Representatives or the Committee on the Judiciary of the Senate may on its own initiative, or upon the request of the Attorney General, seal portions of the report related to uncompleted and ongoing investigations.

"§ 592. Jurisdiction.

"(a) The Attorney General shall, subject to the provisions of section 595, delegate to the Assistant Attorney General jurisdiction of (1) criminal violations of Federal law committed by any elected or appointed Federal Government officer or employee who is serving or has served at any time during the preceding six years in a position compensated at a rate equivalent to or greater than level III of the Executive Schedule under section 5314 of title 5, United States Code; (2) criminal violations of Federal law committed by any elected or appointed Federal Government officer or employee, other than those described in paragraph (1), who is serving or has served at any time during the preceding six years, if such violation is directly or indirectly related to the official Government work or compensation of such officer or employee; (3) criminal violations of Federal law committed by a special Federal Government employee, as defined under section 202 of title 18, United States Code, in the course of his employment by the Government, who is serving or has served at any time during the preceding six years; (4) criminal violations of Federal laws relating to lobbying, campaigns, and election to public office committed by any person; and (5) any other matter which the Attorney General refers to the Assistant Attorney General. Any jurisdictional grant of authority which is inconsistent with this paragraph is hereby superseded.

"(b) For the purpose of subsection (a) of this section, the six-year period referred to shall be computed from the date on which (1) the Assistant Attorney General makes a reasonable effort to notify an individual described in such subsection in writing that such individual is the subject of an investigation of a possible violation of a Federal law, or (2) such individual is informed of his indictment, whichever is earlier.

"(c) Any information, allegation, or complaint received by any officer or employee of any branch of Government relating to any violation specified in subsection (a) of this section shall be expeditiously reported to a local United States Attorney or to the Attorney General. Such United States Attorney shall expeditiously inform the Attorney General in writing of the receipt and content of such information, allegation, or complaint.

"§ 593. Final decision by the Attorney General

"The Attorney General shall supervise the Assistant Attorney General in the discharge of his duties.

"§ 594. Standard for appointment of temporary special prosecutor

"(a) If the Attorney General, upon receiving information, allegations, or evidence of any Federal criminal wrongdoing, determines that a conflict of interest as defined in subsection (c), or the appearance thereof, may exist if he participates in any investiga-

tion or prosecution resulting from such information, allegations, or evidence, the Attorney General within thirty days after the receipt thereof shall file a memorandum with the division of three judges of the United States Court of Appeals for the District of Columbia, as described in section 49 of this title (hereinafter in this chapter referred to as the 'court') containing—

"(1) a summary of the information, allegations, and evidence received and the results of a preliminary investigation or evaluation thereof by any Federal investigative agency;

"(2) a summary of the information relevant to determining whether a conflict of interest, or the appearance thereof, exists;

"(3) a finding by the Attorney General, based upon all information known to the Department of Justice, as to whether the information, allegations, and evidence summarized as required under paragraph (1) are clearly frivolous, and therefore, do not justify any further investigation or prosecution, and any other comments or recommendations by the Attorney General; and

"(4) a decision, if any, by the Attorney General to disqualify himself and to appoint a temporary special prosecutor under section 595.

"(b) Not sooner than thirty days after first notifying the Attorney General of the information, allegations or evidence in his possession of possible criminal wrongdoing, any individual may make a request to the court to decide whether the Attorney General should disqualify himself with respect to a particular investigation by submitting in writing to the court and the Attorney General such information, allegations, or evidence and a summary of the information relevant to determine whether a conflict of interest exists. The Attorney General shall have fifteen days from his receipt thereof to file a memorandum with the court containing the information described in subsection (a) if the Attorney General has not already done so.

"(c)(1) In determining whether a conflict of interest or the appearance thereof exists, the court and the Attorney General shall consider whether the President or the Attorney General has a direct and substantial personal or partisan political interest in the outcome of the proposed criminal investigation or prosecution.

"(2) For the purposes of this section, a conflict of interest, or the appearance thereof, is deemed to exist if the subject of a criminal investigation or prosecution is the President, Vice President, Director of the Federal Bureau of Investigation, any individual serving in a position compensated at level I of the Executive Schedule under section 5312 of title 5, United States Code, any individual working in the Executive Office of the President compensated at a rate equivalent to or greater than level V of the Executive Schedule under section 5316 of title 5, United States Code, or any individual who held any office or position described in this paragraph at any time during the four years immediately preceding the investigation or prosecution.

"(d)(1) If (A) the Attorney General files a memorandum as provided under subsection (a) or (b) which does not include a decision to disqualify himself, or a finding pursuant to subsection (a)(3) that the information, allegations and evidence are clearly frivolous, or (B) the Attorney General fails to make a timely reply as required under subsection (b), the court shall determine whether a conflict of interest, or the appearance thereof, exists. If the court finds such a conflict, or the appearance thereof, it shall appoint a temporary special prosecutor pursuant to section 595, and upon notification in writing of such an appointment the Attorney General shall disqualify himself.

"(2) Upon request of the court, the Attorney General or any other individual shall make available to the court all documents, materials, and memoranda as the court finds necessary to carry out its duties under this section. The court may request participation or argument from a party other than the Attorney General or may appoint any individual to perform the function described in this subsection.

"(e) If, after finding under subsection (a)(3) that the information, allegations, and evidence of possible criminal wrongdoing are clearly frivolous, the Attorney General receives additional information, allegations, or evidence which, in his opinion, justify further investigation or prosecution, the Attorney General shall within fifteen days after receiving the information, allegations, or evidence, file a memorandum with the court in accordance with subsection (a).

"§ 595. Temporary special prosecutor

"(a)(1) A temporary special prosecutor shall be appointed pursuant to this section—

"(A) by the Attorney General, upon a decision to disqualify himself pursuant to section 594(a)(4); or

"(B) by the court, upon a finding of a conflict of interest, or the appearance thereof, pursuant to section 594(d)(1).

"(2) The court shall notify the Attorney General in writing of any decision under paragraph (1)(B). Any action of the court under this section shall supersede any actions by the Attorney General which are in conflict therewith.

"(3) Whoever appoints a temporary special prosecutor under this section shall specify in writing the matters which such prosecutor is authorized to investigate and prosecute.

"(b) An individual shall not be appointed temporary special prosecutor unless such individual (1) is not serving as an officer or employee of the Federal Government and (2) meets the requirements of section 591(b).

"(c) The court shall review appointment of a temporary special prosecutor by the Attorney General under this section to determine whether—

"(1) the individual appointed temporary special prosecutor (A) has a conflict of interest, or the appearance thereof, in accordance with section 594(c); or (B) fails to meet the requirements of subsection (b); or

"(2) the jurisdiction defined by the Attorney General is not sufficiently broad to enable the temporary special prosecutor to carry out the purposes of this chapter.

"If the court finds that the appointment is deficient under paragraph (1) or (2), the court shall appoint a temporary special prosecutor pursuant to this section.

"(d)(1) Except as provided under paragraph (2), the authority and powers of any temporary special prosecutor shall terminate upon the submission to the Attorney General of a report stating that the investigation of all matters which the temporary special prosecutor is authorized to investigate, as set forth pursuant to subsection (a)(3), and any resulting prosecutions have been completed.

"(2) Prior to his submission of the report under paragraph (1), a temporary special prosecutor may be removed from office by the Attorney General only for extraordinary improprieties. Immediately after removing a temporary special prosecutor under this subsection, the Attorney General shall submit to the court a written report specifying with particularity the cause for which such temporary special prosecutor was removed. The court shall make available to the public such report, except that the court may, if necessary to avoid prejudicing the rights under Federal law of any individual, delete or postpone publishing such portions of the report, or the whole report, or any name or other identifying details.

"(3) A temporary special prosecutor or any aggrieved person may bring an action in the United States District Court for the District of Columbia to challenge the action of the Attorney General under paragraph (2) by seeking reinstatement or any other appropriate relief. In any hearing of any such action, the court shall proceed de novo.

"(e) In carrying out the provisions of this section, a temporary special prosecutor shall have, within the jurisdiction specified by the Attorney General or the court in accordance with subsection (a)(3), the same power as the Assistant Attorney General for Government Crimes to act on behalf of the United States, except that the temporary special prosecutor shall have the authority to appeal any decision of a court in a proceeding in which he is a party without the approval of the Solicitor General or the Attorney General. The Attorney General shall make available to the temporary special prosecutor all documents, materials, and memoranda necessary to carry out his duties under this section.

"(f) Upon request by a temporary special prosecutor, the Attorney General shall make available to him the resources and personnel necessary to carry out his duties under this section. If a temporary special prosecutor does not receive the resources and personnel required to perform his duties, said temporary special prosecutor shall inform the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate.

"§ 596. Disqualification of officers and employees of the Department of Justice

"The Attorney General shall promulgate rules and regulations which require any officer or employee of the Department of Justice, including a United States attorney or a member of his staff, to disqualify himself from participation in a particular investigation or prosecution if such participation may result in a personal, financial, or partisan political conflict of interest, or the appearance thereof. Such rules and regulations may provide that a willful violation of any provision thereof shall result in removal from office.

"§ 597. Expedited judicial review

"(a)(1) Any objection on constitutional grounds by a person who is the subject of an indictment or information to the authority of a temporary special prosecutor appointed under this chapter to frame and sign indictments or informations or to prosecute offenses in the name of the United States shall be raised, if at all, by motion to dismiss the indictment or information. Each such motion shall be made within twenty days of notice of the indictment or information and shall not preclude the making of any other motion under the Federal Rules of Criminal Procedure.

"(2) The district court shall immediately certify any motion under paragraph (1) of this subsection to the United States court of appeals for that circuit, which shall hear the motion sitting en banc.

"(3) Notwithstanding any other provision of law, any determination on the motion shall be reviewable by appeal directly to the Supreme Court of the United States, if such appeal is filed within ten days after such determination.

"(4) Except as provided in this section, no court shall have jurisdiction to consider any objection to the validity of an indictment or information or a conviction based on the lack of authority under the Constitution of a temporary special prosecutor to frame and sign indictments and informations and to prosecute offenses in the name of the United States.

"(5) Notwithstanding any subsequent judicial determination regarding his authority to frame and to sign indictments and informations and to prosecute offenses in the name of the United States, an individual who is appointed as a temporary special prosecutor and anyone acting on his behalf

shall be deemed a person authorized to be present during sessions of a grand jury.

"(b)(1) Any person aggrieved by an official act of a temporary special prosecutor may bring an action or file an appropriate motion challenging his constitutional authority under this chapter seeking appropriate relief. Such an action or motion shall be filed within twenty days after the aggrieved person has notice of the act to which he objects. The district court shall immediately certify all questions of the constitutionality of this chapter to the United States court of appeals for that circuit, which shall hear the matter sitting en banc.

"(2) Notwithstanding any other provision of law, any decision on a matter certified under paragraph (1) of this subsection shall be reviewable by appeal directly to the Supreme Court of the United States, if such appeal is brought within ten days of the decision of the court of appeals.

"(c)(1) It shall be the duty of the court of appeals and of the United States Supreme Court to advance on the docket and to expedite to the greatest possible extent the disposition of any motion filed under subsection (a)(1), or any question certified under subsection (b)(1).

"(2) The expedited review procedures of this section shall not apply to any challenge to the constitutionality of any provision of this chapter insofar as any question presented shall have been previously determined by the Supreme Court of the United States notwithstanding that the previous determination occurred in litigation involving other parties.".

(b) The analysis of part II of title 28, United Code, is amended by adding after the item following chapter 37 the following new item:

"39. Division of Government Crimes and Appointment of Temporary Special Prosecutor........ 591".

(c)(1) Section 5315 of title 5, United States Code, is amended by striking out "(9)" in item (19) and inserting in lieu thereof "(10)".

(2) A temporary special prosecutor shall receive compensation at a per diem rate equal to the rate of basic pay for level V of the Executive Schedule under section 5316 of title 5, United States Code.

ASSIGNMENT OF JUDGES TO DIVISION TO APPOINT TEMPORARY SPECIAL PROSECUTORS

SEC. 102. (a) Chapter 3 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 49. Assignment of judges to division to appoint temporary special prosecutors

"(a) The chief judge of the United States Court of Appeals for the District of Columbia shall every two years assign three judges to a division of the United States Court of Appeals for the District of Columbia to determine all matters arising under sections 594 and 595 of this title.

"(b) Except as provided under subsection (f), assignment to the division established in subsection (a) shall not be a bar to other judicial assignments during the term of such division.

"(c) In assigning judges or justices to sit on the division established in subsection (a), priority shall be given to senior retired circuit court judges and senior retired justices.

"(d) The chief judge of the United States Court of Appeals for the District of Columbia may make a request to the Chief Justice of the United States, without presenting a certificate of necessity, to designate and assign, in accordance with section 294 of this title, retired circuit court judges of another circuit or retired justices to the division established under subsection (a).

"(e) Any vacancy in the division established under subsection (a) shall be filled only for the remainder of the two-year period in which such vacancy occurs and in the same manner as initial assignments to the division were made.

"(f) No judge or justice who as a member of the division established in subsection (a) participated in a decision of a matter under section 594 or 595 of this title involving a temporary special prosecutor shall be eligible to participate on a circuit court panel deciding a matter which involves such temporary special prosecutor while such temporary special prosecutor is serving in that office or which involves the exercise of the temporary special prosecutor's official duties, regardless of whether he is still serving in that office.".

(b) The table of sections of chapter 3 of title 28, United States Code, is amended by adding at the end thereof the following:

"49. Assignment of judges to division to appoint temporary special prosecutors.".

SEPARABILITY

SEC. 103. If any part of this title is held invalid, the remainder of the title shall not be affected thereby. If any provision of any part of this title, or the application thereof to any person or circumstance, is held invalid, the provisions of other parts and their application to other persons or circumstances shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 104. There are authorized to be appropriated for each fiscal year through October 30, 1981, such sums as may be necessary to carry out the provisions of this title.

TITLE II—CONGRESSIONAL LEGAL COUNSEL

ESTABLISHMENT OF OFFICE OF CONGRESSIONAL LEGAL COUNSEL

SEC. 201. (a)(1) There is established, as an office of the Congress, the Office of Congressional Legal Counsel (hereinafter referred to as the "Office"), which shall be headed by a Congressional Legal Counsel; and there shall be a Deputy Congressional Legal Counsel who shall perform such duties as may be assigned to him by the Congressional Legal Counsel and, during any absence, disability, or vacancy in the office of the Congressional Legal Counsel, the Deputy Congressional Legal Counsel shall serve as Acting Congressional Legal Counsel.

(2) The Congressional Legal Counsel and the Deputy Congressional Legal Counsel each shall be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives from among recommendations submitted by the majority and minority leaders of the Senate and the House of Representatives. Any appointment made under this subsection shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the Office. Any person appointed as Congressional Legal Counsel or Deputy Congressional Legal Counsel shall be learned in the law, a member of the bar of a State or the District of Columbia, and shall not engage in any other business, vocation, or employment during the term of such appointment.

(3)(A) Any appointment made under this subsection shall become effective upon approval, by concurrent resolution, of the Senate and the House of Representatives. The Congressional Legal Counsel and the Deputy Congressional Legal Counsel shall each be appointed for a term which shall expire at the end of the Congress following the Congress during which the Congressional Legal Counsel is appointed except that the Congress may, by concurrent resolution, remove either the Congressional Legal Counsel or the Deputy Congressional Legal Counsel prior to the termination of his term of office. The Congressional Legal Counsel and the Deputy Congressional Legal Counsel may be reappointed at the termination of any term of office.

(B) The first Congressional Legal Counsel and the first Deputy Congressional Legal Counsel shall be appointed and take office within ninety days after the enactment of this title, and thereafter the Counsel shall be appointed and take office within thirty days after the beginning of the session of Congress immediately following the termination of the Congressional Legal Counsel's term of office.

(4) The Congressional Legal Counsel shall receive compensation at a per annum gross rate equal to the rate of basic pay for level III of the Executive Schedule under section 5314 of title 5, United States Code. The Deputy Congressional Legal Counsel shall receive compensation at a per annum gross rate equal to the rate of basic pay for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b)(1) The Congressional Legal Counsel shall appoint and fix the compensation of such Assistant Congressional Legal Counsels and of such other personnel as may be necessary to carry out the provisions of this title and may prescribe the duties and responsibilities of such personnel. Any appointment made under this subsection shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the Office. Any person appointed as Assistant Congressional Legal Counsel shall be learned in the law, a member of the bar of a State or the District of Columbia, and shall not engage in any other business, vocation, or employment during the term of such appointment. All such employees shall serve at the pleasure of the Congressional Legal Counsel.

(2) For purpose of pay (other than pay of the Congressional Legal Counsel and Deputy Congressional Legal Counsel) and employment benefits, rights, and privileges, all personnel of the Office shall be treated as if they were employees of the Senate.

(c) In carrying out the functions of the Office, the Congressional Legal Counsel may procure the temporary (not to exceed one year) or intermittent services of individual consultants (including outside counsel), or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72(a)(i)).

(d) The Congressional Legal Counsel may establish such procedures as may be necessary to carry out the provisions of this title.

(e) The Congressional Legal Counsel may delegate authority for the performance of any function imposed by this Act except any function imposed upon the Congressional Legal Counsel under section 205(b) of this title.

DUTIES AND FUNCTIONS

SEC. 202. (a) Whenever the Joint Committee on Congressional Operations (hereinafter referred to in this title as the "Joint Committee") is performing any of the responsibilities set forth in subsection (b), the Speaker of the House of Representatives, the majority and minority leaders of the House of Representatives, the President pro tempore of the Senate, and the majority and minority leaders of the Senate shall be ex officio members of the Joint Committee.

(b) The Joint Committee shall—

(1) oversee the activities of the Office of Congressional Legal Counsel, including but not limited to, consulting with the Congressional Legal Counsel with respect to the conduct of litigation in which the Congressional Legal Counsel is involved;

(2) pursuant to section 209 of this title, recommend the appropriate action to be

taken in resolution of a conflict or inconsistency;

(3) pursuant to section 205(b), cause the publication in the Congressional Record of the notification required of the Congressional Legal Counsel under that section.

(c)(1) Whenever the Congress is not in session, the Joint Committee may, in accordance with the provisions in section 203(b)(2), authorize the Congressional Legal Counsel to undertake its responsibilities under section 203(a) in the absence of an appropriate resolution for a period not to exceed ten days after the Congress or the appropriate House of Congress reconvenes.

(2) The Joint Committee may poll its members by telephone in order to conduct a vote under this subsection.

DEFENDING A HOUSE, COMMITTEE, MEMBER, OFFICER, AGENCY, OR EMPLOYEE OF CONGRESS

SEC. 203. (a) Except as otherwise provided in subsection (b), the Congressional Legal Counsel, at the direction of Congress or the appropriate House of Congress shall—

(1) defend Congress, a House of Congress, an office or agency of Congress, a committee or subcommittee, or any Member, officer or employee of a House of Congress in any civil action pending in any court of the United States or of a State or political subdivision thereof in which Congress, such House, committee, subcommittee, Member, officer, employee, office, or agency is made a party defendant and in which there is placed in issue the validity of any proceeding of, or action, including issuance of any subpena or order, taken by Congress, such House, committee, subcommittee, Member, officer, employee, office, or agency; or

(2) defend Congress, a House of Congress, an office or agency of Congress, a committee or subcommittee, or a Member, officer, or employee of a House of Congress in any civil action pending in any court of the United States or of a State or political subdivision thereof with respect to any subpena or order directed to Congress, such House, committee, subcommittee, Member, officer, employee, office, or agency.

(b)(1) Representation of a Member, officer, or employee under section 203(a) shall be undertaken by the Congressional Legal Counsel only upon the consent of such Member, officer, or employee. The resolution directing the Congressional Legal Counsel to represent a Member, officer, or employee may limit such representation to constitutional issues relating to the powers and responsibilities of Congress.

(2) The Congressional Legal Counsel may undertake its responsibilities under subsection (a) in the absence of an appropriate resolution by the Congress or by one House of the Congress if—

(A) Congress or the appropriate House of Congress is not in session;

(B) the interest to be represented would be prejudiced by a delay in representation; and

(C) the Joint Committee authorizes the Congressional Legal Counsel to proceed in its representation as provided under section 202.

INSTITUTING A CIVIL ACTION TO ENFORCE A SUBPENA OR ORDER

SEC. 204. (a) The Congressional Legal Counsel, at the direction of Congress or the appropriate House of Congress, shall bring a civil action under any statute conferring jurisdiction on any court of the United States to enforce, or issue a declaratory judgment concerning the validity of any subpena or order issued by Congress, or a House of Congress, a committee, or a subcommittee of a committee authorized to issue a subpena or order.

(b) Nothing in subsection (a) shall limit the discretion of—

(1) the President pro tempore of the Senate or the Speaker of the House of Representatives in certifying to the United States Attorney for the District of Columbia any matter pursuant to section 104 of the Revised Statutes (2 U.S.C. 194); or

(2) either House of Congress to hold any individual or entity in contempt of such House of Congress.

INTERVENTION OR APPEARANCE

SEC. 205. (a) The Congressional Legal Counsel, at the direction of Congress, shall intervene or appear as amicus curiae in any legal action pending in any court of the United States or of a State or political subdivision thereof in which—

(1) the constitutionality of any law of the United States is challenged, the United States is a party, and the constitutionality of such law is not adequately defended by counsel for the United States; or

(2) the powers and responsibilities of Congress under article I of the Constitution of the United States are placed in issue.

(b) The Congressional Legal Counsel shall notify the Joint Committee of any legal action in which the Congressional Legal Counsel is of the opinion that intervention or appearance as amicus curiae by Congress is necessary to carry out the purposes of subsection (a). Such notification shall contain a description of the legal proceeding together with the reasons that the Congressional Legal Counsel is of the opinion that Congress should intervene or appear as amicus curiae. The Joint Committee shall cause said notification to be published in the Congressional Record for the Senate and House of Representatives.

(c) The Congressional Legal Counsel shall limit any intervention or appearance as amicus curiae in an action involving a Member, officer, or employee of Congress to constitutional issues relating to the powers and responsibilities of Congress.

IMMUNITY PROCEEDINGS

SEC. 206. The Congressional Legal Counsel, at the direction of the appropriate House of Congress or any committee of Congress, shall serve as the duly authorized representative of such House or committee in requesting a United States district court to issue an order granting immunity pursuant to section 201(a) of the Organized Crime Control Act of 1970 (18 U.S.C. 6005).

ADVISORY AND OTHER FUNCTIONS

SEC. 207. (a) The Congressional Legal Counsel shall advise, consult, and cooperate—

(1) with the United States Attorney for the District of Columbia with respect to any criminal proceeding for contempt of Congress certified pursuant to section 104 of the Revised Statutes (2 U.S.C. 194);

(2) with the Joint Committee on Congressional Operations in identifying any court proceeding or action which is of vital interest to Congress or to either House of Congress under section 402(a)(2) of the Legislative Reorganization Act of 1970 (2 U.S.C. 412(a)(2));

(3) with the Comptroller General, General Accounting Office, the Office of Legislative Counsel of the Senate, the Office of the Legislative Counsel of the House of Representatives, and the Congressional Research Service, except that none of the responsibilities and authority granted by this title to the Congressional Legal Counsel shall be construed to affect or infringe upon any functions, powers, or duties of the Comptroller General of the United States;

(4) with any Member, officer, or employee of Congress not represented under section 203 with regard to obtaining private legal counsel for such Member, officer, or employee;

(5) with the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Parliamentarians of the Senate and House of Representatives regarding any subpena, order, or request for withdrawal of papers presented to the Senate and House of Representatives or which raises a question of the privileges of the Senate or House of Representatives; and

(6) with any committee or subcommittee in promulgating and revising their rules and procedures for the use of congressional investigative powers and questions which may arise in the course of any investigation.

(b) The Congressional Legal Counsel shall compile and maintain legal research files of materials from court proceedings which have involved Congress, a House of Congress, an office or agency of Congress, or any committee, subcommittee, Member, officer, or employee of Congress. Public court papers and other research memoranda which do not contain information of a confidential or privileged nature shall be made available to the public consistent with any applicable procedures set forth in such rules of the Senate and House of Representatives as may apply and the interests of Congress.

(c) The Congressional Legal Counsel shall perform such other duties consistent with the purposes and limitations of this title as the Congress may direct.

DEFENSE OF CERTAIN CONSTITUTIONAL POWERS

SEC. 208. In performing any function under section 203, 204, or 205, the Congressional Legal Counsel shall defend vigorously when placed in issue—

(1) the constitutional privilege from arrest or from being questioned in any other place for any speech or debate under section 6 of article I of the Constitution of the United States;

(2) the constitutional power of each House of Congress to be judge of the elections, returns, and qualifications of its own Members and to punish or expel a Member under section 5 of article I of the Constitution of the United States;

(3) the constitutional power of each House of Congress to except from publication such parts of its journal as in its judgment may require secrecy;

(4) the constitutional power of each House of Congress to determine the rules of its proceedings;

(5) the constitutional power of Congress to make all laws as shall be necessary and proper for carrying into execution the constitutional powers of Congress and all other powers vested by the Constitution in the Government of the United States, or in any department or office thereof;

(6) all other constitutional powers and responsibilities of Congress; and

(7) the constitutionality of statutes enacted by Congress.

CONFLICT OR INCONSISTENCY

SEC. 209. (a) In the carrying out of the provisions of this title, the Congressional Legal Counsel shall notify the Joint Committee and any party represented or entitled to representation under this title, of the existence and nature of any conflict or inconsistency between the representation of such party and the carrying out of any other provisions of this title, or compliance with professional standards and responsibilities.

(b) Upon receipt of such notification, the Joint Committee shall recommend the action to be taken to avoid or resolve the conflict or inconsistency. The Joint Committee shall cause the notification of conflict or inconsistency and the Joint Committee's recommendation with respect to resolution thereof to be published in the Congressional Record of the appropriate House or Houses of Congress. If Congress or the appropriate House of Congress does not direct the Joint Committee within fifteen days from the date of publication in the Record to resolve the conflict in another manner, the Congressional Legal Counsel shall take such action as may be necessary to resolve the conflict

or inconsistency as recommended by the Joint Committee. Any instruction or determination made pursuant to this subsection shall not be reviewable in any court of law.

(c) The appropriate House of Congress may by resolution authorize the reimbursement of any Member, officer, or employee who is not represented by the Congressional Legal Counsel as a result of the operation of subsection (b) or who declines to be represented pursuant to section 203(b) for costs reasonably incurred in obtaining representation. Such reimbursement shall be from funds appropriated to the contingent fund of the appropriate House.

PROCEDURE FOR DIRECTION OF CONGRESSIONAL LEGAL COUNSEL

SEC. 210. (a) Directives made pursuant to sections 203(a), 204(a), 205(a), and 206, of this title shall be made as follows:

(1) Directives made by Congress pursuant to sections 203(a), 204(a), and 205(a) of this title shall be authorized by a concurrent resolution of Congress.

(2) Directives made by either House of Congress pursuant to sections 203(a), 204(a), and 206 of this title shall be authorized by passage of a resolution of such House.

(3) Directives made by a committee of Congress pursuant to section 206 of this title shall be in writing and approved by an affirmative vote of two-thirds of the members of the full committee.

(b)(1) A resolution or concurrent resolution introduced pursuant to subsection (a) shall not be referred to a committee except as otherwise required under subsection (c)(1). Upon introduction or when reported as required under subsection (c)(2), it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution or concurrent resolution. A motion to proceed to the consideration of a resolution or concurrent resolution shall be highly privileged and not debatable. An amendment to such motion shall not be in order, and it shall not be in order to move to reconsider to vote by which such motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of the resolution or concurrent resolution is agreed to, debate thereon shall be limited to not more than five hours, which shall be divided equally between, and controlled by, those favoring and those opposing the resolution or concurrent resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution or concurrent resolution shall be in order, except an amendment pursuant to section 203(b) to limit representation by the Congressional Legal Counsel to constitutional issues relating to the powers and responsibilities of Congress. No motion to recommit the resolution or concurrent resolution shall be in order, and it shall not be in order to reconsider the vote by which the resolution or concurrent resolution is agreed to or disagreed to.

(3) Motions to postpone, made with respect to the consideration of the resolution or concurrent resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to the resolution or concurrent resolution shall be decided without debate.

(c) It shall not be in order in the Senate or House of Representatives to consider a resolution to direct the Congressional Legal Counsel to bring a civil action pursuant to section 204(a) to enforce or secure a declaratory judgment concerning the validity of a subpena or order issued by a committee or subcommittee unless (1) such resolution is reported by a majority vote of the members of such committee or committee of which such subcommittee is a subcommittee, and (2) the report filed by such committee or committee of which such subcommitee is a subcommittee contains a statement of—

(A) the procedure followed in issuing such subpena;

(B) the extent to which the party subpenaed has complied with such subpena;

(C) any objections or privileges raised by the subpenaed party; and

(D) the comparative effectiveness of bringing a civil action to enforce the subpena, certification of a criminal action for contempt of Congress, and initiating a contempt proceeding before a House of Congress.

(d) The extent to which a report filed pursuant to subsection (c)(2) is in compliance with such subsection shall not be reviewable in any court of law.

(e) For purposes of the computation of time in sections 202(c)(1) and 209(b)—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period.

(f) For purposes of this title, when referred to herein, the term "committee" shall include standing, select, special, or joint committees established by law or resolution and the Technology Assesment Board.

(g) The provisions of this section are enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and, as such, they shall be considered as part of the rules of each House, respectively, and such rules shall supersede any other rule of each House only to the extent that rule is inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(h) Any directive to the Congressional Legal Counsel to bring a civil action pursuant to section 204(a) of this title in the name of a committee, or subcommittee of Congress shall constitute authorization for such committee, or subcommittee to bring such action within the meaning of any statute conferring jurisdiction on any court of the United States.

ATTORNEY GENERAL RELIEVED OF RESPONSIBILITY

SEC. 211. (a) Upon receipt of written notice that the Congressional Legal Counsel has undertaken, pursuant to section 203(a) of this title, to perform any representational service with respect to any designated action or proceeding pending or to be instituted, the Attorney General shall—

(1) be relieved of any responsibility with respect to such representational service;

(2) have no authority to perform such service in such action or proceeding except at the request or with the approval of the Congressional Legal Counsel or either House of Congress; and

(3) transfer all materials relevant to the representation authorized under section 203(a) to the Congressional Legal Counsel.

(b) The Attorney General shall notify the Congressional Legal Counsel with respect to any proceeding in which the United States is a party of any determination by the Attorney General or Solicitor General not to appeal any court decision affecting the constitutionality of a statute enacted by Congress within such time as will enable the Congressional Legal Counsel to intervene in such proceeding pursuant to section 205.

PROCEDURAL PROVISIONS

SEC. 212. (a) Permission to intervene as a party or to file a brief amicus curiae under section 205 of this title shall be of right and may be denied by a court only upon an express finding that such intervention or filing is untimely and would significantly delay the pending action.

(b) The Congressional Legal Counsel, the Deputy Congressional Legal Counsel or any designated Assistant Congressional Legal Counsel, shall be entitled, for the purpose of performing his functions under this title, to enter an appearance in any such proceeding before any court of the United States without compliance with any requirement for admission to practice before such court, except that the authorization conferred by this paragraph shall not apply with respect to the admission of any person to practice before the United States Supreme Court.

(c) Nothing in this title shall be construed to confer standing on any party seeking to bring, or jurisdiction on any court with respect to, any civil or criminal action against Congress, either House of Congress, a Member of Congress, a committee or subcommittee of Congress, or any officer, employee, office, or agency of Congress.

(d) In any civil action brought pursuant to section 204 of this title, the court shall assign the case for hearing at the earliest practicable date and cause the case in every way to be expedited. Any appeal or petition for review from any order or judgment in such action shall be expedited in the same manner.

JURISDICTION OF CONGRESSIONAL ACTIONS

SEC. 213. (a) Chapter 85 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1364. Congressional actions

"(a) The District Court for the District of Columbia shall have original jurisdiction, without regard to the sum or value of the matter in controversy, over any civil action brought by Congress, a House of Congress, or any authorized committee or joint committee of Congress, or any subcommittee thereof, to enforce, or secure a declaration concerning the validity of, any subpena or order issued by Congress, or such House, committee, subcommittee, or joint committee to any entity acting or purporting to act under color or authority of State law or to any natural person to secure the production of documents or other materials of any kind or the answering of any deposition or interrogatory or to secure testimony or any combination thereof. This section shall not apply to an action to enforce, or secure a declaration concerning the validity of, any subpena, or order issued to an officer or employer of the Federal Government acting within his official capacity.

"(b) The Congress, or either House of Congress, any committee, subcommittee, or joint committee of Congress commencing and prosecuting a civil action under this section may be represented in such action by such attorneys as it may designate.

"(c) A civil action commenced or prosecuted under this section may not be authorized pursuant to the Standing Order of the Senate 'authorizing suits by Senate Committees' (S. Jour. 572, 70-1, May 28, 1928).".

(b) The analysis of such chapter 85 is amended by adding at the end thereof the following new item:

"1364. Congressional actions.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 214. (a) Section 3210 of title 39 United States Code, is amended—

(1) by striking out "and the Legislative Counsels of the House of Representatives and the Senate" in subsection (b)(1) and inserting in lieu thereof "the Legislative Counsels of the House of Representatives and the Senate, and the Congressional Legal Counsel"; and

(2) by striking out "or the Legislative

Counsel of the House of Representatives or the Senate" in subsection (b) (2) and inserting in lieu thereof "the Legislative Counsel of the House of Representatives of the Senate, or the Congressional Legal Counsel".

(b). Section 3216(a) (1) (A) of such title is amended by striking out "and the Legislative Counsels of the House of Representatives and the Senate" and inserting in lieu thereof "the Legislative Counsels of the House of Representatives and the Senate, and the Congressional Legal Counsel".

(c) Section 3219 of such title is amended by striking out "or the Legislative Counsel of the House of Representatives or the Senate" and inserting in lieu thereof "the Legislative Counsel of the House of Representatives or the Senate, or the Congressional Legal Counsel".

(d) Section 8 of the Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and sixty-six, and for other purposes", approved March 3, 1875, as amended (2 U.S.C. 118), is repealed.

(e) The first sentence in section 2403 of title 28, United States Code, is amended by striking out "and for argument on the question of constitutionality" and inserting in lieu thereof "and for argument in favor of the constitutionality of such act".

SEPARABILITY

SEC. 215. If any part of this title is held invalid, the remainder of the title shall not be affected thereby. If any provision of any part of this title, or the application thereof to any person or circumstance is held invalid, the provisions of other parts and their application to other persons or circumstances shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 216. There are authorized to be appropriated for each fiscal year through October 30, 1981, such sums as may be necessary to carry out the provisions of this title. Amounts so appropriated shall be disbursed by the Secretary of the Senate upon vouchers signed by the Congressional Legal Counsel, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

TITLE III—GOVERNMENT PERSONNEL; FINANCIAL DISCLOSURE REQUIREMENTS

DEFINITIONS

SEC. 301. As used in this title—

(1) the term "agency" means each authority of the Government of the United States;

(2) the term "commodity future" means commodity future as defined in sections 2 and 5 of the Commodity Exchange Act, as amended (7 U.S.C. 2 and 5);

(3) the term "Comptroller General" means the Comptroller General of the United States;

(4) the term "dependent" means dependent as defined in section 152 of the Internal Revenue Code of 1954;

(5) the term "employee" includes any employee designated under section 2105 of title 5, United States Code, and any employee of the United States Postal Service or of the Postal Rate Commission;

(6) the term "immediate family" means— (A) the spouse of an individual, (B) the child, parent, grandparent, grandchild, brother, or sister of an individual or of the spouse of such individual, and (C) the spouse of any individual designated in clause (B);

(7) the term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954;

(8) the term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate;

(9) the term "officer" includes any officer designated under section 2104 of title 5, United States Code, and any officer of the United States Postal Service or of the Postal Rate Commission;

(10) the term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

(11) the term "transactions in securities and commodities" means any acquisition, transfer, or other disposition involving any security or commodity;

(12) the term "uniformed services" means any of the armed forces, the commissioned corps of the Public Health Service, or the commissioned corps of the National Oceanic and Atmospheric Administration;

(13) the term "political contribution" means a contribution as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431); and

(14) the term "expenditure" means an expenditure as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).

INDIVIDUALS REQUIRED TO FILE REPORT

SEC. 302. (a) Any individual who is or was an officer or employee designated under subsection (b) shall file each calendar year a report containing a full and complete financial statement for the preceding calendar year if such individual has occupied the office or position for a period in excess of ninety days in such calendar year.

(b) The officers and employees referred to in subsection (a) are—

(1) the President;

(2) the Vice President;

(3) each Member of Congress;

(4) each justice or judge of the United States;

(5) each officer or employee of the United States who is compensated at a rate equal to or in excess of the minimum rate prescribed for employees holding the grade of GS-16 under section 5332(a) of title 5, United States Code; and

(6) each member of a uniformed service who is compensated at a rate equal to or in excess of the monthly rate of pay prescribed for grade O-6, as adjusted under section 1009 of title 37, United States Code.

(c) Any individual who seeks nomination for election, or election, to the office of President, Vice President, or Member of Congress shall file in any year in which such individual has—

(1) taken the action necessary under the law of a State to qualify for nomination for election, or election, or

(2) received political contributions or made expenditures, or has given consent for any other person to receive political contributions or make expenditures, with a view to bringing about such individual's nomination for election or election, to such office,

a report containing a full and complete financial statement for the preceding calendar year.

CONTENTS OF REPORTS

SEC. 303. (a) Each individual shall include in each report required to be filed by him under section 302 a full and complete statement, in such manner and form as the Comptroller General may prescribe, with respect to—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from any member of his immediate family) received during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received for or in connection with the preparation or delivery of any speech, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication;

(2) the fair market value and source of any item received in kind (other than items received in kind from any member of his immediate family), including, but not limited to, any transportation or entertainment received, during the preceding calendar year if such fair market value for such item exceeds $500;

(3) the identity and the category of value, as designated under subsection (b), of each asset, other than household furnishings or goods, jewelry, clothing, or any vehicle owned solely for the personal use of the individual, his spouse, or any of his dependents, held during the preceding calendar year which has a value in excess of $1,000 as of the close of the preceding calendar year;

(4) the identity and the category of amount, as designated under subsection (b), of each liability owed which is in excess of $1,000 as of the close of the preceding calendar year;

(5) the identity, the category of amount, as designated under subsection (b), and date of any transaction in securities of any business entity or any transaction in commodities futures during the preceding calendar year which is in excess of $1,000;

(6) the identity and the category of value, as designated under subsection (b), of any purchase or sale of real property or any interest in any real property during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000;

(7) any patent right or any interest in any patent right, and the nature of such patent right, held during the preceding calendar year; and

(8) a description of, the parties to, and the terms of any contract, promise, or other agreement between such individual and any person with respect to his employment after such individual ceases to occupy his office or position with the Government, including any agreement under which such individual is taking a leave of absence from an office or position outside of the Government in order to occupy an office or position of the Government, and a description of and the parties with any unfunded pension agreement between such individual and any employer other than the Government.

Each individual designated under paragraphs (5) and (6) of section 302(b) shall also include in such report the identity of any person, other than the Government, who paid such individual compensation in excess of $5,000 in any of the five years prior to the preceding calendar year and the nature and term of the services such individual performed for such person. The preceding sentence shall not require any individual to include in such report any information which is considered confidential as a result of a privileged relationship, established by law, between such individual and any person nor shall it require an individual to report any information with respect to any person for whom services were provided by any firm or association of which such individual was a member, partner, or employee unless such individual was directly involved in the provision of such services.

(b) (1) For purposes of paragraphs (3) through (6) of subsection (a), an individual need not specify the actual amount or value of each asset, each liability, each transaction in securities of any business entity or in commodities futures, or each purchase or sale required to be reported under such paragraphs, but such individual shall indicate which of the following categories such amount or value is within—

(A) not more than $5,000,

(B) greater than $5,000 but not more than $15,000,

(C) greater than $15,000 but not more than $50,000, or

(D) greater than $50,000.

(2) Each individual shall report the ac-

tual amount or value of any other item required to be reported under this section.

(c) For purposes of paragraphs (1) through (7) of subsection (a), an individual shall include each item of income or reimbursement and each gift received, each item received in kind, each asset held, each liability owned, each transaction in commodities futures and in securities, each purchase or sale of real property or interest in any real property, and each patent right or interest in any patent right held by him, his spouse, or any of his dependents, or by him and his spouse jointly, him and any of his dependents jointly, or his spouse and any of his dependents jointly, or by any person acting on his behalf.

FILING OF REPORTS

SEC. 304. (a)(1) Each individual required to file a report under section 302(a), other than an individual excepted under paragraph (3) of this subsection, shall file such report with the Comptroller General not later than May 15 of each year. Each such individual, other than the President, Vice President, a Member of Congress, a justice or judge of the United States, any officer or employee of the Senate or the House of Representatives or any court of the United States, the head of each agency, each Presidential appointee in the Executive Office of the President who is not subordinate to the head of an agency in the Executive Office, or each full-time member of a committee, board, or commission appointed by the President, shall file a copy of such report with the head of the agency in which such individual occupies any office or position at the same time as such report is filed with the Comptroller General.

(2) Each Member, officer, and employee of the House of Representatives and the Senate required to file a report under section 302(a) shall file a copy of such report with the Clerk of the House of Representatives and the Secretary of the Senate, respectively, and each justice, judge, officer, and employee of any court of the United States shall file a copy of such report with the Director of the Administrative Office of the United States Courts at the same time as such report is filed with the Comptroller General.

(3) The head of each agency, each Presidential appointee in the Executive Office of the President who is not subordinate to the head of an agency in the Executive Office, and each full-time member of a committee, board, or commission appointed by the President, shall file a copy of such report with the Chairman of the Civil Service Commission at the same time such report is filed with the Comptroller General.

(4) The President may exempt any individual in the Central Intelligence Agency, the Defense Intelligence Agency, or the National Security Agency, or any individual engaged exclusively in intelligence activities in any agency of the United States from the requirement to file a report with the Comptroller General if the President finds that, due to the nature of the office or position occupied by such individual, public disclosure of such report would reveal the identity of an undercover agent of the Federal Government. Each individual exempted by the President from such requirements shall file such report with the head of the agency in which he occupies an office or position or, if an individual described in subsection (a)(3), with the Chairman of the Civil Service Commission.

(b) Each individual required to file a report under section 302(c) shall file such report with the Comptroller General within one month after the earliest of either action which such individual takes under section 302(c) (1) or (2).

(c)(1) Any individual who ceases prior to May 15 of any calendar year to occupy the office or position the occupancy of which imposes upon him the reporting requirement contained in section 302(a) shall file such report for the preceding calendar year and the period of such calendar year for which he occupies such office or position on or before May 15 of such calendar year.

(2) Any individual who ceases to occupy such office or position after May 15 of any calendar year shall file such report for the period of such calendar year which he occupies such office or position on the last day he occupies such office or position.

(d) The Comptroller General may grant one or more reasonable extensions of time for filing any report but the total of such extensions shall not exceed ninety days.

FAILURE TO FILE OR FALSIFYING REPORTS; PROCEDURE

SEC. 305. (a)(1) Any individual who willfully fails to file a report as required under section 302, or who knowingly and willfully falsifies or fails to report any information such individual is required to report under section 303, shall be fined in any amount not exceeding $10,000, or imprisoned for not more than one year, or both.

(2) The Attorney General may bring a civil action in any district court of the United States against any individual who fails to file a report which such individual is required to file under section 302 or who fails to report any information which such individual is required to report under section 303. The court in which such action is brought may assess against such individual a penalty in any amount not to exceed $5,000.

(b) The head of each agency, the Clerk of the House of Representatives with respect to any Member, officer, or employee of the House of Representatives, the Secretary of the Senate with respect to any Member, officer or employee of the Senate, and the Director of the Administrative Office of the United States Courts with respect to any justice, judge, officer, or employee of any court of the United States shall submit annually to the Comptroller General a complete list of individuals who are required to file a report under section 302 and shall submit at the close of each calendar quarter a list of individuals who have begun or have terminated employment with such agency, the House of Representatives, the Senate, or any court in such calendar quarter.

(c) The Comptroller General shall refer to the Attorney General the name of any individual the Comptroller General has reasonable cause to believe has failed to file a report or has falsified or failed to file information required to be reported. In addition, if such individual is a Member, officer, or employee of the Senate or the House of Representatives, the Comptroller General shall refer the name of such individual to the Senate Select Committee on Standards and Conduct or the Committee on Standards of Official Conduct of the House of Representatives, whichever is appropriate.

(d) The President, the Vice President, either House of Congress, the Director of the Administrative Office of the United States Courts, the head of each agency or the Civil Service Commission may take any appropriate personnel or other action against any individual failing to file a report or information or falsifying information.

CUSTODY AND AUDIT OF, AND PUBLIC ACCESS TO, REPORTS

SEC. 306. (a) The Comptroller General shall make each report filed with him under section 305 available to the public within fifteen days after the receipt of such report from any individual and provide a copy of such report to any person upon a written or oral request.

(b) The Comptroller General may require any person receiving a copy of such report under subsection (a) to supply his name and address and the name of the person or organization, if any, on whose behalf he is requesting such copy and to pay a reasonable fee in any amount which the Comptroller General finds necessary to recover the cost of reproduction or mailing of such report excluding any salary of any employee involved in such reproduction or mailing. The Comptroller General may furnish any copy of such report without charge or at a reduced charge if he determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the public.

(c)(1) It shall be unlawful for any person to inspect or obtain a copy of any report—

(A) for any unlawful purpose;

(B) for any commercial purpose;

(C) to determine or establish the credit rating of any individual; or

(D) for use directly or indirectly in the solicitation of money for any political, charitable, or other purpose.

(2) The Attorney General may bring a civil action in any district court of the United States against any person who inspects or obtains such report for any purpose prohibited in paragraph (1). The court in which such action is brought may assess against such individual a penalty in any amount not to exceed $1,000.

(d) Any report received by the Comptroller General shall be held in his custody and made available to the public for a period of five years after receipt by the Comptroller General of such report. After such five-year period, the Comptroller General shall destroy any such report.

(e)(1) The House of Representatives, the Senate, the Director of the Administrative Office of the United States Courts, the Chairman of the Civil Service Commission, and the head of each agency shall make provisions to assure that each report shall be reviewed in accordance with any law or regulation with respect to conflicts of interest or confidential financial information of officers or employees of the House of Representatives, the Senate, the United States courts or each such agency or in accordance with rules and regulations as maybe be prescribed.

(2) Notwithstanding any law or resolution, whenever in any criminal case pending in any competent court in which a Member, officer, or employee of the Senate is a defendant, or in any proceeding before a grand jury of any competent court in which alleged criminal conduct of a Member, officer, or employee of the Senate is under investigation, a subpena is served upon the Comptroller General of the United States directing him to appear and produce any reports filed pursuant to any financial disclosure requirement, then the Comptroller General shall—

(a) if such report is in a sealed envelope, unseal the envelope containing such report and have an authenticated copy made of such report, replace such report in such envelope and reseal it, and note on such envelope that it was opened pursuant to this paragraph in response to a subpena, a copy of which shall be attached to such envelope, and

(b) appear in response to such subpena and produce the authenticated copy so made. For purposes of this paragraph, the term "competent court" means a court of the United States, a State, or the District of Columbia which has general jurisdiction to hear cases involving criminal offenses against the United States, such State, or the District of Columbia, as the case may be.

(f)(1) The Comptroller General shall, under such regulations as he may prescribe, conduct on a random basis audits of not more than 5 per centum of the reports filed with him under section 304(a)(1).

(2) The Comptroller General shall audit

during each term of an individual holding the office of President or Vice President at least one report filed by such individual under section 304(a)(1) during such term.

(3) The Comptroller General shall, during each six-year period beginning after the date of enactment of this Act, audit at least one report filed by each Member of the Senate and the House of Representatives during such six-year period.

(4)(A) In conducting an audit under paragraph (1), (2), or (3), the Comptroller General is authorized to require by subpena the production of books, papers, and other documents. All such subpenas shall be issued and signed by the Comptroller General.

(B) In case of a refusal to comply with a subpena issued under subparagraph (A)—

(i) the Comptroller General is authorized to seek an order by any district court of the United States having jurisdiction of the defendant to require the production of the documents involved; and

(ii) such district court may issue such order and enforce it by contempt proceedings.

SEPARABILITY

SEC. 307. If any part of this title is held invalid, the remainder of the title shall not be affected thereby. If any provision of any part of this title, or the application thereof to any person or circumstance, is held invalid, the provisions of other parts and their application to other persons or circumstances shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 308. There are authorized to be appropriated for each fiscal year through October 30, 1981, such sums as may be necessary to carry out the provisions of this title.

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

The PRESIDING OFFICER. The clerk will call the role.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDER DESIGNATING PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND RESUMING CONSIDERATION OF S. 495 AND H.R. 10612 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business not to exceed 30 minutes, with statements limited therein to 5 minutes each, at the conclusion of which period the Senate will resume consideration of Calendar Order No. 897, S. 495, the Watergate reform bill, and that at no later than 2 p.m. tomorrow the Senate resume consideration of the unfinished business, Calendar No. 891, H.R. 10612, the tax reform bill.

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

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

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

ORDER TO RESUME CONSIDERATION OF H.R. 10612 NOT LATER THAN 1:30 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume consideration of H.R. 10612, the tax reform bill, on tomorrow at no later than 1:30 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

HOUSING ACT AMENDMENTS CONFERENCE REPORT—TIME-LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, has an order been entered for the consideration of the Housing conference report beginning at 2:15 p.m. tomorrow?

The PRESIDING OFFICER. There is to order to that effect.

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that at the hour of 2:15 p.m. tomorrow, the Senate proceed to the consideration of the conference report on S. 3295, and that a vote occur thereon no later than 3:15 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that upon the disposition of the Housing conference report, the Senate resume the consideration of the unfinished business, the tax reform bill.

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

QUORUM CALL

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

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

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, has the convening hour for tomorrow been set at 9 a.m.?

The PRESIDING OFFICER. The convening hour has been set.

Mr. ROBERT C. BYRD. Then, Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. tomorrow.

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

WATERGATE REORGANIZATION AND REFORM ACT OF 1976

The Senate continued with the consideration of the bill (S. 495) to establish certain Federal agencies, effect certain reorganizations of the Federal Government, and to implement certain reforms in the operation of the Federal Government recommended by the Senate Select Committee on Presidential Campaign Activities, and for other purposes.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Mr. Dick Wegman and Mr. David Schaefer of my staff have the privilege of the floor during the consideration of S. 495.

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

Mr. RIBICOFF. Mr. President, the Senate is today beginning consideration of legislation which is based upon the recommendations of the Senate Watergate Committee. S. 495, the Watergate Reorganization and Reform Act of 1976, is the result of over 18 months of study, compromise, and redrafting. It is a major piece of reform legislation designed to improve the operation of the most basic institutions of our Government.

Three years ago the Senate Watergate Committee, under the exceptionally able direction of the former chairman of the Government Operations Committee, Sam Ervin, held the attention of the entire Nation during its televised hearings. The Senate had directed the Ervin committee to investigate the unfolding scandal now referred to as Watergate. However, Senator Ervin's committee was also directed to recommend appropriate legislation to prevent the type of abuses of power and obstruction of justice which the committee documented in the course of its investigation.

In June of 1974, the Watergate Committee issued its final report which contained a number of significant legislative recommendations. These recommendations were introduced late in the 93d Congress by Senator Ervin. At the beginning of the 94th Congress, Senator PERCY and I, along with a number of other interested Senators, reintroduced Senator Ervin's legislation (S. 495) so that the work begun by Senator Ervin in the Government Operations Committee could continue.

Over a period of 14 months the Committee on Government Operations heard oral testimony from 20 witnesses during 7 days of hearings and received written comments from numerous Government agencies and distinguished members of the American legal and academic communities. The important matters which this legislation covers have been thoroughly explored.

Title I of the Watergate Reorganization and Reform Act of 1976 is a synthesis of ideas and recommendations from a number of distinguished individuals and organizations. These individuals and organizations sought to provide the impetus and focus for consideration of how to improve the handling of Government corruption cases. During the hearings on this proposal, almost every witness recognized that sufficient priority and resources have not been devoted to

this problem in the past and that there is a serious conflict of interest when the Department of Justice attempts to investigate or prosecute high-level members of this administration. The final report of the Watergate Special Prosecution Force, the recommendations of the American Bar Association House of Delegates, and the legislative proposal of Senators PERCY and BAKER strongly influenced the Government Operations Committee in its efforts to shape legislation to deal with these problems.

The proposal finally agreed upon unanimously by the members of the Government Operations Committee creates a Division of Government Crimes within the Department of Justice, and provides for the appointment of a temporary special prosecutor in the extraordinary cases where the President or the Attorney General has a serious conflict of interest.

This proposal has been endorsed by the American Bar Association, Common Cause, and all three former special prosecutors, Archibald Cox, Leon Jaworski, and Henry Ruth. I am proud of the bipartisan support this proposal has received with the Government Operations Committee.

Earlier today President Ford submitted a series of administration amendments to S. 495. The Government Operations Committee has sought the assistance and support of the administration and particularly the Department of Justice throughout the lengthy consideration of this legislation. I am pleased that the Department of Justice and the President have come forward with constructive and worthwhile suggested amendments to S. 495. A meeting of the Government Operations Committee has been set for tomorrow afternoon to consider the administration's new proposals. I am confident that we will be able to work with the administration to produce strong and effective legislation in this area.

The second title of S. 495, as reported, creates an Office of Congressional Legal Counsel to represent the Congress in matters before the courts. It is a fact of life that controversies involving the constitutional powers of Congress are now more often before the courts. Just in the last few years, landmark decisions have been handled down by the courts defining the scope of the speech and debate clause of the Constitution, affecting the ability of Members of Congress to communicate with their constituents, and limiting the exercise of Congress' investigatory powers.

The Justice Department has traditionally represented Congress in the courts. However, in more and more cases the Justice Department's interest as lawyer for the executive branch conflicts with the interests of Congress. Therefore, there is a need for Congress to have its own legal office to handle this representational duty.

An example of this need has come to my attention just within the last few days. I have been informed that a legal action has been initiated which challenges the constitutionality of a so-called legislative veto provision in the recently enacted Federal Election Commission Act. Legislative veto provisions are integral parts of such congressional policies as the War Powers Act, executive reorganization authority, and the authority of the General Services Administration to issue regulations with regard to access to former President Nixon's tapes and papers. The President and his Department of Justice have already publicly expressed their difference of opinion with Congress on this issue. It is imperative that Congress be effectively and vigorously represented in this litigation. This is the type of legal matter that could be handled by a Congressional Legal Counsel.

The proposal for a Congressional Legal Counsel contained in S. 495, as reported, is based upon years of legislative effort by Senators JAVITS, HARTKE, MONDALE, HUMPHREY, and ABOUREZK.

Title III of S. 495 as reported by the Committee on Government Operations is a proposal for public financial disclosure. This provision carefully balances the public's legitimate interest in information about the personal financial interests of a public official with the legitimate rights of privacy of all citizens—including public officials. As debate on this proposal proceeds and the details of this statute are explored and discussed, I believe the Senate will appreciate the sensible way this balance was struck in S. 495.

A simple, understandable comprehensive public financial disclosure statute covering all high-level Federal Government officials is needed. Existing financial disclosure requirements are inconsistent and inadequate. Some top officials, such as the President, Vice President, and Supreme Court Justices, are not required to make any financial disclosures whatsoever. High-level officials in the executive branch are required to make confidential financial disclosures to the head of their agency. However, the General Accounting Office has found that these statements are often not filed, when filed the statements are not adequately reviewed by the agency, and when reviewed, the existing conflict of interest regulations are not effectively enforced.

Members of Congress and congressional employees are required to make limited public financial disclosure and more extensive confidential financial disclosure. The latter is only looked at in the course of an investigation of wrongdoing. The limited financial disclosure requirements applicable to the Federal judiciary are voluntary and only cover judicial income—not the identity of substantial assets which could present a conflict of interest.

The financial disclosure provisions in S. 495 are a credit to the vigorous efforts over many years of Senators CASE, JAVITS, WEICKER, ALLEN, ROTH, and HASKELL, among others. The actual provision contained in title III of S. 495 is substantially based upon a bill (S. 2295) introduced this session by Senators CANNON and SCOTT. In addition, the testimony and assistance of Common Cause and the General Accounting Office were of invaluable assistance to the Government Operations Committee in drafting this title of the bill.

Mr. President, I believe S. 495 represents an innovative and pragmatic approach to very difficult problems which cannot be neglected by the Congress. I urge the Senate to promptly act on this legislation.

Mr. President, I ask unanimous consent that a summary of the bill's major provisions be printed in the RECORD.

There being objection, the summary was ordered to be printed in the RECORD, as follows:

BRIEF SUMMARY OF S. 495

This memorandum briefly describes the provisions of the Watergate Reorganization Reform Act of 1976.

TITLE I—DIVISION OF GOVERNMENT CRIMES AND TRIGGERING MECHANISM FOR APPOINTMENT OF TEMPORARY SPECIAL PROSECUTOR

S. 495 sets up a new Division of Government Crimes within the Justice Department to handle criminal violations by government officials. The Division would also handle election and lobbying law violations.

The new Division would be headed by an Assistant Attorney General appointed for a 4-year term by the President and confirmed by the Senate. High level officials in the President's election campaign are prohibited from being appointed head of this Division.

In cases involving the President, Vice President, members of the President's cabinet, or any other individual where the President or Attorney General has a direct stake in the case, the bill would allow a temporary special prosecutor to be appointed. The appointment would be made either by the Attorney General or by the U.S. Court of Appeals. Once such a prosecutor is appointed, he would take over full responsibility for investigation and prosecution of the case.

TITLE II—CONGRESSIONAL LEGAL COUNSEL

S. 495 establishes a Congressional Legal Counsel to represent Congress in civil litigation involving the powers of Congress. The Counsel would be jointly appointed by the President pro tempore of the Senate and the Speaker of the House. He would have a four-year term.

The Counsel would be authorized to:

(1) Defend a Member, officer, or employee of Congress, or any agency or committee of Congress, in a *civil* action which arises from performance of *official* duties. The Counsel would defend the person or committee only if authorized to do so by at least one House of Congress.

(2) Bring a civil action on behalf of a House of Congress or a committee to enforce a congressional subpoena. The Counsel could bring such enforcement action only if authorized to do so by a House of Congress.

(3) Represent the interests of Congress as intervenor or amicus curiae when the constitutionality of a statute or the powers of Congress are at issue in a suit in which Congress is not a party. The Counsel could intervene or appear only if authorized to do so by both Houses of Congress.

Under no circumstances would the Congressional Legal Counsel become involved in the defense of any Member of Congress in a criminal case.

TITLE III—FINANCIAL DISCLOSURES

S. 495 requires financial disclosure by the President, Vice President, Members of Congress, Federal judges, any Federal employee compensated at GS-16 or greater, and any member of the armed services at comparable salary levels. Candidates for Federal elective office are also required to file a financial disclosure statement.

The financial disclosure statement (covering the preceding calendar year) must identify any business asset, liability, or transaction in real property or securities over $1,000.

The bill would not require disclosure of

any tax returns. The bill requires that the fair market value of assets be estimated.

Only business assets which could cause an appearance of a conflict of interest, i.e. stock, real estate holdings, must be listed. Personal assets such as painting, fur coats, or jewelry would not be included.

In addition, the report would have to include any item of income valued in excess of $100 and any gift received in kind valued in excess of $500. However, gifts received from members of one's immediate family need not be reported. The report would also require the listing of any agreement for future employment.

The provisions of this title would be enforced by the U.S. Comptroller General, and the Comptroller General is authorized to conduct periodic audits of the financial disclosure statements.

Mr. RIBICOFF. Mr. President, the purpose of this legislation is to promote the accountability of officers and employees of the Federal Government.

Title I of the bill establishes an office within the Justice Department to deal with abuses by Government officials, and establishes a mechanism for the appointment of a special prosecutor to deal with cases involving high-level corruption.

Title II of the bill establishes a congressional legal counsel to protect the vital interests of Congress in matters before the courts; and title III of the bill requires financial disclosure by high-level public officers and employees of the Federal Government.

Mr. President, it is our intention to proceed first with titles II and III. During the course of the last few weeks, our staffs and ourselves personally have been meeting with the Attorney General, Mr. Levi, and discussions have been taking place concerning various changes in title I.

It is our feeling, after a conference this morning in which my distinguished colleague from Connecticut (Mr. WEICKER), the Senator from Illinois (Mr. PERCY), and the Senator from New York (Mr. JAVITS) met together for full discussion, that there is a basis for a meeting of the minds between the executive branch and ourselves. To this end, our staffs are working to perfect some of the changes in title I.

At 2:30 p.m. tomorrow I have called together the full Committee on Government Operations for a discussion of title I. It is my feeling that this landmark legislation will become law and will have the signature of the President.

I do wish to take this opportunity to pay tribute to my colleague from Connecticut, Senator WEICKER, for the leadership he has shown throughout this legislation. He has been persistent, and rightfully so, to assure that Congress and the country had learned the lessons of Watergate and were not going to slough them aside. It has been his insistence that we face up to the issues and come up with solutions more than anything else that will lead to the passage of this act, and this bill is a good and well-deserved tribute to the leadership that Senator WEICKER has shown.

I also pay credit to Senator PERCY and Senator JAVITS for their contributions throughout the consideration of the hearings, the markup, and many conferences to make sure that we have a good bill.

Due credit certainly should be paid to each and every member of the Committee on Government Operations who worked so hard to make this a landmark bill. I also want to recognize the tireless and effective efforts of Dick Wegman, David Schaefer, Brian Conboy, Bob Sloan, Claudia Ingram, John Childers, and Blain Butner of the Government Operations Committee staff and Phil Bakes and Chuck Ludlam of the Judiciary Committee staff.

The bill was voted out unanimously by the Committee on Government Operations, and I feel certain that the Senate will overwhelmingly support and vote for S. 495.

Mr. WEICKER. Mr. President, I ask unanimous consent that Claudia Ingram, of my staff, be permitted the privilege of the floor during the course of the entire debate on S. 495.

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

Mr. WEICKER. Mr. President, it is our duty today to rebuild the faith, trust, and confidence of the American people in their Government and those who govern.

The Democrats have met and selected a Presidential candidate. In 3 weeks, the Republicans will convene and select theirs. Once again, we are in the midst of a Presidential election.

It is only fitting that the Senate should pass the reform package which is before us in this campaign season. It is imperative that our actions on this bill find their way into law before the end of this Congress and the beginning of the next administration.

S. 495, the Watergate Reorganization and Reform Act, was the product of the Select Committee on Presidential Campaign Activities. It was introduced in December 1974 by the distinguished chairman of that committee, Senator Sam Ervin. It was reintroduced in this Congress and referred to the Committee on Government Operations where its chairman, my friend and colleague, the senior Senator from Connecticut (Mr. RIBICOFF), guided it with resolve, dedication, and determination.

It should be pointed out that I very much appreciate his compliment as to my persistence, but believe me, when one is a member of the minority, persistence does not necessarily get a bill through. Especially when one is a freshman Member and does not know the ways of the Senate, persistence does not get a bill through. There is nothing like having determination by a Member of the majority and a knowledge of the Senate, its rules, and its procedures. All of that has been brought to bear on this particular endeavor by Senator RIBICOFF.

Indeed, I think the American people owe him a great debt, because were it not for his efforts, I have no doubt this legislation would not come before the Senate in this session of Congress.

Then my good friend and colleague, Senator PERCY from Illinois, who was the ranking Republican on the committee, has in every way encouraged my persistence in this matter. He has been in the forefront of insisting that the Republicans, along with the Democrats, share in the passage of this reform legislation. This indeed was not a political matter. When it comes to the integrity of our political processes this is as much a concern of the Republicans as Democrats. It is with Senator PERCY's full and continuing encouragement over the months that that point has been made clear.

It cannot be said that we have acted in haste. Nor can it be said that our committee has been unthoughtful in its deliberation.

Indeed, it would have been easier to strike while the iron was hot, while memories were fresh and emotions high. Instead, Mr. President, we have waited for more than a year and a half to deliver this package to the Senate floor.

The Watergate Committee and the House Judiciary Committee long ago closed the record of their proceedings. The sensational revelations and the prosecutions—save a few cases on appeal, have ended. The American Bar Association and the Watergate Special Prosecution Force have issued their reports and recommendations for remedial action.

The legislation which is before us today incorporates the recommendations of the ABA and Special Prosecutors Cox, Jaworski, and Routh. It has taken into account the criticisms and recommendations of the expert witnesses who appeared before our committee.

The title of this legislation may be misleading to some. The Watergate Reform Act is not intended to cure or purge our system once and for all of "Watergate." It has a purpose which is far more reaching than the events of the last few years.

If Watergate taught us anything at all, it was that there are some fundamental, institutional weaknesses within our law enforcement and criminal justice system—weaknesses which themselves are the byproducts of a political process and which lend themselves to pressures inconsistent with equal justice under law.

This legislation addresses itself to those weaknesses with an intent to strengthen and bolster our chief law enforcement agency of Government—the Department of Justice.

The intent of Watergate Reform is to remove—to the greatest extent possible—the interference of politics in the administration of justice.

It was more than a perception that politics and justice mixed during the Nixon years. It was fact. Unbeknownst to the vast majority of honorable, government attorneys and investigators, their efforts to get at the truth were frustrated by instructions to "stonewall it," to commit perjury, and by White House briefings on secret grand jury testimony.

We know all of this. We remember what happened. Some of us are all too eager to say the sensational revelations and successful prosecutions are enough—our memories will keep us free.

However, it is not now, nor has it ever been, our memories which keep us free. It is the Constitution and laws of the Nation and the procedures which emanate from law which safeguard our liberties and our rights as citizens.

This is why we are here—to set down in law those procedures which will guard against and protect the Nation from the abuses of power which we witnessed in the last few years.

Through this legislation we will establish a governmentwide commitment to discovering official corruption, enforcing those statutes, and prosecuting those offenders.

We will establish—through law—a consolidated effort to monitor existing conflict of interest laws and those statutes related to official conduct.

We will create and assure—through law—an adequate allocation of resources toward prosecution of these crimes.

Through law, we will establish a special prosecutor who will be responsible for those extraordinary cases, which in the future may directly involve a President of the United States.

By doing all of this—through law—we will remove the administration of justice from dependence upon the political fortunes of Presidents and Vice Presidents and lend both strength and credence to our existing system of criminal justice and equal justice.

No matter how honorable or conscientious the individual Attorney General might be, the pressures and divided loyalties in investigating one's own administration would be too great. The appearance of a conflict of interest would most certainly exist. Good men and women, honorable men and women will come and go as Attorneys General. The system of safeguards which we build must endure beyond the lifetime of any individual. This is what we seek to accomplish—procedural safeguards which will survive our mortality.

Title III of the Watergate Reform Act establishes uniform requirements for the disclosure of the personal finances of all high-level Government officers, employees, elected officials, and candidates for Federal office—including Members of Congress, Presidents, and Vice Presidents. These yearly disclosure statements will be filed with the Comptroller General and made available by him to the public.

While various proposals for financial disclosure have been around since 1946, there is no uniform, governmentwide requirement. Not even within the legislative branch is there uniformity. The House and Senate have standing rules which govern the disclosure of certain items such as gifts and honoraria—but, the rest is confidential. The executive branch, by Executive Order 11222, requires that confidential financial statements be filed from the GS-13 level on up with each agency head. There is no such requirement for the President, Vice President, or Members of the Supreme Court.

Financial disclosure is just as important as provisions to strengthen our law enforcement agencies. Financial disclosure is a crucial step toward open government and increased public awareness regarding those in whom their trust is placed.

Government service is an honor which carries enormous responsibilities of public trust. It is an honor which carriers extraordinary obligations and sacrifices. For those who have willfully chosen public service, we have every obligation to demonstrate that our judgment is not tainted and our decisions are not clouded by consideration of personal gain.

Gradually, over the last several years, we have proceeded to enact legislation to open the processes the Government to public view. We have enacted the Freedom of Information Act, granting the public access to records and documents. We have passed the Government in the Sunshine Act, in an effort to open congressional and agency proceedings to the public. The Senate recently passed the Lobby Reform and Disclosure Act in an effort to increase public awareness about pressures which may influence the legislative process.

Financial disclosure legislation is a natural extension of these efforts for it allows the American people another tool by which to judge the integrity of Government through the examination of the personal financial interests of those who make decisions.

By adopting financial disclosure legislation, we are placing ourselves in the spotlight. I have little doubt that public financial disclosure will demonstrate the high level of integrity of the vast majority of Government officials. As for those whose personal finances will not bear up to public scrutiny, I say they should not be in Government service and, indeed, this legislation will be a deterrent to those persons and a deterrent to wrongdoing while in the Government service.

Right now, the impetus for financial disclosure is the public's wholesale lack of confidence in Government and Goverment officials—specifically Members of Congress. Admittedly, the enactment of this legislation is not going to produce a marked change in public attitudes overnight. But in connection with legislation such as sunshine, lobby reform, and title I of this bill, the collateral affect hopefully will produce an improvement in the people's confidence in Government, and that confidence is, after all, the underpinning of our whole way of life.

Financial disclosure, a commitment to prosecution of corruption, and a permanent special prosecutor constitutes more than Watergate reform. S. 495 means more to the country than the recollection of events of the past few years. It extends beyond the good intentions and high qualifications of any single President or Attorney General to the protection of those rights, freedoms and principles of law which have made our Nation great. It establishes procedures and responsibilities for Federal law enforcement, along with tools to increase public awareness regarding politicians and Government officials.

Watergate reform is not for the past or for the present. Our memories may indeed keep us free today. Instead, it is for unborn generations who I hope will never know how close a democracy came to oligarchy.

Let us pass along to them a legacy of defenses, steeled by wisdom gained from our troubles.

Mr. PERCY. Mr. President, over 4 years have now passed since five men were apprehended while breaking into the headquarters of the Decocratic National Committee. At the time, no one could guess at the magnitude of the events which have become known collectively as Watergate. No one dreamed that it would culminate in the voting of three articles of impeachment against the President by the House Judiciary Committee in its historic proceedings two summers ago, or that Richard M. Nixon would be forced to resign from the Nation's highest office of public trust.

Since that time the Committee on Government Operations and the Committee on the Judiciary have given consideration to this matter. The primary responsibility has fallen upon the Committee on Government Operations.

At this time I should like to pay particular tribute to the chairman of that committee, Senator RIBICOFF, for the diligent way in which he has pursued this matter.

I should also report that the members of the minority have all worked with our chairman on this matter, and I pay particular tribute to Senator LOWELL WEICKER. Because of his own deep-seated knowledge in serving as a member of the Watergate Committee, he brought an expertise and he also brought a zeal and determination to our efforts having been outraged for months as a result of his experience on the Watergate Committee. He brought a sense of urgency to our committee and to the Senate and worked closely and well with the majority leader, Senator MANSFIELD, and with the minority leader, Senator HUGH SCOTT, in seeing to it that we had early scheduling of the bill that is now before us.

Title II of S. 495 deals with the creation of an Office of Congressional Legal Counsel for the Congress.

Here I pay particular tribute to our distinguished colleague from New York, Senator JAVITS, who I have maintained before provides invaluable legal advice to his colleagues. Certainly in drafting and working with the committee and the committee staff to create title II, he has offered tremendous assistance to us.

Title III of the bill dealing with Government personnel financial disclosure requirements is in spirit attributable to one Member of the Senate who has not served on the Committee on Government Operations, but is a colleague of ours. He is Senator CASE, who is deeply interested in the field of financial disclosure. Certainly we pay great tribute to him for the inspiration and the initiative he has provided in this area.

It is for the reason that two members of the Committee on Government Operations have played such an important and leading role that Senator JAVITS will serve as the minority floor manager for title II and Senator WEICKER as the floor manager for the minority for titles I and III. I shall be with them at all times, because of my deep interest in this legislation.

I am very appreciative of the gracious and typically thoughtful comments made by Senator RIBICOFF and Senator WEICKER.

Mr. President, the greatest tragedy in this sordid chapter of our political his-

tory was not the revelations of abuse of power, obstruction of justice, and criminality that reached to the highest levels of the executive branch. Rather, as the tangle of events that was Watergate unfolded in the newspapers, in the courts, and in the committees of Congress, the deeper tragedy that many of my colleagues and I perceived was a serious erosion of public confidence in the integrity of our Government. A mood of outrage and then cynicism seemed to take hold of the American people. There was a widespread loss of confidence in our institutions as well as in the men who ran them—the confidence without which no government founded on the consent of the governed can hope to succeed. It gives me great pleasure to recognize all that President Ford has done, since taking the oath of office nearly 2 years ago, to restore the public faith in Government.

If Watergate represented a nadir in our political history, it also represented the triumph of the American system of government. The lesson of Watergate is clear: Ours is a government of laws, and not of men. The bill now before the Senate, the Watergate Reorganization and Reform Act of 1976, is designed to help insure that we will always remain a nation of laws.

Congress has been studying possible legislative responses to Watergate for many months. More than 100 Watergate-related bills have been introduced in Congress. Because of the emotional overreaction that gripped the Nation in the wake of Watergate, many of these were ill conceived and poorly drafted. We have had 2 years to put the Watergate experience into perspective. We have had 2 years to consider, with due caution and deliberation, what kinds of systemic changes are genuinely required in our Government—not only to cope with a Watergate or a Teapot Dome scandal, which may come along once in 50 years, but to deal with the Government corruption and criminality on a lesser scale which unfortunately occurs far more frequently. There is no guarantee in such cases that the twin pressures of the press and public indignation will complement the internal defense mechanisms of our system of government as they did in Watergate.

S. 495, originally introduced in the 93d Congress by Senator Sam Ervin, embodied most of the recommendations of the Senate Select Committee on Presidential Campaign Activities, commonly known as the Senate Watergate Committee. The bill was reintroduced by Senator RIBICOFF and me on January 30, 1975. Since then, Mr. President, S. 495 has undergone extensive revision and modification. The Government Operations Committee heard oral testimony from 17 distinguished witnesses and received written comments on the bill from numerous Government agencies and more than 20 prominent lawyers and legal scholars. As a result of their criticism and suggestions, the bill has been greatly improved. S. 495, as amended, incorporates recommendations of such distinguished legal scholars as Raoul Berger, Erwin Griswold, and Samuel Dash, as well as the Senate Watergate Committee, the American Bar Association, and the Watergate Special Prosecution Force. It is supported by the American Bar Association, Common Cause, and the three former Watergate special prosecutors, Archibald Cox, Leon Jaworski, and Henry Ruth. The bill was unanimously reported out of the Government Operations Committee on April 9, 1976, and was automatically discharged to the Senate floor from the Judiciary Committee on June 15. A bipartisan majority of the members of the Judiciary Committee, in a letter inserted in the RECORD, indicated that they would have voted to favorably report the bill had they had the opportunity.

Mr. President, title I of S. 495 would alter the manner in which the Department of Justice handles most allegations of public corruption. It would establish a new Division of Government Crimes within the Department of Justice to handle criminal investigations and prosecutions of Government officials, as well as criminal violations of Federal lobbying and election laws. The Division of Government Crimes would be headed by a new Assistant Attorney General, appointed by the President and confirmed by the Senate, who would be supervised by the Attorney General in the discharge of all his duties. No individual could be appointed to the position if in the preceding 5 years he held a high-level position of trust and responsibility in the campaign for office of the incumbent President or Vice President.

The establishment of a separate Division of Government Crimes within the Justice Department would insure the allocation of resources and manpower sufficient to vigorously investigate and prosecute Government corruption and election law violations. Its visibility and its status as a full Division would help deter future Government corruption and election law violations. Finally, it would help insure public confidence in the impartial administration of justice.

Title I also creates a triggering mechanism for the appointment of an independent temporary special prosecutor in a very narrow set of circumstances. Prior to submitting his final report, a temporary special prosecutor, appointed under this bill, could be removed from office only by the Attorney General and only for "extraordinary improprieties."

An appointment of a temporary special prosecutor would be made when either the President or the Attorney General has a conflict of interest or the appearance thereof in a proposed investigation or prosecution.

A conflict of interest situation would automatically be deemed to exist in an investigation or prosecution of the incumbent President, Vice President, Director of the Federal Bureau of Investigation, Cabinet-level executive branch officers, and their predecessors in these posts during the preceding 4 years. A temporary special prosecutor would also be appointed if the Attorney General or the President has a direct and substantial partisan political interest in the outcome of a proposed criminal investigation or prosecution.

The Attorney General would have the primary initiative for determining whether such a conflict of interest situation exists. In certain cases the mechanism provides for limited review of his decision by a three-judge panel of the court of appeals, with the panel authorized to appoint a temporary special prosecutor if it disagrees with the Attorney General's finding that a conflict of interest situation does not exist.

Mr. President, the Department of Justice has had serious reservations about the provisions of title I of this bill. Many of the revisions that S. 495 has undergone since it was first introduced have been in response to questions raised by the Department of Justice. Today the President has sent a message to the Congress outlining a new proposal for a permanent office of special prosecutor and a codified section within the criminal division to handle cases of alleged public corruption.

In drafting title I the committee has sought to work within our existing constitutional framework and to keep primary responsibility for the investigation and prosecution of Government corruption where it belongs—within the Justice Department and with the Attorney General. The President's proposal, which was first outlined to some members of the committee this morning by the Attorney General, offers the possibility of meeting the Congress desire for permanent institutions to deal with public corruption and the fact or appearance of conflicts of interest, while at the same time alleviating problems raised by the Department of Justice. Now that we have the President's specific proposals in writing, we will analyze them to determine how well they respond to the problems addressed by the bill now before the Senate.

Mr. President, our Nation is indeed fortunate to have as Attorney General a man of the integrity, knowledge, and dedication of Edward Levi. Under his leadership, the Department of Justice has established a public integrity section within the criminal division to investigate and prosecute all Federal offenses involving public and institutional corruption. An office of professional responsibility has also been created to insure professional standards of conduct by Department employees in the performance of their duties.

I am confident that while Edward Levi is Attorney General, these two units and the Department as a whole will be fully capable of handling in a thorough and impartial manner those situations which it is the intent of title I to reach. But there is no guarantee that a future Attorney General less dedicated to rooting out public corruption would not eliminate them by the stroke of a pen or let them atrophy through lack of resources and support.

S. 495 creates mechanisms to handle such situations regardless of who is Attorney General. It comes back to what I referred to earlier as the lesson of Watergate: that this is a government of laws, not of men.

Mr. President, during the Attorney General's confirmation hearings in January 1975, Senator HRUSKA asked Mr. Levi to comment on the propriety of re-

moving the Department of Justice from partisan politics. The Attorney General replied in part:

> I think it would be a bad thing for the country to believe that the administration of justice was not even-handed because it was in some way tilted by partisan politics; and it is the necessity of *indicating* and having the reality of an even-handed approach which I think is what is intended by saying that it should be removed from partisan politics.

There are times when an Attorney General should personally recuse himself from an investigation or prosecution because of a real or apparent conflict of interest. I know that Attorney General Levi has done this on numerous occasions because of his great sensitivity to the appearance as well as the fact of the equitable administration of justice. But it is not enough simply to have men of integrity in high positions within the Department of Justice, for even men of integrity may on occasion have the appearance of a conflict of interest due to their Government position and their relationship to the individual under investigation. The existence of a mechanism for the appointment of a temporary special prosecutor in certain conflict of interest situations is vital in those situations where the public reasonably believes that the administration has a clear partisan political interest in the outcome of a case. In such cases the public will quite reasonably question the impartiality and thoroughness of the investigation.

Mr. President, the special prosecutor provision of this bill is not designed to reach low-level Federal officials accused, of criminality. Rather, it is drafted so as to insure the impartial administration of justice in cases involving individuals who are in an extremely close partisan political relationship with the President or the Attorney General. These types of cases do not always create the kind of enormous public pressure for a thorough investigation and prosecution that a scandal on the scale of a Watergate did, and yet, if mishandled, they also contribute to public cynicism about our system of criminal justice.

As I have indicated, the Department of Justice has expressed certain fears concerning the practical effects of title I of this bill and the President has sent a message to the Congress on this subject today. I have discussed the objections of the Department with the Attorney General and the Deputy Attorney General in an effort to meet these concerns. A number of amendments to title I have been worked out and they will be introduced over the next few days. After a thorough analysis of the President's legislation has been made later today or tomorrow, we will be better able to determine what portions of the President's proposal can best be incorporated into S. 495.

Title II of S. 495 establishes an Office of Congressional Legal Counsel responsible for litigation involving the vital interests of Congress. The Congressional Legal Counsel would defend a Member, employee, or body of Congress in civil actions in which the validity of an official congressional action is at issue, or in civil actions with respect to any subpena or order directed to them in their official capacity. The Congressional Legal Counsel would also be authorized to bring a civil action to enforce the validity of a subpena or order issued by Congress or a body of Congress. He would also intervene or appear as amicus curiae on behalf of Congress in any legal action in which the constitutionality of a challenged law is not adequately defended by counsel for the United States, or in which the powers and responsibilities of Congress under article I are placed in issue.

Mr. President, the practice of the Justice Department defending Members, employees, and committees of Congress in civil cases has developed gradually, until today the Congress is almost totally dependent on the Department for such representation. But in these cases and others involving court challenges to congressional power, the interests of Congress as an institution and the constitutional doctrine of separation of powers make it inappropriate for the legislative branch to rely on and entrust the defense of its vital powers to the advocate for the executive branch, the Attorney General. Establishing an Office of Congressional Legal Counsel would eliminate the conflict of interest situations which occur because of Department of Justice representation of Congress in the courts. It would also eliminate the practical problems of congressional reliance on private counsel, such as the uneven quality of representation, the expense, and the lack of familiarity with issues of congressional power. A first-class law office in Congress would make available to Congress ongoing advice on how to avoid or anticipate litigation, and continuously monitor congressional interests in cases where Congress is not a party.

Title III of S. 495 would require detailed public financial disclosure by high-level officials in all three branches of the Federal Government. The following individuals would be required to file an annual report to be made available to the public; the President, Vice President, Members of Congress, justices and judges of the United States, high-level civil servants and military officers, and anyone seeking election to public office who has spent funds for that purpose or received political contributions. The Comptroller General would audit at least one report filed by the President and Vice President during each term, and at least one report filed by each Member of the Senate and House of Representatives during each 6-year period.

Mr. President, title III would bring uniformity to the widely varying financial disclosure requirements that exist in the executive, judicial, and legislative branches. By helping to restore public confidence in the integrity of top Government officials, public financial disclosure would increase public confidence in the Government. It would also demonstrate the integrity of the vast majority of Government officials. Public scrutiny would deter conflicts of interest from arising, and discourage some persons whose personal finances could not withstand the light of public disclosure from entering public service. Finally, public financial disclosure would better enable our citizens to evaluate the performance of their public officials in light of their outside financial interests.

Mr. President, the legislation which I have outlined today represents carefully thought out responses to problems which were highlighted by Watergate but are by no means confined to scandals of that magnitude. I welcome the President's latest proposal and hope that the best aspects of it can be included in this bill. If enacted, S. 495 could go a long way toward insuring the integrity of our Government as well as the fact and the appearance of the impartial administration of justice.

Mr. President, one aspect I should like to comment on in closing is the relationship with the executive branch of Government. Senator RIBICOFF served as a member of the executive branch. He is probably one of the few Members of the Senate, if not the only Member of the Senate, who has served in State office as a Governor, as a Secretary of HEW in the executive branch of Government, and as a committee chairman in the Senate. He knows better than anyone else that legislation drafted by Congress is far better when it is fully supported by the executive branch of Government which is required by law to carry out and implement it.

It is for that reason that witnesses from the executive branch of Government were asked to participate with us. Conferences have been held with the Attorney General, the Deputy Attorney General, and with members of their staffs. Over a period of months now, we can say that we have reached out and attempted to work with the executive branch of Government, hoping to shape a piece of legislation that would be a product of the executive branch and the legislative branch working together on a common problem and toward a common goal.

Our common goal is that we want no more Watergates. Watergate did more to injure this country in our own eyes and in the eyes of the world than almost anything else that has occurred in recent memory.

We want to be certain that we measure up to the responsibility placed upon us by the American public, to make certain that we take every possible step that can be taken to prevent that ever occurring again in this Republic.

There is no difference of opinion as to this objective and goal between the executive branch of Government and the Senate. There are honest differences of opinion as to the way in which we are to implement this. Grave concerns have been raised as to the constitutionality of certain provisions of the bill before us that cannot be fully tested until they would be challenged in court.

I think we all welcome the initiative now taken by the President and the Attorney General in sending a message to the Speaker of the House and the President of the Senate today, the text of which I presume already has been incorporated in the RECORD. This message contains a proposal designed to remove the serious constitutional questions

which Attorney General Levi feels exist in title I of S. 495 and to modify certain procedures in such a way as to make them more acceptable to the executive branch of government.

In meeting with the Attorney General this morning, every member of the Government Operations Committee present concurred in the direction the Attorney General wants to move with title I of the bill. Though we may not agree on every provision, I think we have gone a long way toward coming to an accord on a piece of legislation. Hopefully we can now move forward with dispatch to enact a piece of legislation in the Senate that can be accepted in principle by the House and can be sent to the President and enthusiastically supported and signed by him.

The support of the administration is important at this stage. It is important that we move in tandem with the House, to encourage early scheduling in the House, so that in this Congress we can complete this job. It would be a great disappointment to the people of this country if Congress were to go home without finishing this job in this important area of Watergate reform.

Mr. JAVITS. Mr. President, I will take not more than 10 minutes, unless Senator KENNEDY has some other pressing problem.

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

Mr. JAVITS. Mr. President, I have joined in this bill, and I add my commendation to the remarks already uttered by Senator PERCY with respect to the splendid leadership of Senator RIBICOFF; and I commend the Senator for his extraordinarily able and very vigorous initiative as the ranking Republican member of the committee, for the fine expertise and very high-minded idealism, in its best sense, of Senator WEICKER, and the cooperation of all the members of the committee, majority and minority.

As history will cause Watergate events to recede into the past, I still feel that the first time that a President of the United States resigned his office will represent such a monumental milestone in the life of our country that it will be remembered for centuries beyond today. Hence, the work we do here in respect of a beginning, a first comprehensive measure to deal with what was uncovered when the stone was lifted from secrecy, conspiracy, and skulduggery in the highest place in the land, will have a lasting salutary effect, in my judgment, upon American public life for years to come.

Mr. President, it is a great tribute to the people of our country that we survided Watergate, that we have sought to repair the wounds which were caused, to restore the credibility to the Federal Government which was deeply undermined and which now we are slowly endeavoring to rebuild in terms of the confidence of the people.

It is not for naught that Government fell to such a low estate that those in the nonpublic occupations were rated, in terms of their public contribution, higher than those with the awesome responsibilities we carry in Congress and which executive officials carry in the executive branch.

Mr. President, I shall confine most of my statement by way of opening to just two thoughts. One is that I think it would be a remarkable achievement if in this particular kind of measure, precisely because it is to insure us against derelictions by the highest authorities in the land—the President, the Cabinet, senior officials in the executive department, and Members of the House and Senate—we could come to an agreement with the executive department on this bill, so that there was not a moment's doubt that the product which Congress turned out was the product of the best thinking and the highest dedication of both the Members of Congress and the President of the United States and those who represent him, completely removing any hint of partisanship in respect of a final product by the fact that it was agreed upon and that it will be signed by the President.

I hope very much that this does not become a bill at any stage which has to be passed over the veto of the President. I do not think it will. But I feel that we must dedicate ourselves deeply to that task. An agreed-upon bill between the President and Congress is a critical objective which we must achieve, at the same time asserting, without any error about it, that we will pass a bill and that hopefully, for the best interests of our country, the President and Congress will agree upon it.

We are now in the process of considering the administration's proposals regarding a special prosecutor with independence, by secure tenure and security of responsibility, which will enable us to avoid the difficulties which we have been caused through the Watergate case in this particular department. Saturday night massacres, Mr. President, are, in my judgment, massacres of the freedom of the American people and we do not want another one.

Mr. President, the bill which we take up today is the direct outgrowth of months of thoughtful analysis and study of the institutional defects in our government processes uncovered in the aftermath of the Watergate affair. It is based upon the assumption that the federal system of justice is not effectively structured to deal with misconduct involving the top ranks of any Presidential administration.

We all know that the disabling and disheartening reality that politics and justice had become intolerably intertwined and threatened to undermine the public's confidence in the integrity of our Government.

We know also that all too often we forget the lessons of the past and repeat those same tragic mistakes. In my judgment, S. 495 will help to repair those institutional weaknesses without imperiling the constitutional foundation of our governmental system.

Recognizing however, that many of the proposed solutions suggested before the Government Operations Committee raised serious constitutional and policy questions, we have subjected them to the most careful examination by constitutional scholars, those directly involved in the prosecution of Watergate offenses, the American Bar Association, Government officials, practicing lawyers and many others.

Attorney General Levi himself has been deeply and personally involved in recent weeks in the effort to improve this legislation, and to develop procedures which are sound and workable, and will stand constitutional muster. I commend his commitment to this endeavor and the extensive effort of his staff performed in cooperation with the staff of the Government Operations Committee.

I and my colleagues on the Government Operations Committee were extremely pleased to learn this morning from the Attorney General that President Ford had decided to send to the Congress today legislation providing for the establishment of a special prosecutor structurally in the Department of Justice, removable only for cause, and subject to Senate confirmation. The firm commitment of the President to the enactment of a statute designed to guarantee the independent investigation of high Government corruption constitutes a major initiative in a bipartisan spirit to insure that the abuses of power associated with the Watergate affair are less likely to occur. The President and the Attorney General—as well as the members of our committee have encountered and struggled with problems in this field, both theoretical and practical which are extraordinarily difficult.

Both the committee and the administration have sought to resolve constitutional and policy questions of great subtlety. The joint consultations between our staff and that of the Attorney General are continuing today in an effort to reach an agreement on legislation which will have the broadest possible support and I believe we will. I wish to take this opportunity to commend Attorney General Levi for his role in this process. In the high office which he holds, he has administered the law effectively without favor and has restored a sense of integrity and thoroughgoing professionalism to the Department of Justice.

I wish also to congratulate our chairman, Senator RIBICOFF and Senator PERCY, our ranking minority member, for the substantial commitment they made to this legislation during the past year. Senator WEICKER's distinguished service on the Watergate Committee was matched by his contribution to S. 495, and the extensive work on title II of the bill by the Judiciary Subcommittee on Separation of Powers, under the chairmanship of Senator ABOUREZK, was outstanding.

The foundation stone of the bill is found in title I and deals with the concept of independent special prosecutional authority, while this may be changed in view of the President's message, it is useful to analyze what is now in the bill too. Title I involves transfer of specific powers from the Attorney General to an independent prosecutor in specific categories of cases. It can involve jurisdiction over both persons who hold identi-

fied public offices, as well as over specific subject matter. Abuse of office and corruption of senior level governmental officials, and the appearance of such abuse and corruption require the appointment of such independent officials to handle such offenses. The real or potential conflict of interest which arises when a prosecutor is called upon to prosecute members or political allies of an incumbent administration can constitute a direct challenge to the fair and impartial administration of justice as the people see it.

While the independence of the special prosecutor could be protected by restrictions on his removal, safeguards must be built into the process to prevent abuse and nonaccountability of the prosecutor. While there are difficult and troublesome issues, the pivotal question has always been who appoints and who can remove. Through the many months of consideration in the Government Operations Committee, this issue has been the central constitutional and policy question.

The Constitution authorizes Congress to vest the appointment of such inferior offices as they think proper in the President alone, in the courts of law, or in the heads of departments. Therefore title I of the bill as now written requires the appointment of an independent special prosecutor whenever it is established that the President or the Attorney General has a conflict of interest or the appearance of the same in connection with the initiation or carrying out of certain investigative or prosecutorial functions. A three judge Federal appeals court would make the appointment.

The standard in section 594 defining when such a conflict of interest exists is designed to bring within the operation of the statute, only those cases where a direct and substantial personal or partisan political interest in the outcome are involved. Whenever the Attorney General considers the appointment of a temporary special prosecutor, he must file a memorandum with the U.S. Court of Appeals for the District of Columbia. He has the power to appoint such officials himself. The court would then review the appointment and the jurisdiction in order to determine its sufficiency.

If the Attorney General decides not to appoint a temporary special prosecutor, he must file a memorandum with the court. The court will then review that memorandum and decide whether a conflict of interest or the appearance thereof as defined in this bill exists. If the court concludes that a conflict of interest or the appearance thereof does exist, the court is authorized to appoint a temporary special prosecutor and to define the jurisdiction of the temporary special prosecutor. Court consideration of whether a temporary special prosecutor should be appointed can also be initiated by a private citizen 30 days after that citizen has gone to the Attorney General and the Attorney General has refused to consider such an appointment.

With respect to any of the functions assigned to the court under the bill, the three-judge division of the court is sitting as a panel of appointment making an appointment of an officer of the United States as authorized under article II of section 2 of the U.S. Constitution. Whenever the Attorney General makes a finding that information, allegations or evidence of criminal wrongdoing are clearly frivolous, the court has no authority to appoint a temporary special prosecutor in that case.

The bill contains an expedited review procedure to permit a constitutional challenge to the authority of a temporary special prosecutor appointed under this statute without damaging an investigation or prosecution. The expedited review procedure can only be used the first time a provision contained in this statute is challenged on constitutional grounds.

The U.S. Court of Appeals for the District of Columbia is the court which is assigned the responsibility for the appointment of temporary special prosecutors. Priority in assignment to the division of the court which will make the appointments must be given to retired circuit court judges and retired justices. There is also a provision prohibiting any judge or justice sitting on this division from sitting on any other matter involving a temporary special prosecutor whom that panel appointed.

The procedure now in the bill for appointment of temporary special prosecutors specifically deals only with the serious conflicts of interest of a personal or partisan political nature by the President or the Attorney General.

Conflicts of interest by lower level Justice Department personnel must be dealt with by the Attorney General, who is directed to promulgate rules and regulations which will require any officer or employee of the Department, including a U.S. attorney or a member of his staff, to disqualify himself from participation in a particular investigation or prosecution if such participation may result in a personal, financial, or partisan political conflict of interest or the appearance thereof.

Mr. President, during my many years in Congress, I have frequently noted the institutional disabilities under which the Congress exercises its constitutional functions. The most serious of those disabilities is the lack of its own office of legal counsel. In recent years, this disability was most dramatically felt during the executive-legislative struggles over the impoundment power asserted by President Nixon.

I and Senators MONDALE, HUMPHREY, ABOUREZK and others have proposed bills to establish an Office of Legal Counsel. Our own hearings and the hearings of the Separation of Powers Subcommittee have analyzed, first, the extent to which the Justice Department provides representation for members, committees and employees of Congress, and under what circumstances and conditions, and second, the extent to which the Department finds itself defending on behalf of Congress, the constitutionality of statutes which the executive branch believes to be unconstitutional.

Under S. 495, the Joint Committee on Congressional Operations is given general responsibility for oversight of the activities of the Office of Congressional Legal Counsel.

The Congressional Legal Counsel and a Deputy Congressional Legal Counsel will be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives from among recommendations submitted by the majority and minority leaders of the Senate and the House of Representatives.

There are three major types of litigation in which the Congressional Legal Counsel can be authorized to represent Congress. Such representation with two minor exceptions, requires the concurrence of one or both Houses of Congress.

The first responsibility of the Congressional Legal Counsel is to defend Congress, a House of Congress, an office or agency of Congress, a committee or subcommittee, or any Member, officer or employee of a House of Congress in a civil action in which that individual or entity is a party defendant and in which an official congressional action is placed in issue.

The Congressional Legal Counsel is also authorized to defend the same entities and individuals in any civil action with respect to any subpena or order directed to that individual or entity in their official capacity. The Congressional Legal Counsel undertakes such representational activity only at the direction of Congress or the appropriate House of Congress and, if the representation is of an individual, also with the consent of that individual. The Joint Committee on Congressional Operations is given the responsibility for authorizing the Congressional Legal Counsel on an emergency basis to defend such individual or entity in certain specified situations when the Congress or the appropriate House of Congress is not in session and the interest to be represented by the Congressional Legal Counsel would be prejudiced by a delay in providing such representation.

Second, the Congressional Legal Counsel may be directed to intervene or appear as amicus curiae on behalf of Congress in legal actions in which the constitutionality of a law of the United States is challenged, the United States is a party, and the constitutionality of that law is not adequately defended by counsel for the United States. The Counsel may also be directed to intervene or appear in a legal action where the powers and responsibilities of Congress under article I of the Constitution are placed in issue. The Congressional Legal Counsel is given the ongoing responsibility to monitor major cases pending before the courts and is required to notify the Joint Committee on Congressional Operations of any legal actions in which he believes Congress should intervene or appear. The Joint Committee will then publish in the CONGRESSIONAL RECORD material received from the Congressional Legal Counsel describing the legal proceedings in which intervention or appearance is recommended. However, any intervention or appearance by the Counsel must be authorized by a concurrent resolution approved by both Houses of Congress.

The third major responsibility of the Congressional Legal Counsel is to bring civil actions against an individual or corportation to enforce a subpena or other

order issued by Congress, a House of Congress, or a committee or a subcommittee authorized to issue such a subpena or order. This procedure does not apply to attempts to get infromation from the executive branch. The discretion of Congress to punish contempt by existing procedures—namely, to refer a contempt to the U.S. Attorney for criminal prosecution or to hold an individual or entity in contempt of a House of Congress by bringing that individual before the bar of the Congress—is specifically preserved.

Finally, the Counsel is authorized to represent Congressional committees in requests to courts for grants of immunity. Such representation—as with representation on an emergency basis—does not need to be approved by Congress or by a House of Congress. This is consistent with the procedure currently followed under the immunity statute.

The Congressional Legal Counsel is authorized to advise, consult and cooperate with relevant agencies and offices of Congress. For example, the Congressional Legal Counsel is directed to assist the congressional leadership in responding to subpenas or other requests for withdrawal of papers in the possession of the Senate or the House of Representatives.

The Congressional Legal Counsel is also directed to compile and maintain legal research files of materials from court proceedings which have involved the Congress. These materials will provide Congress with a valuable resource center containing information with respect to legal issues and legal actions involving the powers and responsibilities of Congress.

Mr. President, the last major component of the bill—title III—is a comprehensive statute requiring financial disclosure by high level officials in each of the three branches of the Federal Government. It is a disclosure statute only and does not regulate permissable conduct or prohibit the holding of any financial interest.

The individuals who must file an annual public financial disclosure report are the President, Vice President, Members of Congress, justices and judges of the United States, officers and employees of the Federal Government compensated at a rate equal to or greater than the rate of pay for grade GS-16.

The financial disclosure statements required under this statute are uniform for all individuals who have to file and must contain the following information:

First. The amount and source of each item of income, which exceeds $100 in value;

Second. The amount and source of each item received in kind—other than items received from any member of his immediate family—during the preceding calendar year which exceeds $500 in value;

Third. The identity and category of value of each asset held during the preceding calendar year which has a value in excess of $1,000 as of the close of the preceding calendar year;

Fourth. The identity and category of value of each liability owed in excess of $1,000 at the close of the preceding calendar year;

Fifth. The identity, category of value and date of any transaction in securities;

Sixth. The identity and category of value of any transaction in real property which exceeds $1,000 in value;

When reporting these items, it will be sufficient to report which of the following categories of value the asset or item is within:

Less than $5,000;

Between $5,000 and $15,000;

Between $15,000 and $50,000; or

Greater than $50,000.

Each Government official required to file a financial disclosure report must do so with the Comptroller General by May 15 of each year.

Criminal and civil penalties are established for willful failure to file a report or willful falsification of any information in a report.

The Comptroller General is required to make each report filed with him available to the public within 15 days after receipt of the report.

To help insure the accuracy and completeness of the information filed in the reports, the Comptroller General is also required to conduct random audits of not more than 5 percent of the financial disclosure reports filed each year.

Mr. President, this legislation taken as a whole is a carefully designed effort to deal with the extraordinary problems wrought by Watergate. The problems which we have attempted to remedy go even beyond the specific abuses of power which were uncovered in connection with the Nixon administration's handling of the Watergate burglary and the events which followed. The legislation sets forth fundamental reforms aimed at insuring the accountability of all government officials. By enacting this bill, the Senate will be implementing recommendations made by the Ervin Committee, Special Prosecutors Archibald Cox, Leon Jaworski, and Henry Ruth, as well as the American Bar Association, the Bar Association of the city of New York, and many other legal, public administration, and citizen organizations.

As I have indicated, title II of this legislation would bring to fruition a proposal which I have long advocated in this body. The establishment of an office of Congressional Legal Counsel will strengthen immeasurably the capability of the Congress to assure that its own powers under the Constitution are adequately protected in the face of challenges to those powers by the President and in the courts. I am pleased that this proposal is moving toward law following many years of advocacy by me and other Members of the Senate. It represents another important initiative—in the spirit of the Budget Reform Act and war powers resolution—to restore to the Congress' its separate powers which have been seriously eroded in post war decades.

I consider that resolution one of the landmarks of my long service here, precisely for the reason that I believe that freedom is maintained by the tensions which exist in the check and balance system of the courts, the Executive, and the Congress. I have tried and I shall continue, so long as the Lord spares me, to maintain the equal strength and the equal responsibility so that tyranny may be avoided by any one of the three branches by the fact that their weight may be thrown into the balance against tyranny.

Mr. President, there are tyrannies of strength and tyrannies of weakness. There are tyrannies of executives; there are also tyrannies of the judiciary. We know that from our Anglo-Saxon history. And, Mr. President, there can be and, indeed, on occasion have been tyrannies of the Congress. It is all of these which we must guard against.

One of the very critical aspects of our work in Congress is that we should proceed in accordance with the law ourselves and that we should not only proceed in accordance with the law but that we should have the courage of our convictions to fight to sustain the law which we have, ourselves, developed, enacted, and created.

For too long we have been seriously deficient in respect of having no lawyer for Congress. We hunt around for law firms when we have a reason to have one, which is quite proper, Mr. President. The continuing relation of the body of professional expertise, the relationship of faith and confidence which can develop between Congress and its own lawyer, is very sharply epitomized by the General Accounting Office, created for the same substantial reason, as a congressional watchdog. It is really amazing to me that we have waited so many years before coming to the realization that an essential element of the structure in passing legislation is a congressional legal counsel which we, ourselves, will choose.

The administration, Mr. President, has one objection to title II. That is that the counsel shall not have a right to defend the constitutionality of statutes which we enact. I must say, in all frankness and fairness, that it is one of the key elements of having a counsel that I see as essential to us. We must pass on constitutionality as a matter of conscience. We are not supposed to leave it to the Supreme Court. We are supposed to believe an act to be constitutional or we should vote against it, and I often have where I felt that an act, even though I liked it, would be unconstitutional. Therefore, we should have the courage of our convictions to stand by what we believe. Hence, one of the elements of congressional power is to defend our own position in the courts, where it really counts, decisively.

That does not mean to exclude the Attorney General, who is the agent of the President for the enforcement of the law. On the contrary, he should be given every opportunity to do his job as he sees it under the direction of the President. But we, too, should have the opportunity, just as any individual Member has today, to intervene in a case, to file a brief in amicus curiae, and to assert our own position.

That is all that the counsel for Congress will do. He will only do that when

Congress so directs him. He cannot be a volunteer. If he thinks we should do it, he will come to us and ask for our leave to do it. But it seems to me that the self-respect, the dignity of the Congress, and the fact that it shall be an equal branch—and by equal, it means that it shall have the tools to make itself equal and the powers to make itself equal—in here in this title II.

I know that there are few Members here tonight, but I hope that Members will read the RECORD and I hope very much that they will interest themselves in this title of the bill and we shall do our utmost to make the case for it which persuaded our committee that it is an essential and integral part of this legislation.

Mr. PERCY. Mr. President, I ask unanimous consent that during the proceedings on this bill and all votes, Robert Sloan of the Committee on Government Operations be permitted the privilege of the floor.

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

Mr. PERCY. Mr. President, I should like to reiterate that in our working with the Committee on the Judiciary on this matter, they had this bill for some 30 days and were not able to have a vote on it. The Committe on Government Operations and those of us who worked on this bill and believe in its principles so deeply were most encouraged by a letter sent out by the majority of that committee indicating that if they had had an opportunity to vote on that bill, they would have voted the bill out so it could be considered on the floor of the Senate. I trust that Senator KENNEDY will accept the appreciation from us and extend it to other members.

Mr. KENNEDY. I thank the Senator.

Mr. JAVITS. Mr. President, I ask unanimous consent that Brian Conboy of the committee staff have the privilege of the floor.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that John Childers, Blain Butner, Charles Morrison, Leo Duran, Connie Evans, and Claudia Ingram of the Government Operations Committee; and Chuck Ludlam, Ken Feinberg, Phil Bakes, and Mike Klipper of the Judiciary Committee staff be granted the privilege of the floor during consideration and votes on S. 495.

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

Mr. HARTKE. Mr. President, I ask unanimous consent that Romano Romani be granted the privilege of the floor during consideration and votes on S. 495.

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

Mr. KENNEDY. I ask unanimous consent that Thomas Susman be given the privilege of the floor during consideration and votes on this bill.

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

Mr. KENNEDY. Mr. President, I want to make some comments at this time on S. 495. I do not think we should let this occasion go by, Mr. President, without recognizing the very special debt that the Senate owes to the chairman of the Senate Committee on Government Operations (Mr. RIBICOFF), the ranking minority member (Mr. PERRY), and two members of the minority party (Mr. JAVITS and Mr. WEICKER), who have been in the forefront of developing and fashioning this particular piece of legislation, the debate upon which we start this evening.

Title I of the bill addresses the serious problem of the Federal Government investigating and prosecuting criminal wrongdoing by the Government's highest elected and appointed officials. In the past, we have not devoted either the resources or devised the institutional tools to adequately attack the problem. S. 495 is a serious and responsible attempt to change all this. Title I would create a new arm in the Department of Justice to concentrate on official corruption cases. It would also statutorily provide for an independent prosecutor to handle certain cases. Thus, S. 495 insures for the future that there will be little possibility for political interference or involvement in the most sensitive criminal cases.

Mr. President, one of the very essential aspects of this legislation is, of course, the provisions establishing in certain cases a special prosecutor. This is an important reform to grow out of our Watergate-sharpened awareness. A permanent, statutory procedure to deal effectively with future Watergates is of critical importance. We should not forget that the primary reason the American people got a special prosecutor during the Watergate crisis was because the Senate Judiciary Committee, on which I serve, was, in the spring of 1973, in the process of considering the nomination of Elliot Richardson to be Attorney General. The committee's insistence that there would be no action on the nomination unless a special prosecutor were appointed tipped the scales of that decision. There is no guarantee that the future will present the Judiciary Committee, the Congress, or the American people with an opportunity to require or demand that the executive branch appoint a special prosecutor in situations where a special prosecutor is clearly needed. A legislative solution is the appropriate safeguard.

Clearly the most obvious reason for this reform is to better insure that future wrongdoing by very high level Government officials such as the President, the Vice President, and Cabinet members will be investigated and prosecuted properly. It is simply too much to expect even the best of Attorneys General to always overcome the intense pressures and demands when handling criminal investigations in which either the Attorney General or the President has a direct and substantial political interest in the outcome.

Current practice at the Department of Justice, for example, would mean that evidence of criminal wrongdoing concerning a sitting President would not trigger any special procedures within the Department or the Attorney General's Office to insulate the investigation from possible White House influence.

I personally have great faith in the current Attorney General, Edward Levi. Attorney General Levi has brought a high degree of leadership and integrity to the Department of Justice at a critical period in the Department's history. But, Edward Levi will not be Attorney General forever. History shows that the office of Attorney General, like all other public positions has been occupied by persons occupying all shades of the ethical and intellectual spectra. The Congress cannot duck its legislative responsibilities simply because we have faith in the current person occupying a particular office. Our system is one of laws, not of men, so that necessary safeguards against future abuse should be institutionalized, not personalized. We are now in the process of fashioning wiretap legislation not out of a reaction to current, ongoing abuses, but rather, in response to past abuses and in an effort to head off future misdeeds.

Legislation is the most appropriate tool to help insure independent prosecution of future Watergates just as it is the appropriate tool to guard against future unwarranted wiretaps.

But, let us suppose that we could somehow guarantee that all future Attorneys General and Presidents are so high-minded and scrupulous that even if one of them or their close political associates were under investigation, the case would be handled with complete propriety, professionalism, and independence.

Nevertheless, there would still be a compelling need to enact the special prosecutor provisions of S. 495. Individuals who must report to the President should not be allowed to investigate crimes involving close political and governmental associates of the President. The reason is clear. As Prof. Archibald Cox, who supports this legislation, explained:

> The pressures, the divided loyalty are too much for any man, and as honorable and conscientious as any individual might be, the public could never feel entirely easy about the vigor and thoroughness with which the investigation was pursued. Some outside person is absolutely essential.

The point Professor Cox makes is an important one. Without public confidence in the prosecutor, there will be no public respect for the outcome. Even if the decision not to prosecute is a good faith one based on the evidence, all the press conferences in the world are not going to satisfy a significant portion of the public if the person who is not prosecuted is the President or one of the fellow Cabinet members or the Attorney General. A cynicism and disrespect for how the Government handles the hard cases will have a very dangerous spillover effect on public perception of the entire administration of justice. If there is disrespect for how the law is enforced, there will be less chance that laws will be obeyed.

Finally, the likelihood that an independent investigation will occur should help deter those high-level officials who might otherwise be tempted to play fast and loose with criminal prohibitions. A statutory mechanism for a special prosecutor will prevent high-level executive officials from believing that they are immune from prosecution because their own administration and Justice Department will never investigate them.

Mr. President, I should point out that

many of the problems confronted by S. 495 were faced back in the fall of 1973 by the Senate Judiciary Committee. Our Committee on the Judiciary wrestled with a legislative solution to the Watergate crisis for 11 days in hearings, and a very extensive markup period during the fall of 1973. This was immediately after the then Special Prosecutor, Archibald Cox, was fired.

We considered extensively the constitutional issues involved with a court-appointed prosecutor. Ultimately, we reported two competing bills—one providing for court appointment, the other for appointment by the Attorney General.

Much of the controversy surrounding S. 495 involves the constitutional question faced by the Judiciary Committee nearly 3 years ago. The weight of authority and my firm personal belief is that S. 495 as drafted clearly meets the test of constitutionality. I will not dwell on the competing arguments on this question at this late hour, Mr. President. It may be that there will be no disagreement on this question because President Ford has now endorsed the concept of a statutory special prosecutor.

I am quite pleased, in fact, to see that the administration has apparently reversed its earlier opposition to legislatively establishing a class of cases that would be handled by an independent prosecutor. Over the last several weeks the Senators from Connecticut (Mr. RIBICOFF and Mr. WEICKER), the Senator from Illinois (Mr. PERCY), the Senator from New York (Mr. JAVITS), and I have through our staffs been involved in extensive discussions with the Justice Department. In addition, Attorney General Levi has discussed S. 495 personally with a number of us. Those discussions made it clear to the administration that the sponsors of S. 495 were prepared to go ahead with the bill in spite of the administration's opposition. But those discussions also made clear that we would be prepared to consider meaningful alternatives to some current provisions of S. 495.

But, an acceptable alternative must include three basic things. First, it must include, as S. 495 does, a statutory definition of what class of cases must be handled by an independent prosecutor. Second, it must include, as my proposed amendment to S. 495 does, a statutory guarantee that a special prosecutor will have independent power and authority to handle cases without interference. Third, an acceptable solution must include, as S. 495 does, safeguards to make sure that the person appointed special prosecutor is in fact sufficiently removed from political influences and is appointed on a nonpartisan basis.

During the Judiciary Committee's 1973 inquiry, it was these three principles which emerged so clearly as necessary. They must definitely be part of any legislative solution. The President has this afternoon offered a special prosecutor proposal that is different than that contained in S. 495, but which was considered by the Government Operations Committee during its hearings.

We should examine this proposal with care. If there are portions of that proposal that improve the bill as now drafted, then we should adopt them. But we should be especially careful to see if it effectively incorporates the three concepts I just mentioned.

Mr. RIBICOFF. Mr. President, will the Senator yield at this point?

Mr. KENNEDY. Yes.

Mr. RIBICOFF. I do want to take this opportunity to commend the Senator from Massachusetts and other members of the Judiciary Committee who have been in constant consultation with the Government Operations Committee in order to get a bill that would be satisfactory and as perfect as possible.

I also commend the various members of the Judiciary Committee staff, especially the staff of Senator KENNEDY, who, during the recess, worked so hard to straighten out many problems in this legislation. So it is only fitting that we do pay tribute to Senator KENNEDY and the members of his staff.

Mr. KENNEDY. I thank the Senator. Phil Bakes, in particular, has been spending a great deal of time, and I think it is important that we give credit where it is due. As we all know, these are extremely complex issues which take extraordinary diligence of committed and concerned individuals. I appreciate the willingness of the chairman of the Government Operations Committee to make these observations.

Finally, if I may return the compliment to the chairman of the Government Operations Committee and the members, I believe this issue was, and continues to be, an extremely important issue for the country. But it is not now the kind of issue which it was 2 years ago. Two years ago it was a headline issue, but it no longer is. We are here now in the Chamber in the evening at this late hour without the press here, with a few strong and valiant exceptions, to really give the kind of attention and focus that this particular issue would have had 2 years ago. But it is a mark, I think, of the continued service of the members of the Government Operations Committee, that this measure is out on the Senate floor. Because of their continued diligence, we are going to be able to fashion an instrument and a mechanism to provide important protections against Government corruption.

Title I of S. 495 is a carefully considered package that would better attack corruption and help prevent future Watergates. The American people expect us to act and to act soon. Not to do so would be a cynical response to the millions of citizens concerned with the problem of official misconduct.

S. 495 also contains tough financial disclosure provisions that would apply to high-level public officials. Title III of the bill would for the first time treat equally certain high-level elected and appointed officials of all three branches of Government, and give the public workable and uniform financial information that might affect official decisionmaking. Current law on financial disclosure is simply a crazy-quilt of toothless laws. The President and Vice President and Federal judges need not publicly disclose their finances at all. Members of Congress are not under meaningful disclosure requirements. Title III, Mr. President, would be a long-overdue strengthening and improvement of financial disclosure laws.

Mr. President, numerous polls reveal the disturbing fact that many citizens have little faith in the integrity of their Government and public officials. One responsible way to respond to this feeling is to demonstrate our commitment to vigorous investigation and prosecution of Government corruption without regard to partisan political factors. We should also not shrink from revealing personal financial information that the public is entitled to view in order to determine whether the private interests of the Government officials are affecting public performance. I urge my colleagues to support and vote favorably on S. 495.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that amendments to title II and III be considered in order tomorrow, to be followed by title I.

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

Mr. HARTKE. Mr. President, I associate myself with the remarks made by the Senator from Massachusetts, the Senator from Illinois, and the Senator from New York in complimenting the chairman of the Government Operations Committee for the fine work he has done in this field. Probably no man is more understanding of all branches of government than the distinguished Senator from Connecticut, having served not only as Governor and in the President's Cabinet but now in the position of U.S. Senator, certainly a demonstration again of his fine civic service.

Mr. President, the Watergate Reorganization and Reform Act of 1976 is a long overdue step in the process of strengthening our representative institutions. It will promote accountability among employees and elected officials of the Federal Government. It will provide Congress with machinery to assist it in responding to the needs of the Nation. And it will invigorate the constitutional separation of powers among the three branches of our Government.

Throughout this century, the power of the President has grown almost beyond our capacity to control it. The tragedy of Watergate brought home to each of us the full implications of an executive branch untempered by the competing authority of the other branches. Fortunately, our institutions and the men and women who comprise them met the challenge. We have survived that constitutional crisis, but we have been alerted to the potentialities inherent in an overbearing Presidency. "Power," in the famous words of Lord Acton, "corrupts, and absolute power corrupts absolutely." We cannot rely merely on the good intentions of men to prevent the usurpation of democratic government. Good men, as our Founding Fathers well knew, are not enough. Our founders created an institutional framework within which the power of different men and different institutions negated one another—not to prevent action, but to prevent tyranny.

With changing circumstances, our institutions have evolved in new ways. In particular, the exigencies of the contemporary world have placed new burdens on our Government; this has been especially true in the case of the Presidency. Repeatedly, we have witnessed the exercise of power by the President that was rightfully the prerogative of Congress. More is at stake than mere prerogatives. For it is in the manner in which we govern that we retain or lose our character as a free and self-governing people.

To preserve the freedom we have enjoyed so that the generations that follow us may enjoy it as well, we must act to maintain that delicate balance between the arms of Government. We cannot allow the authority of one branch to be eroded at the expense of another. What may appear expedient for today may lead, ultimately, to disaster. Maintaining constitutional balance is no easy task. It is an on-going task. It requires constant vigilance and the ability to change our laws and procedures to accommodate the long-term objective to the necessities of effective daily government.

While the Watergate Reorganization and Reform Act of 1976 is no panacea—no final solution—it is a step. It is a good step, and one that moves us in the right direction. For this reason, I support it, and I urge my colleagues to support it as well.

My support is particularly strong for the need to establish an Office of Congressional Legal Counsel, as provided in title II of the bill. I have been advocating the need for congressional counsel for nearly a decade.

In considering title II I believe it would be helpful to sketch the origins of this proposal. I will direct my remarks in support of title II to this end.

Congressional concern with the need to establish an Office of Congressional Legal Counsel has often been expressed over the last decade. In 1965 the Joint Committee on the Organization of Congress considered the litigation needs of Congress and recommended that a Joint Committee on Congressional Operations be established and given the "continuing responsibility for determining, with the approval of the leadership of both Houses, whether Congress should be appropriately represented" in cases of vital interest to Congress. "Organization of Congress, Final Report," Joint Committee on the Organization of Congress, report No. 1414, 89th Congress, 2d session, at 47. The findings of the committee are particularly timely to the Senate's consideration of title II. These findings state in part:

The Congress, its committees and its Members are sometimes involved as parties litigant. Traditionally, representation in these cases has been by private counsel, sometimes not paid for by the Congress or by the Department of Justice.

In addition, the constitutional authority of the Congress, the will or intent of Congress, and even the application of parliamentary rules have been passed upon by the courts. In a few cases involving constitutional powers, the Congress has been represented through appearances by Senators, Representatives, or attorneys as amicus curiae. This representation has been on a sporadic basis and sometimes at no expense to the Congress. In contempt and perjury cases involving the powers of the Congress and its parliamentary procedures, Congress usually has been represented by the Department of Justice.

This legal representation of the Congress with respect to its vital interests is unsatisfactory and the effect upon Congress of court decisions should be a matter of continuous concern for which some agency of the Congress should take responsibility. This function appropriately can be vested in the proposed joint committee, acting with approval of the leadership of both Houses. (*Final Report*, at 47, emphasis added).

When the committee proposal to create the Joint Committee on Congressional Operations was finally debated and adopted as a part of the Legislative Reorganization Act of 1970, unfortunately, the new joint committee was given the authority only to "identify" court proceedings of vital interest to Congress. October 26, 1970, Public Law 91-510, section 402 (972) 84 Statute 1187.

My first support for this proposal was to offer on March 3, 1967, an amendment to S. 355, the Legislative Reorganization Act of 1967—113 CONGRESSIONAL RECORD 5361-5369, March 3, 1967. That bill already included a provision which authorized the proposed Joint Committee on Congressional Operations, with the approval of the President pro tempore, Speaker, and majority and minority leaders, "to provide for appropriate representation on behalf of Congress or either House thereof if any proceeding or action" which, "in the opinion of the joint committee, is of vital interest to Congress, or to either House of the Congress."

Mr. RIBICOFF. Will the Senator yield?

Mr. HARTKE. I am glad to yield to the Senator.

Mr. RIBICOFF. I want to take this opportunity to commend the Senator from Indiana.

If my memory serves me correctly, he was one of the first Members of the Congress to propose the establishment of a congressional legal counsel and he is now seeing it come to completion and fruition.

I know that throughout the consideration of the complicated problems with Watergate and the corrections that had to be made, the Senator from Indiana has been deeply concerned, has shown a continuous interest, and I have found his advice most helpful in drafting this bill and seeing it come to the floor at this time.

I commend the Senator from Indiana for his invaluable help.

Mr. HARTKE. I wish to express my thanks to the Senator, the manager of the bill, the chairman of the Government Operations Committee.

That has been something rather close to my heart for a long time. I have seen it debated. I have seen it talked about and written about. The fact the committee is seeing fit to include this measure in the bill I think will demonstrate conclusively that we are going in the right direction.

My amendment provided that: "There is hereby established in the legislative branch of the Government the Office of Legislative Attorney General, which shall be under the direction and control of the Legislative Attorney General. The Legislative Attorney General shall be appointed by the Speaker of the House of Representatives and the President of the Senate, with the approval of the House of Representatives and the Senate, without reference to political affiliations and solely on the basis of his fitness to perform the duties of his office, and shall be subject to removal by those officers for inefficiency, misconduct, or physical or mental incapacity. He shall receive the same salary as Members of Congress." 113 CONGRESSIONAL RECORD 5361.

Among the duties of the counsel were to: "(4) intervene, upon request of any committee of the Congress or upon his own motion, in any action pending in any court of the United States in which there is placed in issue the constitutional validity or interpretatioin of any act of Congress, or the validity of any official proceeding of or action taken by any committee, officer, office, or agency of the Congress; and (5) represent, upon request, any committee, officer, office, or agency of the Congress in any legal action pending in any court of the United States to which such committee, officer, office, or agency is a party and in which there is placed in issue the validity of any official proceeding of or action taken by such committee, officer, office, or agency." 113 CONGRESSIONAL RECORD 5361. These types of provisions now form the heart of title II of S. 495.

Although there was substantial support for my amendment, some Senators objected to the fact that it appeared to authorize the Congressional General Counsel to be the "authoritative source for interpretation of legislative intent." The Senate considered it to be unwise to establish a quasi-legal office of Congress having the power to issue binding legal opinions whether or not requested by a committee to do so. Accordingly, my amendment was tabled. This objection cannot be raised to title II of S. 495.

As I have indicated, when the Joint Committee on Congressional Operations was finally established in 1970, it was given power only to "identify" cases of vital interest to Congress.

Subsequent to the debate on my amendment, on March 23, 1967, I first introduced S. 1384, a bill to establish an Office of Congressional General Counsel. That bill was one of the first bills ever referred to the Subcommittee on Separation of Powers of the Senate Judiciary Committee. I request permission to have a copy of this bill printed in the RECORD following these remarks. I testified in favor of S. 1384 at the subcommittee's very first hearing on July 19, 1967. "Separation of Powers," Hearings Before the Subcommittee on Separation of Powers, 90th Congress, first session, pages 8-11 (1967).

At that time I introduced for the hearing record a list of important cases where the interests of Congress went unrepresented. Id. at 11-13. I believe that this remains very timely and ask that it also be printed at the close of my remarks.

On May 8, 1968, I had published in the CONGRESSIONAL RECORD a newspaper article which found it "somewhat astonish-

ing that since the inception of the republic, Congress provided for an Attorney General, who is in fact House Counsel for the executive branch, and provided for no attorney general for the Congress of the United States." The article went on to state that it would be "extremely healthy * * * if the Congress looked to the protection of its constitutional powers by the creation of its own law office. By law, it could be easily provided that when the attorney general of the Congress deems that a fundamental constitutional right of the Congress is in issue, or when the intent of the Congress is a decisive issue, then the Congress itself shall have right to appear before the Court to memorialize the Court on what the Congress deems its intent or its constitutional right to be. Failing in this, that body most responsive to the people will continue to be shouldered, and alarmingly, into space more confined by the courts, the agencies, the executive branch, for the reason that it did not assert its constitutional rights.

"The creation of an attorney general of the Congress * * * would instantly restore the Congress to the pre-eminence designed for it in the original Constitution." 114 CONGRESSIONAL RECORD 6822 (May 8, 1968).

Subsequently, I had an article published in the Administrative Law Review on the need for Congress to hire its own legal counsel. (HARTKE, VANCE, "Proposed: A Legal Counsel for the Congress of the United States," 20 Administrative Law Review 341 (April 1968)). This article was printed in the CONGRESSIONAL RECORD on July 18, 1968. 114 CONGRESSIONAL RECORD 21998–22001 (July 18, 1968).

The proposal to establish an Office of Congressional Legal Counsel was next considered by Congress in 4 days of hearings held before the Joint Committee on Congressional Operations on the "Constitutional Immunity of Members of Congress." In these hearings the joint committee explored the Justice Department's policy in representing Congress and in particular the conflict of interest faced by the Department of Justice when it defended Congress in Doe against McMillan. The Senate's decision to file an amicus brief in Gravel against United States was also discussed. During these hearings Senator Ervin presented a brilliant statement which I request be printed following my statement. I might note that Senator Ervin had similar remarks printed in the CONGRESSIONAL RECORD on August 16, 1972. In it Senator Ervin explains how the courts have eroded the constitutional immunity of Members of Congress. In response to supplemental questions at these hearings, the Justice Department first conceded that it was "certainly arguable" that the Congress should "represent itself in court on a permanent basis." Hearings, part II, at page 181.

In 1974 I testified again before the Subcommittee on Separation of Powers in favor of establishing an Office of Congressional Legal Counsel. "Removing Politics From the Administration of Justice," Hearings Before the Subcommittee on Separation of Powers, Senate Judiciary Committee, 93d Congress, second session, at 27–37 (March 26, 1974). As I argued then, the need for Congress to represent itself in litigation "stems from the peculiar interest of Congress in these cases, and the right of Congress to prosecute its own contempt cases. Although this authority has been in the past delegated to the Justice Department, the existence of a full-time congressional counsel would make it appropriate that he be responsible for a case within the traditional powers of Congress." (Hearings, at 33). I continue to believe that Congress must represent itself as title II of S. 495 provides.

Additional impetus for the congressional legal counsel proposal was generated when the Senate Select Committee on Presidential Campaign Activities participated in over 60 different matters before the courts during the course of its Watergate investigations in 1973 and 1974. The court filings, which comprise most of the "Legal Documents Relating to the Select Committee Hearings," run to over 2,100 pages. As a result of its experience, the select committee recommended that the Congress give careful consideration to a bill then pending before the Senate (S. 2569) that would establish a Congressional Legal Service and thus give Congress "a litigation arm that would allow it to protect its interest in court by its own counsel." As Senator BAKER, vice chairman of the select committee, stated:

> There are numerous instances in which the interests of Congress and Congressional committees are divergent from those of the President and the various departments, and in which the existence of a permanent Congressional litigating staff would be both helpful and appropriate. The Select Committee on Presidential Campaign Activities certainly was engaged, albeit unsuccessfully, in extensive litigation; and a Congressional Legal Service would have been of great utility to the Committee.

S. 2569 had been introduced by Senator WALTER MONDALE on October 11, 1973. Similar proposals to establish an Office of Congressional Legal Counsel had been introduced by myself on October 26, 1973 (S. 2615) and by Senator JACOB K. JAVITS, on June 4, 1974 (S. 3877). On December 11, 1974, Senator Ervin introduced S. 4277 which was based upon the recommendations of the Watergate committee which contained Senator MONDALE's proposal.

In the winter of 1975–76, the Subcommittee on Separation of Powers held hearings on "Representation of Congress and Congressional Interests in Court." The chairman of the subcommittee, Senator JAMES ABOUREZK, had earlier introduced S. 2731 which refined previous proposals for an Office of Congressional Legal Counsel. The subcommittee compiled a detailed hearing record, focusing specifically on the conflict of interest which occurs when the Justice Department represents Congress and generally on the inadequacy from Congress institutional point of view of the present ad hoc provisions for representation of Congress. The hearings run nearly 800 pages and include 120 exhibits.

In addition to its providing for the defense of Members and committees and for intervention by Congress in cases involving the constitutional powers of Congress, title II establishes a method for Congress to seek civil enforcement of its subpenas. I am in strong support of this provision.

Historically, Congress has made various provisions for enforcing its subpenas and orders. The contempt power of Congress was affirmed in the 1821 case of Anderson against Dunn. During its early period Congress brought contumacious witnesses for trial before the House and Senate and confined those found in contempt in the Capitol guard house. Variations of this practice continued until 1945.

In 1857, Congress grew dissatisfied with the fact that it could imprison a person only until the end of a legislative session. In that year Congress passed a statute, still in effect in amended form as 2 United States Code 192, making it a criminal offense to refuse to divulge information demanded by Congress. Even after passage of the 1857 statute, Congress preferred to enforce its own punishment rather than turn a witness over to the U.S. attorney. However, as courts more frequently began to review congressional contempt trials, Congress came to rely entirely on the criminal sanction. Using both procedures, Congress has held approximately 400 persons in contempt since 1789, most of the contempts having occurred since 1945. "Guide to the Congress," Congressional Quarterly, at pages 248–249 (1973).

While investigating the contested election of Senator William S. Vare in 1928, a Senate committee sought to enforce a subpena for certain ballot boxes and various documents by bringing a civil suit. The Supreme Court held that the Senate did not intend or authorize the committee to bring suit. *Read* v. *County Commissioners of Delaware*, 277 U.S. 376 (1928). The day the Supreme Court decision was rendered, the Senate enacted a standing order authorizing all Senate committees to "bring suit * * * if the committee is of the opinion that the suit is necessary to the adequate performance of the powers vested in it." Senate Journal 572, 70–1, May 28, 1928.

On May 4, 1953, Congressman Kenneth Keating introduced H.R. 4975 which conferred jurisdiction on the courts to hear civil actions to enforce congressional subpenas. The principal advantages cited by Congressman Keating for civil enforcement were speed, flexibility, and effectiveness. Four days of hearings were held on the bill. The bill then passed the House on August 4, 1954, and again in the next session of Congress on March 15, 1955. The Senate took no action on either occasion. All of these materials are printed in the 1976 hearings of the Subcommittee on Separation of Powers at pages 556–568. It is interesting to note that the Justice Department believed that the bills "raise policy questions primarily within the purview of the Congress and concerning which the Department prefers to make no recommendation." (Hearings, page 560.)

When Congressman Keating became a

Senator he reintroduced his proposal on March 24, 1959 (S. 1516), and on June 13, 1961 (S. 2074), but no action was taken.

In 1962 and again in 1972 judges of the U.S. Court of Appeals for the District of Columbia recommended in criminal contempt cases that Congress should adopt an alternate to criminal contempt. See *Tobin* v. *United States,* 306 F. 2d 276 (D.C. Cir. 1962) and *U.S.* v. *Fort,* 443 F. 2d 670, 676-678 (D.C. Cir. 1970).

Also, in 1962 the George Washington Law Review published an excellent article entitled "Judicial Review of Congressional Investigations: Is There an Alternative to Contempt?"

Confronted by President Nixon's refusal to honor its subpena for certain White House tape recordings, the Senate Watergate Committee brought a civil action for a declaratory judgment that President Nixon's claim of executive privilege was unlawful. The committee found the prospect of criminal contempt or trial before the Senate inadequate and inappropriate remedies. Judge Sirica held that the court had no jurisdiction to hear the action, specifically rejecting the 1928 standing order as a basis for jurisdiction, 366 F. Supp. 51 (1973). Senator Ervin then introduced and the Congress soon passed a statute (Public Law 93-190) giving district court jurisdiction over that suit and others the Watergate Committee might bring to enforce subpenas issued by it to the executive branch. The original version of this statute would have confined jurisdiction on the courts to hear suits by all congressional committees to seek subpena enforcement. This provision was deleted prior to passage of the law. Eventually the court of appeals dismissed the committee's suit due to the pending House impeachment inquiry. See 1976 hearings of Subcommittee on Separation of Powers, page 61, n. 1.

This summary of the origins of title II makes it clear that this proposal has been given extensive consideration over the years. A number of Members have made important contributions to development of the proposal. It is time finally to pass this legislation so that representation of Congress and congressional interests will no longer—in the words of the 1965 report—be "unsatisfactory" to maintain Congress as a vigorous and independent branch of government.

Mr. President, I ask unanimous consent to have printed in the RECORD excerpts on Separation of Powers and Constitutional Immunity of Members of Congress.

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

[Separation of Powers, Hearings Before the Subcommittee on Separation of Powers, 90th Cong., 1st Session (1968) at 271.]

[S. 1384, 90th Cong., first sess.]

A BILL TO ESTABLISH THE OFFICE OF LEGISLATIVE ATTORNEY GENERAL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established in the legislative branch of the Government the Office of Legislative Attorney General, which shall be under the direction and control of the Legislative Attorney General. The Legislative Attorney General shall be appointed by the Speaker of the House of Representatives and the President of the Senate, with the approval of the House of Representatives and the Senate, without reference to political affiliations and solely on the basis of his fitness to perform the duties of his office, and shall be subject to removal by those officers for inefficiency, misconduct, or physical or mental incapacity. The Legislative Attorney General shall be appointed for a term which shall expire at the end of the Congress during which he is appointed. The Legislative Attorney General shall receive the same salary as Members of Congress.

(b) Subject to the availability of appropriations, the Legislative Attorney General may appoint and fix the compensation of such Assistant Attorneys General, clerks, and other personnel as may be necessary to carry on the work of his office. Assistants shall be appointed without reference to political affiliations and solely on the basis of fitness to perform the duties of their offices.

(c) The Legislative Attorney General shall promulgate for his office such rules and regulations as may be necessary to carry out the duties imposed upon him by this Act. He may delegate authority for the performance of any such duty to any officer or employee of the Office of the Legislative Attorney General. No person serving as an officer or employee of such office may engage in any other business, vocation, or employment while so serving.

(d) The Legislative Attorney General shall cause a seal of office to be made for his office, of such design as the Speaker of the House of Representatives and the President pro tempore of the Senate shall approve, and judicial notice shall be taken thereof.

SEC. 2. (a) It shall be the duty of the Legislative Attorney General, under such rules as the Committees on the Judiciary of the Senate and the House of Representatives may prescribe jointly from time to time, to—

(1) render to committees, Members, and disbursing officers of the Congress, and to the Comptroller General, legal opinions upon questions arising under the Constitution and laws of the United States;

(2) render to committees and Members of the Congress advice with respect to the purpose and effect of provisions contained in Acts of the Congress, or to be inserted in proposed legislative measures;

(3) perform such duties with respect to legislative review of executive actions as shall be prescribed by such rules;

(4) intervene or appear as amicus curiae, upon the request, or with the approval, of the Committee on the Judiciary of the Senate or House of Representatives, in any action pending in any court of the United States in which there is placed in issue the constitutional validity or interpretation of any Act of the Congress, or the validity of any official proceeding of or action taken by either House of Congress or by any committee, Member, officer, office, or agency of the Congress; and

(5) represent, upon the request, or with the approval of the Committee on the Judiciary of the Senate or House of Representatives, either House of Congress or any committee, Member, officer, office, or agency of the Congress in any legal action pending in any court of the United States to which such House committee, Member, officer, office, or agency is a party and in which there is placed in issue the validity of any official proceeding of or action taken by such House, committee, Member, officer, office, or agency.

(b) Upon receipt of written notice from the Legislative Attorney General to the effect that he has undertaken pursuant to subsection (a) (5) of this section to perform any such specified representational service with respect to any designated action or proceeding pending or to be instituted in a court of the United States, the Attorney General shall be relieved of responsibility and shall have no authority to perform such service in such action or proceeding except at the request or with the approval of the Legislative Attorney General.

SEC. 3. (a) Subject to applicable rules of practice and procedure, the Legislative Attorney General shall be entitled as of right to intervene as a party or appear as amicus curiae in any action described in subsection (a) (4) of section 2.

(b) For the purposes of all proceedings incident to the trial and review of any action described by subsection (a) (5) of section 2 with respect to which the Legislative Attorney General has undertaken to provide representational service, and has so notified the Attorney General, the Legislative Attorney General shall have all powers conferred by law upon the Attorney General, any subordinate of the Attorney General, or any United States attorney.

(c) The Legislative Attorney General, or any attorney of his office designated by him for that purpose, shall be entitled for the purpose of performing duties imposed upon him pursuant to this Act to enter an appearance in any such proceeding before any court of the United States without compliance with any requirement for admission to practice before such court, except that the authorization conferred by this subsection shall not apply with respect to the admission of any person to practice before the United States Supreme Court.

SEC. 4. The Office of the Legislative Attorney General shall have the same privilege of free transmission of official mail matter as other officers of the Congress.

SEC. 5. There are hereby authorized to be appropriated to the Office of the Legislative Attorney General such sums as may be required for the performance of the duties of the Legislative Attorney General under this Act. Amounts so appropriated shall be disbursed by the Secretary of the Senate on vouchers approved by the Legislative Attorney General.

[*Separation of Powers,* Hearings Before the Subcommittee on Separation of Powers, 90th Cong., 1st Session (1968) at 11]

REPRESENTATIVE CASES AFFECTING CONSTITUTIONAL POWERS OF CONGRESS WHERE IT WAS NOT REPRESENTED (EXCEPT IN SOME INSTANCES BY THE DEPARTMENT OF JUSTICE)

See contempt cases such as—

Watkins v. *U.S.*,[1] 354 U.S. 178 (1957);

Barenblatt v. *U.S.*,[1] 300 U.S. 109 (1954);

Brewster v. *U.S.*[1] (C.A.D.C.) 255 F. 2d 899 (1958) (dissenting opinion), among others.

And

Article I, Section 1—Delegation of Legislative Authority

Schechter Poultry Co. v. *U.S.*,[1] 295 U.S. 495 (1935);

Panama Refining Co. v. *Ryan*,[1] 219 U.S. 388 (1935);

Carter v. *Carter Coal Co.*,[1] 298 U.S. 238 (1936);

U.S. v. *Butler*,[1] 297 U.S. 1 (1936).

Article I, Section 2, Clause 1—Protection of the Right To Vote for Members of Congress

Ex parte Yarbrough, 110 U.S. 651 (1884);

U.S. v. *Classic*, 313 U.S. 299 (1941);

U.S. v. *Mosley*, 238 U.S. 383 (1915).

Article I, Section 2, Clause 3—Apportionment of Seats in the House

Wood v. *Broome*, 287 U.S. 1 (1932);

Colegrove v. *Green*, 328 U.S. 549 (1946);

Wesberry v. *Sanders*,[2] 376 U.S. 1 (1964).

[1] Representation by Department of Justice.

[2] Participation by Department of Justice through amicus curiae on leave of Court.

Article I, Section 4, Clause 1—Federal Legislation Protecting the Electoral Process

Ex parte Siebold,[1] 100 U.S. 371 (1880);
Ex parte Yarbrough,[1] 110 U.S. 661 (1884).

Article I, Section 5, Clause 1—Power To Judge Elections of Members

Barry v. *U.S. ex rel. Cunningham*,[1] 279 U.S. 597 (1929).

Article I, Section 5, Clause 2—Power of Each House Over Its Members

Burton v. *U.S.*,[1] 202 U.S. 344 (1906);
In re Chapman,[1] 166 U.S. 661 (1897).

Article I, Section 6, Clause 1—Privilege From Arrest

Williamson v. *U.S.*,[1] 207 U.S. 425 (1908);
U.S. v. *Cooper*, 4 Dall. 341 (1800);
Long v. *Ansell* (C.C.A. D.C.) 69 F. 2d 386 (1934), aff'd 293 U.S. 76 (1934);
U.S. v. *Johnson*[1] (Sup. Ct.) docket No. 25, October term, 1965; decision, February 24, 1966.

Article I, Section 7, Clause 1—Revenue Bills, Origination

Twin City National Bank v. *Nebecker*,[1] 167 U.S. 196 (1897);
Millard v. *Roberts*,[1] 202 U.S. 429 (1906).

Article I, Section 7, Clause 3—Veto Disapproval

Missouri Pacific R.R. v. *Kansas*, 248 U.S. 276 (1919).

Article I, Section 8—Powers of Congress

Because of lack of time, cases under article I, section 8, have generally been omitted, except for a few outstanding ones—

Pollock v. *Farmers' Loan and Trust Co.*,[2] 157 U.S. 429 (1895) (income taxation);
Steward Machine Co. v. *Davis*,[1] 301 U.S. 548 (1937) (social security—taxation and spending for public welfare);
Gibbons v. *Ogden*,[1] 9 Wheat. 1 (1824) (commerce power);
Second Employers Liability Cases,[2] 223 U.S. 1 (1912) (commerce);
U.S. v. *E. C. Knight Co.*,[1] 156 U.S. 1 (1895) (commerce);
N.L.R.B. v. *Jones & Laughlin*,[1] 301 US. 1 (1937) (commerce);
U.S. v. *Darby*,[1] 312 U.S. 100 (1941) (commerce);
Wickard v. *Filburn*,[1] 317 U.S. 111 (1942) (commerce);
McCulloch v. *Maryland*,[1] 4 Wheat. 316 (1819) (fiscal and monetary);
Ex parte Jackson,[1] 96 U.S. 727 (1878) (mails);
Ex parte Milligan,[1] 4 Wall. 2 (1866) (war power);
Bowles v. *Willingham*,[1] 321 U.S. 503 (1944) (war power).

Article I, Section 9, Clause 3—Bill of Attainder and Ex Post Facto Laws

Cases v. *U.S.*[1] (C.C.A., 1st) 131 F. 2d 916 (1942), cert. denied 319 U.S. 770.

Article II, Section 2, Clause 3—Reprieves and Pardons

Ex parte Garland,[1] 71 U.S. 333 (1867);
Yelvington v. *Presidential Pardon and Parole Attorneys*,[1] (C.A.D.C.) 211 F. 2d 642 (1954).

Article II, Section 2, Clause 2—Appointing and Removal Power

Kendall v. *U.S.*[1] 12 Pet. 524 (1828);
U.S. v. *Smith*,[1] 286 U.S. 6 (1932);
Humphrey's Executor v. *U.S.*,[1] 295 U.S. 602 (1935);
Morgan v. *Tennessee Valley Authority*, (C.C.A. Tenn.) 115 F. 2d 990, cert. den. 312 U.S. 701 (1940).

Article II, Section 3—Powers and Duties of the President

Youngstown Co. v. *Sawyer*,[1] 343 U.S. 579 (1952).

Article III, Section 1—Judicial Power

Martin v. *Hunter's Lessee*, 14 U.S. 304 (1816);
Cary v. *Curtis*,[1] 44 U.S. 236 (1845);
Lockerty v. *Phillips*,[1] 319 U.S. 182 (1943);
Yakus v. *U.S.*,[1] 321 U.S. 414 (1944).

Article III, Section 2, Clause 2—Supreme Court, Original and Appellate Jurisdiction

Marbury v. *Madison*, 1 Cranch 137 (1803);
Ex parte McCardle, 74 U.S. 506 (1868).

Article III, Section 2, Clause 3—Treason

U.S. v. *Greathouse* (C.C. Cal.) 26 Fed. Cas. No. 15,254 (1863).

Article IV, Section 3, Clause 1—Admission of New States

Coyle v. *Smith*, 221 U.S. 559 (1911).

Article IV, Section 4—Guarantee of Republican Form of Government

Luther v. *Borden*, 7 How. 1 (1849).

Article V—Amendment of the Constitution

Leser v. *Garnett*,[2] 258 U.S. 130 (1922);
Coleman v. *Miller*,[2] 307 U.S. 433 (1939).

Amendment XIV, Section 5—Enforcement

Civil Rights Cases,[1] 109 U.S. 3 (1883);
Ex parte Virginia,[1] 100 U.S. 339 (1880).

Amendment XV, Section 2—Enforcement

James v. *Bowman*,[1] 190 U.S. 127 (1903);
U.S. v. *Reese*,[1] 92 U.S. 214 (1876).

[*Constitutional Immunity of Members of Congress*, Hearings Before the Joint Committee on Congressional Operations, 93rd Cong., 1st Session (1973) at 10]

STATEMENT OF HON. SAM J. ERVIN, JR., A U.S. SENATOR FROM THE STATE OF NORTH CAROLINA

Senator ERVIN. Mr. Chairman, I am deeply grateful to you for your remarks concerning myself.

I want to commend the Joint Committee on Congressional Operations for its initiative in scheduling these hearings. The statements made by members of the Joint Committee indicate that the Joint Committee is acutely aware of the problems involved. Americans of every ideological persuasion are greatly concerned that the principle of separation of powers, one of the fundamental doctrines incorporated in our Constitution, is on its deathbed. The search for a cure has become absolutely essential if the form of government established under our Constitution is to be preserved. I am confident that this committee's hearings will underline the imbalance of power that presently exists among the branches of the Federal Government and point us toward some remedies to this imbalance.

While there are many important issues currently associated with the principle of separation of powers—including such matters as Executive impoundment of appropriated funds, sweeping Presidential assertions as to the scope of executive privilege, and the troublesome relationship between Congress and the President in the conduct of foreign affairs—I want to concentrate today upon the issues in conflict with respect to the "speech or debate" clause of article I, section 6 of the Constitution. This clause is a vital part of the doctrine of separation of powers inasmuch as it protects Members of Congress from intimidation by the executive and judiciary through the use of judicial inquiry into legislative activity.

During its last term the Supreme Court decided two cases, *United States* v. *Gravel*, 408 U.S. 606 (1972), and *United States* v. *Brewster*, 408 U.S.C. 501 (1972), in which the Court set forth its interpretation of this clause. In my opinion, these decisions pose a dangerous threat to the independence and integrity of the legislative branch.

The Senate was properly alarmed about the threat to its independence posed by the judicial inquiry into the activities of Senator Mike Gravel. After the Supreme Court agreed to hear the case, the Senate on March 23, 1972, adopted S. Res. 280 authorizing the filing of an amicus curiae brief with the Court on its behalf. The Senate realized that the Supreme Court would interpret the "speech or debate" clause and, in the words of the resolution, feared that the Court thereby might "impair the constitutional independence and prerogatives of every individual Senator, and of the Senate as a whole."

The Senate's fears were well-founded, for on June 29, 1972, the Supreme Court did just that. In handing down its decisions in *United States* v. *Gravel* and *United States* v. *Brewster*, which also involved an interpretation of the "speech or debate" clause, the Court set forth significant restrictions as to the scope of the protection provided Members of Congress by the clause.

In these two cases the new majority on the Court tinkered with the very heart of the constitutional doctrine of separation of powers. These decisions impair the constitutional independence and prerogatives of every individual Senator and of the Senate as a whole to a degree none of us anticipated when the resolution was adopted.

The same observation applies to the House of Representatives as a whole.

These two Supreme Court decisions have so restricted the immunity given to Members of Congress by the "speech or debate" clause that they can no longer independently acquire information respecting activities of the executive branch nor inform their constitutents of their findings without risking criminal prosecution. Indeed, these decisions raise the clear danger that Member's speech or vote on the floor may subject him to inquiry by the executive or judicial branch.

The framers of the Constitution wrote the "speech or debate" clause to remedy a very specific evil. Fresh in their minds was the history of harassment by English Kings and their judges of Members of Parliament who spoke out in the course of their legislative activities in a manner embarrassing to the Crown. The legislative immunity incorporated in our Constitution is a product of that turbulent period in English history marked by the glorious revolution and the beheading of Charles I. Indeed, one reason Charles I lost his head was his imprisonment of Members of Parliament who opposed his overseas military campaigns.

Justice Frankfurter related the history and origins of legislative immunity to the "speech or debate" clause in his excellent opinion in the case of *Tenney* v. *Brandhove*, 341 U.S. 367, 372 (1971):

"In 1668, after a long and bitter struggle, Parliament finally laid the ghost of Charles I, who had prosecuted Sir John Elliot and others for "seditious" speech in Parliament. . . . In 1689, the Bill of Rights declared in unequivocal language: "That the Freedom of Speech, and Debate or proceeding in Parliament, ought not to be impeached or questioned in any Court or Place out of Parliament." 1 Wm. & Mary Sess. 2, Ch. 2.

"Freedom of speech and action in the legislature was taken as a matter of course by those who severed the Colonies from the Crown and founded our Nation. It was deemed so essential for representatives of the people that it was written into the Articles of Confederation and later into the Constitution. . . .

"The reason for the privilege is clear. It was well summarized by James Wilson, an influential member of the Committee of Detail which was responsible for provision in the Federal Constitution. "In order to enable and encourage a representative of the public to discharge his public trust with firmness and success, it is indispensably necessary that he should enjoy the fullest liberty of speech, and that he should be protected from the resentment of everyone, however powerful, to whom the exercise of that liberty may occasion offence." II Works of James Wilson (Andrews ed. 1896).38.

Until these decisions by the present activist majority, the Supreme Court relied heavily upon this history to derive the meaning of the clause. When I refer to a court as "activist," I mean a court which ignores the history or policy or settled precedents underlying a particular clause of the Constitution or statute. The Supreme Court can be labeled "activist" whether it is popularly considered "liberal," as was the Warren Court, or as "conservative." The vice is the same whatever the ideology—placing the Court itself above the Constitution. It is not interpreting and applying, but rewriting.

An unfortunate example of an activist court at work is also found in the majority opinion in *United States* v. *Brewster*, written by Chief Justice Burger who was joined by Justices Stewart, Marshall, Blackmun, Powell, and Rehnquist. There the majority concluded that the English history which gave rise to article I, section 6 of the Constitution was no longer dispositive in interpreting the "speech or debate" clause. It was satisfied that—

Our history does not reflect a catalog of abuses at the hands of the Executive that gave rise to the privilege in England.

The Court has conveniently forgotten much about American history. During the infamous "alien-sedition" period, the Federalist administration used the judiciary to intimidate anti-Federalist Congressmen. For example, in 1798, Congressman Matthew Lyon was convicted and sentenced before a biased Federalist judge who was motivated by purely partisan political considerations. The judge would not even allow Lyon time to prepare his defense. In 1797 a grand jury, under the supervision of another Federalist judge, conducted an inquisition of an anti-Federalist Congressman for "sedition" in sending a newsletter to his constituents critical of the administration's war policy. Thomas Jefferson considered the grand jury's action to be a blatant violation of the "speech or debate" clause and suggested that the grand jurors should be arrested and imprisoned for this "great crime wicked in its purpose, and mortal in its consequences."

Of course, even if the Court were correct about its American history, its conclusions would be of little comfort. My fears would not be allayed by the knowledge that until now most Presidents have exercised great restraint in hauling legislators they do not like into court. Effective separation of powers between branches of government must rest not only upon good faith and great expectations, but also on the firm bedrock of constitutional principles.

The Constitution provides two methods by which Congressmen can be held accountable for their misdeeds. They can be disciplined by the body of which they are a member and they can be disciplined by the electorate at the next election. These means of holding Congressmen accountable for misbehavior do not compromise the independence of the legislative branch.

Apparently, the Supreme Court's majority in the *Brewster* case was not satisfied with what the Founding Fathers provided for in this respect. This majority ignored the explicit words and policy of the Constitution in favor of what it believed to be a better procedure for dealing with alleged misdeeds by Members of Congress. In so doing, the Court's majority in *United States* v. *Brewster* ran roughshod over the "speech or debate" clause.

Earlier Courts, concerned about the independence of Congress, have felt it necessary to give the clause the broadest possible interpretation. Chief Justice Burger, in his majority opinion in *United States* v. *Brewster*, dismissed these prior judicial expressions. He wrote that, "the contention for a broader interpretation of the privilege draws essentially on the flavor of the rhetoric and the sweep of the language used by the courts, not on the precise words used in any prior case, and surely not on the sense of those earlier cases, fairly read." He thus rationalized away the important policies and principles underlying the clause which have been recognized by all Supreme Courts until this one by the simple and unconvincing device of labeling the Court's past precedents as mere rhetoric and sweeping language.

The *Brewster* case involved the alleged solicitation and acceptance of a bribe by former U.S. Senator Daniel B. Brewster, of Maryland. A 1969 indictment charged that Senator Brewster as a member of the Senate Post Office and Civil Service Committee had been influenced in his actions on legislation proposing changes in postal rates as the result of an alleged $24,000 bribe from the mail-order company of Spiegel Inc. The district judge dismissed the indictment against the former Senator on the ground that he was immune from prosecution under the "speech or debate" clause. The Supreme Court reversed by simply concluding the bribery could be proved without relying on the evidence of what the Court defined as protected activity—the actual vote on the postal rates.

The *Gravel* case involved Senator Mike Gravel's reading of the "Pentagon Papers" at a meeting of the Senate Public Works Subcommittee on Public Buildings and Grounds and the inclusion of the documents into the subcommittee record. The case arose out of the attempt by a Federal grand jury in Boston to inquire into the matters relating to the public disclosure of the papers, and its subpoena of an aide to the Senator. Senator Gravel moved to intervene in the aide's motion to quash the subpoena—asserting immunity under the "speech or debate" clause on behalf of the aide.

Although the Senator failed to quash the subpoenas against this aide, the lower Federal courts granted a protective order precluding questioning of the Senator or any member of his staff about the subcommittee meeting, including the acquisition and subsequent publication by Beacon Press of the papers and the proceedings before the subcommittee. The Court of Appeals based its order on its conclusion that the aide and Senator Gravel enjoy similar immunities under the clause and on a common law privilege akin to that accorded executive and judicial officials to protect them from liability for official conduct.

There were several different issues before the Court in each of these two cases. However, the fundamental question facing the Court in both cases was the same, a question of jurisdiction—whether inquiry into certain behavior of Members of Congress could be conducted by the executive and judicial branches or whether the separation of powers concept and the "speech or debate" clause require that the inquiry remain the exclusive responsibility of the legislative branch.

The general question of what activity is protected by the "speech or debate" clause and, therefore, is within the exclusive jurisdiction of Congress, took three forms in these cases.

First, in the *Gravel* case, the Court decided whether aides to Members of Congress enjoy the same immunity under the clause as Members themselves.

Second, in *Gravel* and to a certain extent in *Brewster*, the Court determined what was "legislative activity" and thereby protected by the clause. More precisely, the Court determined whether a Member was engaged in legislative activity when he acquired information on the activities of the executive and informed his constituents of his findings.

Finally, in *Brewster* the Court was concerned with the extent to which a Federal court could indirectly question a Senator on concededly protected activity—the casting of a vote—without violating the clause.

The Court decided the first issue—whether aides enjoyed the same immunity as their legislator employers—in the affirmative. It concluded that the immunity of an aide is identical to that of the Senator. In the Court's words the clause provides immunity to the aide, "where his conduct would be a protected legislative act if performed by the Member himself."

Unfortunately, this determination by the Court is of little significance because what the Court gave with one hand it more than took away with the other. While the Court concluded that an aide enjoys immunity equal to that of his Senator, it so restricted the immunity enjoyed by the Senator as to make it largely worthless to the Senator or his aide. It decided, in the *Gravel* case, that the acquisition of information in preparation for a legislative hearing and the publication of the hearing thereafter are not protected activities. And, in *Brewster*, it held that even a protected activity such as voting is still subject to inquiry by the Court or the executive branch.

Under the Supreme Court's view, no activity is protected except the narrowly defined casting of a vote or the giving of a speech before the House or in committee. No preparatory acts leading up to a protected activity would be immune under the clause. A Senator would not be protected when he attempts to bring the result of his legislative activity or that of the whole body to the attention of the public. Further, even the narrow range of activity still protected after these decisions—voting and speaking on the floor—is subject to question if the executive or the judiciary can find a possibility of an illegal act. So, in effect, not even voting and official speaking are any longer covered by the clause.

In *Gravel* the Court excluded acquisition and republication from the protection of the "speech or debate" clause because these matters did not fall within its new artificial definition of "legislative activity." According to the Court, the only activity which is "legislative" and therefore entitled to protection is that which is—

"An integral part of the deliberative and communicative process by which Members participate in committee and House proceedings with respect to the consideration and passage or rejection of proposed legislation or with respect to other matters which the Constitution places within the jurisdiction of either House."

In other words, five of the Justices of the Supreme Court, none of whom has spent any time in Congress, have concluded that the acquisition of information for hearings and the communication of the results of hearings to the public are not "integral" parts of the legislative process.

This definition of "legislative activity" reflects a lack of appreciation of the things essential to the legislative process. As we all know, the formulation, consideration and passage of legislation involves much more than the introduction of a bill, a few speeches and a vote. The Washington Post, in an editorial critical of this decision, on July 15, 1972, made this point quite forcefully:

"This decision is extremely troubling because it declares, in effect, that the only communications essential to the legislative process are those among congressmen. This relegates to a lesser realm the constant, churning traffic in ideas and opinions between congressmen and citizens. Yet this communication is central to the idea and functioning of representative government, not peripheral as the court seems to think."

To my mind, Chief Justice Parsons had a much more realistic view of the legislative process when he defined the scope of legislative activity in the case of *Coffin* v. *Coffin*, 4 Mass. 1, 27 (1808):

". . . for every thing said or done by him,

as a representative, in the exercise of the functions of that office, without inquiring whether the exercise was regular according to the rules of the House, or irregular and against their rules."

According to Chief Justice Parsons, "legislative activity" is what we as Members of Congress do as representatives of our constituents. If we feel that we are representing our constituents by investigating the executive branch's conduct of a foreign war, as anti-Federalist Congressmen did during Federalist administrations in the late 1700's, that is legislative activity and beyond inquiry in a Federal court. If we want to inform our constituents of the findings of our investigations, that is also legislative activity and beyond inquiry by a Federal court. Of course, we are not unaccountable in the performance of these legislative activities. Our constituents can vote us out of office if they decide that any of our activities do not represent their interests. And the Senate can establish rules and penalize us for activity it deems inappropriate. The same thing applies to the House. But the Supreme Court can contrive no definition which will convince me that it is appropriate for any Federal court or grand jury to inquire into such legislative activity as obtaining information about the functioning of the executive branch and informing the public of the actions of its Government.

What I have just stated has been the unquestioned law of this land for almost two centuries. Indeed, the Supreme Court has frequently relied on Justice Parson's formulation [e.g., *Kilbourn* v. *Thompson*, 103 U.S. 168 (1880)].

There is very disturbing language in these opinions, language which illustrates a lack of appreciation of what is essential to the legislative function. Although the *Brewster* decision does not turn on what is and what is not legislative activity, the majority felt compelled to expound on the subject. Despite the fact that it is all dicta, the Court's reasoning reveals its attitude toward Congress and perhaps explains the real reason why the Court stripped Congress of immunity for acquisition and publication in *Gravel*.

In *Brewster*, the Court expressed its view that Congress is incapable of disciplining its own Members in a wise manner and that Congress could not provide all the protections that a Federal court could in disciplining misbehavior.

But, to my mind, the most serious affront to this body occurred in the Court's distinction in *Brewster* between protected and nonprotected activity. The Court drew a distinction between what it determined to be "political" activity and "legislative" activity. The majority would not protect what it labels as "political" activity or "errands" performed by Congressmen:

"These include a wide range of legitimate "errands" performed for constituents, the making of appointments with government agencies, assistance in securing government contracts, preparing so-called "news letters" to constituents, news releases, speeches delivered outside the Congress. . . . They are performed in part because they have come to be expected by constituents and because they are a means of developing continuing support for future elections."

In essence, the majority believes that those activities we do on behalf of our constituents are for our own personal advancement, that is, for increasing our chances of reelection. It regards them as "political" and therefore not entitled to protection. It demeans many legitimate acts we perform in our representative capacity or as ombudsmen between the people and their government by labeling them as "errands" and assuming that they are performed for base political reasons.

As disturbed as I am about the ruling in *Gravel* and dicta in *Brewster* stripping immunity from acquisition and republication, I fear that the Court may have sounded the death knell for the "speech or debate" clause in its holding in *Brewster* permitting indirect inquiry into the motives for a Member's actual speech or vote on the floor or in committee. The Court in *Brewster* split over whether inquiry into a nonlegislative act (bribery in this case) could be conducted without indirectly bringing into question a legislative act—the casting of a vote in committee or on the floor. Justice White, who wrote the majority opinion in *Gravel*, thought that inquiry into the former was for all practical purposes an inquiry into the latter and filed a vigorous dissent in *Brewster*.

In writing the majority opinion in *Brewster*, Chief Justice Burger was faced with Justice Harlan's fine opinion in the case of *United States* v. *Johnson*, 383 U.S. 169, a 1966 case with facts almost identical to *Brewster*. In that case the Court frustrated a prosecution of a Congressman for giving a speech in return for a bribe, while in *Brewster* the prosecution was for the casting of a vote in return for a bribe. Justice Burger distinguished the cases by concluding that the Johnson Court would have been satisfied if the Government had proven the bribe and a promise to give a speech without offering the speech as evidence of the bribe. Therefore, the Chief Justice reasoned, the prosecution in *Brewster* could proceed if the Government would offer only the promise to vote and not the vote itself. Ironically, almost the same argument was offered by the Justice Department in the *Johnson* case and was explicitly rejected by Justice Harlan.

In Justice White's view, an inquiry into the bribery would of necessity touch upon matters which are, beyond question, within the scope of the privilege—that is, the vote itself and the Senator's motives in casting the vote. In the Justice's own words:

"Insofar as it charged crimes under 18 U.S.C. § 201(c)(1), the indictment fares little better. That section requires proof of a corrupt arrangement for the receipt of money and also proof that the arrangement was in return for the defendant 'being influenced in his performance of any official act. . .'. Whatever the official act may prove to be, the Government cannot prove its case without calling into question the motives of the Member in performing that act, for it must prove that the Member undertook for money to be influenced in that performance."

Justice White recognized the Chief Justice's logic for what it was—mechanistic and artificial—a logic which fails to recognize the fundamental principle underlying the "speech or debate" clause.

We could look upon these decisions fatalistically. We might resign ourselves to the view that the unbridled expansion of executive privilege and that withering of legislative privilege are part of an inevitable trend of aggrandizement of power in the Presidency evidenced throughout American history. But if we do so, we profane our oaths to uphold the Constitution and indeed we may preside over the funeral of our system of government.

If we do not respond rationally and firmly to the constitutional crisis wrought by these decisions, the doctrine of separation of powers may die a quiet and ignoble death. The Congress may find itself in the same situation as Parliament found itself under the reign of Charles I. That crisis led to revolution in 1640 and a total restructuring of the English system of government. Continued inaction on our part may lead to consequences no less grave for our constitutional system. As Woodrow Wilson once warned, warfare between branches would be fatal to the continuation of democratic government.

ADJOURNMENT TO 9 A.M. TOMORROW

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

The motion was agreed to; and at 6:34 p.m., the Senate adjourned until tomorrow, Tuesday, July 20, 1976, at 9 a.m.

NOMINATIONS

Executive nomination received by the Secretary of the Senate after the adjournment of the Senate on July 2, 1976, pursuant to section 3 of House Concurrent Resolution 669.

IN THE NAVY

Vice Adm. Robert C. Gooding, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

Executive nominations received by the Senate July 19, 1976:

DEPARTMENT OF STATE

Stephen Low, of Ohio, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia.

Nancy V. Rawls, of Georgia, a Foreign Service officer of class 1, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

IN THE AIR FORCE

Juanita Ashcraft, of California, to be an Assistant Secretary of the Air Force, vice David P. Taylor.

THE JUDICIARY

Marion J. Callister, of Idaho, to be U.S. district judge for the district of Idaho vice J. Blaine Anderson.

FEDERAL COMMUNICATIONS COMMISSION

Margareta E. White, of Virginia, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1976, vice Glen O. Robinson, term expired.

NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS

Charles J. Urstadt, of New York, to be a member of the board of directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1978 (reappointment).

U.S. POSTAL SERVICE

Robert L. Hardesty, of Texas, to be a Governor of the U.S. Postal Service for the term expiring December 8, 1983, vice Frederick Russell Kappel, term expired.

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To Be lieutenant general

Lt. Gen. Richard M. Hoban, 490-44-9997FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The U.S. Army Reserve officers named herein for appointment as reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. Charles Beach, Jr., 402-24-8372.
Brig. Gen. James Benjamin Middleton, 409-44-0045.
Brig. Gen. Jean Henry Trahin, 430-12-9046.

To be brigadier general

Col. Charles Dounley Barrett, 104-22-6875.
Col. Robert Dewey Bay, 493-20-3062.
Col. Thomas George Crowe, 356-24-3598.
Col. Sidney Lawrence Foulston, Jr., 513-26-9639.
Col. Wayne Paul Jackson, 351-20-3159.
Col. Wilbur Fields Joffrion, 435-26-0545.
Col. Sabe McClain Kennedy, Jr., 452-24-0439.
Col. Roger Hays Lehman, 388-12-9823.
Col. Thomas Pomphert Nally, 006-18-8512.
Col. Allen Driscoll Rooke, Jr., 462-24-0605.
Col. Stanford Joyner Skinner, 423-40-8607.
Col. Alden Earl Stilson, Jr., 281-20-2364.
Col. Thomas Walton, Jr., 167-12-4398

The Army National Guard of the United States officers named herein for appointment as reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major general

Brig. Gen. James Andrew Mickle, 424-36-5175.
Brig. Gen. Otto Ervin Scherz, 465-42-0691.

To be brigadier general

Col. James Monroe Bullock, Jr., 445-30-3060.
Col. James Reed Crites, 487-28-3230.
Col. Joseph Dominic Flato, Jr., 111-20-8739.
Col. John B. Garrett, 465-14-1026.
Col. Joseph Andrew Healy, 072-22-2314.
Col. Gerald Theodore Sajer, 172-22-3820.
Col. Buster Edward Smith, 447-28-5594.

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier general

Col. Charles Edward Dixon, 548-24-0199.
Col. James Deane Mashburn, 430-32-4412.
Col. Paul Warren Reed, Jr., 444-22-2000.

IN THE NAVY

Adm. Noel A. M. Gayler, U.S. Navy, for appointment to the grade of admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

The following-named officers of the Navy for permanent promotion to the grade of rear admiral:

LINE

Samuel H. Packer, II	Wayne E. Meyer
William L. Hinkle	William Nivison
Cabell S. Davis, Jr.	Francis F. Manganaro
Bruce Keener III	Edward F. Welch, Jr.
Thomas W. McNamara	Charles J. Youngblade
Robert M. Collins	John C. Barrow
James B. Morin	Thomas J. Kilcline
Henry D. Arnold	Paul H. Engel
John V. Josephson	Edward S. Briggs
William M. Callaghan, Jr.	Robert L. Walters
	Allen E. Hill
James H. Scott	William A. Gureck
Lee Baggett, Jr.	William B. Warwick
Paul C. Gibbons, Jr.	Thomas H. Replogle
Mark P. Frudden	William R. Smedberg IV
Stanley J. Anderson	
Gordon J. Schuller	Robert E. Morris
James A. Sagerholm	Ernest R. Seymour
William H. Rowden	Thomas L. Malone, Jr.
Ross N. Williams	

SUPPLY CORPS

Harold C. Donley, Jr. Paul L. Foster

CIVIL ENGINEER CORPS

Charles C. Heid, Jr.

DENTAL CORPS

William L. Darnall, Jr.
Paul E. Farrell

IN THE AIR FORCE

The following Air Force officer for appointment as permanent professor, U.S. Air Force Academy, under the provisions of section 9333(b), title 10, United States Code:

Badgett, Lee D., 523-50-3220.

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provision of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force.

MEDICAL CORPS

To be lieutenant colonel

O'Brien, Eugene T., 471-30-2316.

To be captain

Combs, Steven P., 481-52-8494.

The following persons for appointment as Reserve of the Air Force in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Blankenship, Robert M., 490-42-4083.
Coleman, Donald L., 347-26-2325.
Davis, Kingsley L., 499-16-9650.
Mitchell, Don Q., 425-74-8888.
Stoner, John C., 269-34-1863.
Woolbright, Jimmie L., 432-50-0513.

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Goldberg, Arthur J., 578-52-0608.

To be lieutenant colonel

Corbell, Robert R., II, 450-48-9830.

The following persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Bradley, Herbert E., 060-30-5969.
Davis, Kingsley L., 499-16-9650.
Maras, Vlasta V., 302-40-8355.
Maras, Zvonimir I., 550-54-3421.
McGovern, Edward L., 361-26-4569.
O'Neil, William A., 031-24-1287.
Wennerbom, John A., 461-52-8985.
White, Stewart A., 552-48-1540.
Woolbright, Jimmie L., 432-50-0513.

The following officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Second lieutenant to first lieutenant

Young, James E., 441-40-3918.
Zbylut, James J., 507-60-2634.

The following officer for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

MEDICAL CORPS

Major to lieutenant colonel

Laurel, Santiago, 578-52-2990.

IN THE AIR FORCE

The following-named officers for promotion as a reserve of the Air Force, under the appropriate provisions of chapter 35 and 837, title 10, United States Code.

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Adams, Robert S., 531-22-2432.
Copenhaver, Joseph E., 233-54-2834.
Corey, Joseph G., 261-52-1968.
Dibernardo, Michael, 085-24-1471.
Fincannon, Arthur D., 245-60-6628.
Forbes, Henry P., 433-34-4701.
Free, William A., 518-28-0982.
Hane, Edward P., Jr., 470-26-9472.
Higbie, Earl L., 314-12-6203.
Lykes, Jack H., 430-44-7671.
MacInnes, William M., 157-22-0440.
Martin, James W., 306-30-2909.
Martin, Joseph O., Jr., 410-38-1109.
McCoy, Palmer E., 396-32-6038.
Montplaisir, David H., 501-30-0203.
Ocksrider, Charles B., 170-22-0056.
Pasqualini, Henry O., 047-24-3505.
Saffold, Thomas N., 253-46-3176.
Sherman, Thurston H., Jr., 419-32-4438.
Smiley, Dale W., 304-20-2732.
Smyth, Henry C., Jr., 227-30-1294.
Snyder, Floyd E., 204-28-1144.
Standerfer, Ronald G., 319-28-8983.
Stennis, John H., 579-54-9566.
Suhay, Richard, 291-28-2688.
Taylor, Irving E., Jr., 047-12-1413.
Tressler, Donald J., 170-26-8013.
Tune, John C., 408-40-0634.
Work, William C., 356-16-9533.

CHAPLAIN CORPS

Murphy, Terrence J., 475-12-4766.
Ryan, John R., 504-05-4842.

MEDICAL CORPS

Blount, Wilber C., 264-24-7897.
Delp, Charles W., Jr., 164-20-9591.
Dougherty, John D., 512-28-5063.
Kane, Dennis J., 206-10-6792.
Kiernan, Earl R., 566-24-8704.

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3305:

ARMY PROMOTION LIST

To Be Colonel

Adams, Floyd C., 253-34-6445.
Ahearn, David C., 034-20-8267.
Alderman, Craig Jr., 563-36-6679.
Allan, James R., 119-20-7265.
Allen, Loma O., 578-40-5088.
Anderson, Thomas E., 516-28-2802.
Anson, Richard W., 284-20-5381.
Armstrong, James E., 250-40-4664.
Arnold, Harvey L., 253-44-8027.
Atkinson, Frank W., 240-42-9328.
Austin, Maynard A., 241-44-3253.
Ayers, Thomas D., 420-24-5190.
Bacci, John J., 356-22-3825.
Baird, Niven J., 525-50-6276.
Barnard, Talbott, 372-24-6469.
Baughman, Larry J., 512-24-8141.
Beekman, Gerald R., 390-22-1842.
Behneman, John F., 578-30-7941.
Bellochi, Joseph F., 107-22-5202.
Bente, James A., 282-24-5757.
Berry, Ray W., 579-28-5943.
Berry, William E., 425-46-1261.
Black, Charles S., 003-18-4906.
Blakely, William R., 226-34-5211.
Block, Theodore S., 538-24-6738.
Boos, Michael A., 399-20-1461.
Booth, James W., 254-40-3624.
Bouffard, Robert L., 198-24-8174.
Bowers, Richard K., 309-28-7874.
Boylan, James F., 562-30-4012.
Bracy, Alfred M., 429-34-2701.
Bray, Gaither C., 328-22-3005.
Brewer, John F., 561-54-8202.
Brewington, Charlie, 246-44-8406.
Brocato, Cyrus V., 434-44-4318.
Brown, Henry L., 247-32-1294.
Brown, John P., 223-32-0531.
Browne, Edward M., 464-34-8282.

Bryan, Lawrence E., 447-24-6276.
Bullock, Richard S., 198-16-2415.
Burdick, Leonard R., 560-34-2759.
Burke, Robert J., 152-20-5473.
Burke, Robert L., 093-20-0547.
Burkhalter, Thomas, 393-24-3329.
Butterworth, James, 057-24-7629.
Cade, Alfred J., 227-20-6031.
Calcatera, Kenneth, 368-28-2593.
Campbell, William E., 074-20-4940.
Cannon, John L., 248-46-2732.
Carr, John M., 194-20-7621.
Carroll, Anthony, 185-22-3100.
Carson, Ray M., 578-34-7131.
Cartland, Harry E., 473-44-8006.
Casey, John P., 400-54-1478.
Cassidy, John J., 076-24-8433.
Cate, William F., 059-22-0432.
Chandler, Victor E., 346-32-9263.
Chase, Marvin K., 567-26-8347.
Cheaney, Frank H., 514-40-2996.
Childress, Gerald, 225-36-3615.
Churchill, Jack B., 266-32-8564.
Ciccolo, William N., 026-22-8918.
Clark, Donald E., 446-24-0582.
Claybrook, John H., 052-24-8688.
Clingempeel, William, 229-24-1029.
Clyne, Norman G., 250-38-0655.
Coad, William F., 500-26-0868.
Cochran, James F., 267-40-5716.
Coffman, King J., 567-38-0432.
Cole, Thomas F., 548-32-8678.
Colombo, James L., 001-20-5224
Comish, Leo S., 529-26-1097.
Compton, James M., 491-38-4150.
Comstock, Keith L., 093-20-1904.
Condina, Ernest F., 722-12-3167.
Connelly, Donald W., 212-26-4260.
Cook, Harold F., 115-18-1277.
Cook, Peter H., 063-20-4056.
Cook, Ralph J., 201-24-6069.
Cooke, John W., 425-38-8306.
Corley, Robert J., 249-36-4341.
Coroneos, Paul P., 331-20-6114.
Cottey, Robert J., 283-22-2398.
Covington, Edward B., 548-36-5033.
Cox, Alden L., 337-22-2720.
Cox, Rodney E., 228-36-2168.
Creed, William H., 238-36-5830.
Crocker, Merle M., 012-24-1381.
Cromwell, Raymond B., 247-32-2481.
Crow, James E., 240-30-1507.
Crowell, Chester D., 090-20-1527.
Culbertson, Roger A., 536-22-0961.
Cully, Frederick R., 519-26-7278.
Culton, William H., 526-34-3666.
Dalone, Arthur A., 046-22-3010.
Danford, Howard H., 342-20-1475.
Danzeisen, William, 187-24-6067.
Davies, Joseph F., 140-22-1659.
Davis, Addison D., 255-58-6521.
Dawson, George R., 365-26-6849.
Day, Robert L., 539-26-3598.
Delaune, Elton J. Jr., 434-38-5898.
Demuynck, Jack E., 342-20-0673.
Descoteau, Rudolph, 033-12-8027.
Deshazo, Thomas E., 429-40-2890.
Dixon, Charles E., 266-26-9888.
Dodds, Jack A., 469-30-5844.
Dombrowsky, Albert, 074-24-3750.
Donahue, Joseph E., 020-20-4693.
Donovan, Paul, 026-24-0762.
Doran, Fred R., 292-24-7670.
Dotson, Richard F., 481-26-5383.
Doyle, David K., 578-40-4691.
Driskill, John G., 401-36-6545.
Dukes, Harry L., 249-32-3960.
Dunne, William A., 093-22-0436.
Dutchyshyn, Harry V., 457-64-2966.
Dyment, Leroy W., 006-24-2080.
Eckhart, Amil J., 481-28-0444.
Edgington, Roger N., 478-20-5280.
Evanchick, John, 175-20-7122.
Evangelos, Christos, 038-16-4004.
Evans, Robert B., 152-22-3247.
Everhart, Tommy L., 245-38-7081.
Evrard, James A., 042-24-7366.
Eye, Douglas M., 503-32-5120.
Faught, William F., 292-20-2633.
Federhen, Herbert M., 002-20-3831.
Fields, Charles E., 249-34-3165.
Fischer, Arthur F., 287-22-7417.
Fitzpatrick, Thomas, 376-28-4283.
Flanagan, Eugene P., 031-30-1904.
Flint, Roy K., 383-22-6574.
Foley, John V., 059-24-3906.
Frankhouser, Enoch, 163-22-4410.
Franklin, James A., 253-44-2065.
Frechette, Joseph P., 003-12-0788.
Frederick, Austin, 463-40-1247.
Freeze, James E., 481-28-8201.
Friedman, Arthur M., 003-20-1343.
Fulwyler, Niles J., 293-24-4207.
Gallagher, Charles, 141-20-8879.
Gannon, Timothy G., 101-22-6981.
Gardner, Jack J., 506-22-7646.
Garibay, Raul A., 462-28-8611.
Garver, John B., 276-24-6582.
Garver, Ralph T., 325-24-5898.
Gaskill, Robert C., 224-32-2389.
Gatzka, Charles A., 539-18-1249.
Gearin, Cornelius J., 043-22-2828.
Geisel, Francis R., 561-54-6022.
Gelke, Donald E., 404-28-9179.
Gerard, Robert J., 153-22-7478.
Germond, George F., 451-46-6803.
Gibbs, Gerald G., 224-52-4869.
Gibler, John K., 336-22-7912.
Gibney, John V., 185-22-1374.
Gilkey, Clarence D., 531-24-5996.
Glore, Ray C., 286-20-3295.
Goddard, Ross M., 252-36-7275.
Goff, John E., 224-52-6035.
Gonzales, Orlando E., 524-28-8901.
Gooch, Kaye W., 496-28-9477.
Goodall, Arthur L., 487-32-8448.
Graves, Charles E., 526-28-5434.
Gray, George B., 433-30-8919.
Grayeb, George A., 554-34-0605.
Greene, Dereef A., 577-30-5617.
Greenlaw, Kenneth N., 040-24-7153.
Gregory, Theodore O., 444-40-7734.
Grzybowski, Conrad, 203-20-9208.
Guertin, J. A. Richard, 417-32-0890.
Gustafson, William, 323-20-2802.
Hains, Peter C., 227-34-0469.
Hall, Daniel D., 422-24-1575.
Hammaker, Charles A., 217-28-2303.
Hancock, Jack L., 232-38-0413.
Hand, Lee M., 529-36-3785.
Hand, Robert P., 226-34-3533.
Harageones, Angelo, 263-60-2097.
Hardin, Harold F., 492-36-5666.
Harrington, Robert, 345-20-0209.
Harris, Bobby J., 255-38-2563.
Harris, John R., 463-38-1653.
Harrison, William J., 234-42-3611.
Hatch, Richard A., 466-38-7535.
Hausman, Conrad K., 084-24-6830.
Heathcock, James T., 420-34-9739.
Hemphill, Donald F., 438-34-2715.
Hermann, John R., Jr., 525-46-1324.
Herriford, Robert L., 327-24-1260.
Hertel, Robert G., 515-18-8192.
Hetherly, James H., 458-42-2874.
Higgins, William W., 382-16-0987.
Higgs, Irwin L., 402-32-9843.
Hill, John G., 393-24-0290.
Hill, William C., 264-32-4172.
Hobbs, William A., 258-34-7468.
Hobby, Thomas K., 440-20-9064.
Hoenstine, Charles, 144-22-4162.
Holmes, Arthur Jr., 411-36-9944.
Holt, Winfrield A., 030-22-3455.
Hineycutt, Weldon F., 136-22-3792.
Howard, Edward B., 001-20-2719.
Howard, Joseph D., 577-30-8253.
Howitz, Ivan H., 403-40-4694.
Hubbard, Samuel J., 573-34-9132.
Huber, Richard G., 496-28-0480.
Huebner, Robert W., 391-24-0946.
Hukkala, Tenho R., 327-24-5638.
Hunt, Jim I., 451-42-4311.
Huskerson, Guy M., 461-46-1041.
Hutchins, Alvin C., 417-32-7702.
Hyde, Richard G., 290-22-5579.
Hylton, Irvin L., 228-36-3749.
Jaggers, Joseph N., 448-24-0752.
James, William, 120-24-1335.
Jameson, John G., 401-36-7273.
Jelinek, Howard C., 508-30-4744.
Jenkins, William E., 454-34-0535.
Jenkins, William M., 244-40-9629.
Johnson, Ernest B., 242-20-3048.
Johnson, Frank G., 033-22-9675.
Johnston, James A., 513-26-6575.
Jones, Albert F., 248-32-1528.
Jones, Frank A., 258-40-0926.
Jones, Gordon D., 320-24-2570.
Jones, Thomas M., 208-24-7472.
Joy, Jesse D. Jr., 424-30-5065.
Juvenal, Michael P., 420-26-6913.
Kaser, William T., 295-24-4307.
Kasson, Darrell D., 389-24-7667.
Keeley, John B., 459-34-7175.
Keith, Norman A., 429-74-3918.
Kelly, Keith S., 511-28-4331.
Kenyon, Nathaniel C., 214-28-7779.
Kern, John H., 723-14-9728.
Kersey, Walter G., 579-52-8693.
Kidwell, Birtrun S., 224-40-5797.
Kiefer, Homer W., 223-30-0865.
Killion, Edward P., 026-22-6898.
Kitts, Richard A., 164-24-6428.
Knight, Daniel B. Jr., 262-40-2813.
Knipp, Fred M., 515-28-7541.
Koos, Frank S., 154-20-4507.
Kupau, Richard A., 575-22-1338.
Labarrie, John H., 370-28-8469.
Labrozzi, Anthony, 161-22-7235.
Lamas, Albert A., 427-20-0081.
Lang, Richard N., 296-24-7840.
Lang, Vaughn O., 188-20-6157.
Langford, Richard J., 459-40-6367.
Laray, William K., 371-20-1509.
Larkin, Richard X., 505-28-6229.
Lasher, Donald R., 577-32-9792.
Lawrence, Alfred F., 530-14-5519.
Layne, Leslie A., 462-30-1905.
Leach, Jack H., 525-42-9641.
Leggett, William T., 239-38-0123.
Lewis, William D., 402-26-5697.
Lewis, William E., 243-44-1039.
Light, Allen H. Jr., 185-22-1843.
Lindberg, Charles F., 535-24-6020.
Livsey, William J., 256-44-8751.
London, James E., 168-22-7784.
Long, Harold B., 446-24-5170.
Longmore, Myron J., 505-36-6765.
Lowder, Henry I., 244-40-9607.
Lund, John R., 468-24-3827.
Lycan, Daniel L., 335-26-0087.
Lynch, Thomas P., 469-16-5323.
Lyon, David K., 032-16-1628.
Mahan, Gary C., 267-34-4570.
Mallet, Henri G., 113-18-8645.
Malone, Paul B., 460-42-4146.
Manning, Thomas J., 361-20-0719.
Marine, George E., 336-22-3306.
Marlatt, Tommy D., 443-12-5843.
Masterson, Joseph H., 396-24-0905.
McBride, Thomas F., 313-20-5601.
McCaffree, Robert J., 448-22-7179.
McDonnell, James E., 507-30-0583.
McDowell, Chester W., 317-24-1560.
McGahee, Mack M., 259-32-4680.
McGarry, Robert S., 329-22-4463.
McGowan, Robert S., 136-22-2785.
McGregor, John E., 321-26-8669.
McIver, James C., 562-32-9738.
McKenzie, Colin W., 008-18-1608.
McKinney, John W., 420-52-6716.
McKnight, Clarence, 413-34-8454.
McLain, Charles I., 241-44-2056.
McNeill, Charles L., 091-22-3084.
McSpadden, William, 460-40-3323.
Mennona, Edward, 051-24-7765.
Metzner, Edward P., 219-14-2905.
Miller, Clarence A., 450-48-8359.
Miller, Henry B., 562-28-2633.
Mitchell, Aubrey Jr., 227-26-6662.
Mitchell, Corwin A., 510-26-1466.
Mojecki, John A., 109-24-4336.
Mollichelli, Edward, 036-22-2389.
Moore, Robert L., 223-40-5576.
Moore, William C., 412-442-4881.
Moran, Conrad V., 003-18-9751.
Moreau, Donald M., 019-22-1542.
Morris, John J., 406-30-7686.
Morrissey, Robert J., 347-20-6324.
Moseley, Henry G., 240-32-4003.
Myfelt, Kenneth F., 104-22-8748.
Neal, Robert W., 430-50-7555.

Nelms, Norman S., 245-60-5443.
Nelson, Lennart N., 004-26-4136.
Nichols, Stephen E., 038-16-8574.
Norcross, John C., 465-42-7630.
Nord, Alan A., 503-24-3774.
Obach, Ronald M., 144-22-1695.
O'Connor, Edward C., 024-28-0025.
Oddi, Vincent J., 282-22-6478.
O'Donnell, Matthew B., 002-20-3955.
O'Donohue, John D., 110-24-4520.
O'Mary, Paul R., 420-28-7743.
Orr, Carson D., 302-26-7714.
Osborn, Robert B., 466-32-4076.
Overdahl, Norman L., 538-24-4608.
Pack, Ishmael, 407-22-8798.
Paige, Emmett Jr., 267-32-1935.
Pannier, Leon G., 029-22-1226.
Paquette, Dean R., 374-24-5526.
Parks, Walter G., 226-32-5062.
Parlas, Joseph L., 207-22-6055.
Parmenter, Russell, 505-38-9597.
Parmentier, Stanley, 533-28-9629.
Patterson, James H., 017-24-4474.
Patton, Robert S., 278-24-7000.
Peck, Darrell L., 387-26-7369.
Pelton, John D., 103-20-6720.
Perritt, Harvey H., 227-30-0253.
Peters, George E., 235-32-9456.
Petitt, Homer Jr., 458-28-7920.
Petree, Neal C., 230-30-3966.
Petro, Peter P., 090-20-0283.
Pierce, Samuel M., 507-22-3297.
Pilk, Jack R., 523-30-8434.
Plunkett, John J., 075-24-6838.
Poe, Donald E., 438-30-7427.
Pogoloff, Boris, 146-22-7554.
Pollard, Arnold R., 455-46-8125.
Poor, William T., 253-44-7254.
Powell, Bill C., 525-46-0677.
Powell, Royce M., 266-32-7538.
Price, James E., 232-34-3760.
Prince, Ivan R., 436-38-4940.
Pruett, Kenneth E., 409-38-6951.
Putnam, Lawrence H., 081-32-6263.
Quinn, John T., 047-22-3628.
Radcliffe, Jack W., 296-24-4567.
Ragano, Frank P., 211-14-5427.
Reagor, James L., 561-54-6933.
Reeve, John H., 529-30-6204.
Reilly, William F., 520-26-5566.
Reinke, Robert, 397-26-6122.
Rhiddlehoover, Loyd, 429-42-9238.
Richards, Abraham L., 420-52-6123.
Richardson, Ronald, 263-36-7370.
Robertson, Victor M., 245-36-9367.
Rodney, Richard M., 132-22-3782.
Rodolph, Carl P., 456-28-3182.
Rogerson, William T., 578-34-4575.
Roper, Harry M., 452-40-7503.
Ross, Wilbur A., 464-26-0464.
Rousse, William C., 263-34-6452.
Routh, Elmer L., 523-26-3312.
Royals, Gerald E., 054-22-1860.
Runion, Roger C., 508-28-7310.
Russell, Robert L., 192-20-3033.
Russo, Vincent M., 079-26-3382.
Rutherford, Billy E., 242-40-1938.
Rutkowski, Joseph F., 073-22-9347.
Sajo, Alexander J., 281-30-8047.
Sanford, Eugene S., 520-36-9622.
Sarber, William R., 146-22-6361.
Sarnowski, Francis, 190-20-0074.
Sauers, Robert L., 524-24-2649.
Scheets, George M., 333-22-7289.
Schweitzer, Robert, 319-20-1756.
Seamands, George A., 726-16-7533.
Selleck, Clyde A., 008-20-7564.
Senna, Jozef F., 254-34-3602.
Shackleton, Ronald, 135-22-8428.
Shalala, Samuel R., 289-26-1415.
Shelby, Roy E., 102-20-4831.
Sheldon, Lamar L., 254-34-3639.
Shelton, Cyrus Q., Jr., 578-34-6979.
Short, Frisco W., 432-52-6033.
Simmons, John E., 460-64-1234.
Simpson, Richard R., 249-44-0941.
Singer, Raymond P., 355-12-9078.
Singletary, R. M., 264-42-4702.
Skelton, Robert D., 527-14-4671.
Smith, James D., 538-20-0894.
Smith, John D., 374-28-9841.
Smith, Lawrence R., 196-22-9433.
Solomon, Robert B., 216-28-7812.
Spaulding, Warren A., 008-18-0341.
Spencer, William H., 425-44-3215.
Spero, Paul G., 050-24-7555.
Sperow, Charles C., 296-24-7970.
Spicely, Samuel B., 225-36-4275.
Spinks, Billy A., 467-32-3889.
Spirito, Leonard A., 182-20-9295.
Sprague, John T., Jr., 224-52-6031.
Stallman, Arnold S., 579-38-0657.
Stearns, Clarence L., 003-14-2476.
Steinberg, Gerald M., 107-22-0651.
Stevenson, William, 504-24-5025.
Stipo, Vito D., 128-22-7385.
Stokes, Eugene J., 122-20-0962.
Storey, William J., 376-24-9220.
Stubblebine, Albert, 042-32-5318.
Sullivan, Milton D., 263-60-2935.
Sullivan, Robert A., 504-22-9848.
Sutton, Larry L., 301-20-7734.
Sydnor, Elliott P., 406-26-7898.
Sykes, Cecil R., 225-30-8103.
Szalwinski, Ambrose, 467-44-4439.
Tanner, Eugene P., 402-36-4245.
Taylor, Arthur E., 330-24-0362.
Taylor, George E., 258-42-0719.
Thompson, Edmund R., 579-40-7802.
Thrasher, Billy J., 507-34-8480.
Thuston, William O., 432-34-6416.
Tipton, John H., 412-42-7894.
Toepel, Adalbert E., 535-24-6121.
Tombaugh, William W., 337-20-9252.
Tourtillott, Raymond, 444-40-8831.
Tow, James L., 436-36-3401.
Traylor, Robert J., 303-22-7122.
Trinkler, Kenneth T., 509-22-2126.
Tronsrue, George M., 473-28-1324.
Turner, Robert C., 328-22-2759.
Ulmer, Walter F., 007-20-4378.
Underwood, Bibb A., 460-34-9679.
Vanness, Richard E., 070-22-5119.
Vieler, Eric H., 103-24-8915.
Vincent, Samuel M., 293-24-8861.
Vitetta, Eugene J., 097-22-9685.
Vivaldi, Joseph R., 186-26-6702.
Vuley, Ernest A., 009-16-4706.
Wagner, Julian F., 302-24-5840.
Wakefield, Jack E., 327-24-4265.
Wallace, John C., 431-46-8272.
Ward, Norman E. Jr., 239-32-6864.
Warren, William R., 451-34-4649.
Wasiak, Joseph E., 101-22-0814.
Watkins, Charles E., 057-22-9194.
Watson, Robert W., 375-22-5188.
Watts, David E., 018-20-4511.
Webb, Harold T., 111-20-7793.
Weber, Edmund G., 502-16-4890.
Weinert, Donald G., 305-42-3457.
Welch, William J., 049-14-9448.
Wenn, Kenneth L., 435-42-5448.
Werner, Donald R., 272-20-6763.
Wetzel, Robert L., 519-44-2999.
Whelan, William E., 026-22-2781.
White, Richard L., 224-42-0409.
Wiegand, Lynn W., 460-64-1855.
Wiles, Richard I., 235-44-3813.
Willcox, Edward C., 577-44-0857.
Willey, Oliver A., 215-20-0972.
Williams, Bruce F., 045-24-2051.
Williams, Cyrus L., 132-16-6224.
Wilson, Drake, 447-26-3948.
Wilson, Harry S. Jr., 113-22-9939.
Wilson, Leland A., 532-26-2570.
Wood, Raymond D., 369-32-6761.
Wooley, Wilson C., 421-30-8328.
Wootten, James P., 183-20-5935.
Young, James L., 075-24-8958.
Zahm, Ronald J., 508-26-3592.
Zalonis, John A., 212-38-8218.
Zimmerman, Lawrence, 301-24-8828.

CHAPLAIN CORPS

To be colonel

Blasingame, Robert, 263-60-4736.
Christoph, Edward J., 061-20-7098.
Fosmire, William L., 055-22-8325.
Saylor, Daniel T., 297-20-9917.
Young, George R., 272-20-1932.

WOMEN'S ARMY CORPS

To be colonel

Garrett, Pola, L., 149-22-8234.
Hinton, Edith M., 425-54-2207.
Rossi, Lorraine A., 026-22-0900.
Stauber, Ruby R., 490-44-9215.

DENTAL CORPS

To be colonel

Acevedo, Alejandro, 436-44-3716.
Archer, Eugene G., 415-46-4029.
Bangert, Sherman G., 481-32-2078.
Boegel Paul N., 390-28-4655.
Coats, William C., 506-26-8200.
Corso, William A., 392-20-1127.
Cutcher, James L., 378-24-3163.
Cutright, Duane E., 570-26-6727.
Gore, Eugene, 313-26-6788.
Gross, Arthur, 110-26-9338.
Hatchett Robert K., 405-34-2036.
Hose, Gene C., 232-42-5076.
Larson, Harold R., 382-24-0087.
Lord, Raymond Y., 004-20-4698.
Mertz, Harry L., 579-40-1687.
O'Connor, Tod W., 566-36-3536.
Reif, Charles W., 140-20-5152.
Schiele, Raymond J., 438-42-0648.
Shannon, Charles J., 154-24-4454.
Staffanou, Robert S., 481-28-7545.
Stave, Rodney L., 566-24-7577.
Stewart, Hugh A. Jr., 412-38-9811.
Swainson, Charles N., 410-54-0449.
Vongruenigen, James, 415-52-4620.
Wormley, John H., 485-28-0565.
Ziegenfelder, Rush, 110-20-3551.

MEDICAL CORPS

To be colonel

Altstatt, Leslie B., 527-32-0877.
Becker, Quinn H., 491-28-4564.
Blair, Lawrence C., 233-44-9597.
Cadigan, Francis C., 018-24-1496.
Carter, Samuel C., 018-20-1828.
Earll, Jerry M., 505-34-1698.
Ellis, Donald L., 542-32-1369.
Galas, Stanley M., 371-24-4044.
Gangal, Mauro P., 020-22-3434.
Geer, Thomas M., 254-36-3910.
Gillespie, James T., 523-30-7237.
Goldschmidt, Max W., 335-22-5385.
Himma, Einar, 326-28-7627.
Horan, Dennis P., 521-28-8781.
Jones, Leeroy G., 374-22-8443.
Jordan, Edwin C., 403-44-3034.
Legters, Llewellyn, 107-24-4567.
Leighton, Henry A., 563-42-7610.
Lindahl, James B., 522-30-7721.
Lindell, Maurice E., 310-34-4578.
Mittemeyer, Bernhart, 195-26-9404.
Nelson, William P., 145-22-3367.
Ognibene, Andre J., 061-28-5018.
Olsson, Ray A., 563-42-3979.
Peard, William G., 561-32-4490.
Reid, Robert L., 407-38-0543.
Richards, John C., 476-30-8640.
Robinson, Henry A., 107-22-7801.
Snyder, Donald L., 186-24-7596.
Sommer, Albrecht F., 523-38-0157.
Spees, Everett K., 504-28-8404.
Tompkins, Forrest G., 211-30-9969.
Ward, John E., 511-26-3328.

MEDICAL SERVICE CORPS

To be colonel

Burris, Carshal A., 286-26-5572.
Caras, George, 297-12-6958.
Cardenas-Lartigue, Gilberto, 400-54-8103.
Gilley, William F., 251-64-3617.
Howlett, Byron P., 432-42-1499.
Lail, Eugene, 245-32-8123.
Mathias, Robert E., 162-20-2327.
Meadow, Seymour, 065-20-9301.
Moore, A. Gordon, 310-28-2644.
Pearson, William G., 427-38-2467.
Randolph, George B., 244-26-3026.
Sauls, Wayne R., 428-16-0850.
Schiavone, Albert L., 051-22-2024.
Walter, Fred L., 084-24-6630.
Williams, Glenn M., 571-38-8788.
Young, William W., 529-24-0961.

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Accountius, Patricia, 277-28-5843.
Gray, Barbara D., 367-28-1965.
Noble, Beulah C., 047-12-2444.
Vanharn, Mary A., 363-30-4497.

VETERINARY CORPS

To be colonel

Lorentzen, Kay W., 570-10-5546.
Ramsey, Frank A., 465-26-3131.
Warne, Robert J., 514-20-2076.

ARMY NURSE CORPS

To be colonel

Gunuskey, Dolores L., 176-22-6584.
Holtz, Betty L., 131-24-7938.
Lane, Barbara E., 536-22-2834.
Rodgers, Marie L., 492-32-0948.
Wilson, Essie M., 224-42-6282.
Wilson, Marjorie J., 193-14-6108.
Young, Mary G., 577-36-6270.

IN THE NAVY

I nominate: The following named officers of the United States Navy for permanent promotion to the grade of lieutenant (junior grade) in the line, subject to qualification therefor as provided by law:

Aaron, Rex T.
Abel, Mary E.
Abshier, Roy, III
Ackerbauer, Kris T.
Adams, Charles N., III
Adams, Edward B., Jr.
Adams, Henry G.
Adams, Mark M.
Adams, Ray E.
Adams, Robert A.
Adams, Robert S., Jr.
Addison, Stoy W.
Adkins, Charles C., Jr.
Adkins, Irene A.
Aegerter, William A.
Ahearn, James V., Jr.
Ahern, Alfred L.
Ahlberg, Steven J.
Aicklen, Robert S.
Ainslie, Robert R.
Akins, Joseph L.
Alcorn, William E.
Aldrich, David O.
Alexander, Bruce E.
Alexander, John L.
Allard, Gary D.
Allen, Gary L.
Allen, John B.
Allen, Paul S.
Allen, Robert C.
Alley, James R.
Allison, Christopher D.
Amirault, Richard B.
Ammann, Clement J., Jr.
Andersen, Lorin E.
Andersen, Mark N.
Anderson, Curtis J.
Anderson, Darl R.
Anderson, Harry R., III
Anderson, James E.
Anderson, John A.
Anderson, Mary E.
Anderson, Michael T.
Anderson, Susan E.
Anderson, William H., Jr.
Andrus, James R.
Angus, Marlene A.
Appleby, Charles A., Jr.
Archltzel, David
Ariniello, Gary T.
Armentrout, Olin M.
Arnest, John W.
Arnold, James P.
Arnold, Judson V.
Arrants, Charles S.
Ashbrook, Heber C., III
Asbury, Theresa A. W.
Ashmore, John R.
Aube, Leonard C.
Aupperle, Michael L.
Auskaps, Andrejs J., III
Averill, Robert C.
Averyt, Bryant W.
Ayres, James B., Jr.
Azbill, Chris M.
Bachman, Bruce M.
Bagby, Glenn M.
Bailes, Michael S.
Bailey, Robert C., Jr.
Bair, Richard C.
Baker, Randall D.
Bakshis, John A.
Ball, William R., Jr.
Ballard, James C., III
Balthrop, Clyde B.
Bandhauer, William K.
Banek, Edward A., Jr.
Bangs, George H.
Bankester, Michael L.
Barber, Arthur H., III
Barber, Nancy L.
Barbor, Kenneth E.
Barbour, Linda J.
Barnes, Barbara L.
Barnes, Harry C., Jr.
Barnes, Robert C.
Barnes, Timothy J.
Barnett, Douglas J.
Barnhart, Randall G.
Barrentine, Melvin W.
Barrett, Joseph P.
Barrow, John T., III
Bartholomew, Roger V.
Bartlett, Ralph C., Jr.
Bartron, Robert P.
Bartron, William D.
Bassett, Charles W., III
Bateman, Vaughn E.
Bauer, Garrick W. R.
Baugh, Dennis C.
Bauman, William J.
Beard, Roland K., III
Bechtold, Donald W., II
Beck, Neil S.
Beckman, Robert J., Jr.
Becktel, Samuel E., III
Bedker, John L., II
Behn, Marilyn M.
Behre, Christopher P.
Behrent, Michael R.
Belden, Bruce E.
Belote, Richard H.
Beltz, James D.
Bender, Michael R.
Benjamin, John F.
Benkert, Joseph A.
Bennett, Gregory J.
Bennett, Vaughn P.
Bensch, Frederick C.
Bentley, Alan C.
Bepristis, Donald J.
Beres, William J.
Bergazzi, Wesley A.
Bergin, Edward H.
Bergner, Brooks B.
Berlo, Andrew J., Jr.
Bernardy, Jerel D.
Bernasconi, Stephen J.
Berry, Reginald L.
Bertin, Michael S.
Besancon, Michael D.
Beukema, Paul
Bianchi, Albert P., Jr.
Bianco, Charles E.
Bickard, Robert G.
Billmyer, Carola A.
Bishop, Mary A.
Bishop, Stephen C.
Bittman, William C.
Black, George M.
Biehler, Norman S.
Black, Martin J.
Black, William J.
Blackwood, Hugo G.
Blaine, James J.
Blake, David F.
Blake, John H. D., Jr.
Blake, William R., Jr.
Blanton, Gerald B.
Blaser, Daniel F.
Bliss, Robert R., Jr.
Blocher, Ayers, H., III
Blohm, Edward H., Jr.
Blough, Allen R.
Boeim, Richard T.
Bodenheimer, Edward C.
Bodie, Steven F.
Boito, John A.
Boland, James F., Jr.
Bondy, William D.
Bonewald, Jack D.
Bonvouloir, Raoul Jr.
Boone, William T.
Borro, Ronald J.
Boryla, Ronald
Boucher, Joanne P.
Boughton, Bruce E.
Bowley, Robert F., Jr.
Bowman, Ronald E.
Boyd, Jon T.
Boyington, John E., Jr.
Bradley, Mary A.
Bradshaw, Richard N.
Brady, Daniel A.
Brady, Patrick N.
Brand, Donna J.
Brandhuber, Robert L.
Branson, Edward S.
Brasco, Frederick J.
Brasfield, Randolph B.
Brathuhn, Robert E., Jr.
Bray, Charles B., Jr.
Bray, James D.
Breitenbach, Karl W.
Brendmoen, Jack V.
Brengel, Dexter T.
Brennock, Daniel J.
Bret, Robert E.
Brewer, Michael H.
Brickey, Albert B., Jr.
Bridge, Burton E., III
Bridges, James D
Bridges, Robert T.
Brignola, Pasquale A.
Brill, Edward T.
Brill, James L.
Brimson, Richard T.
Britt, Reginald H.
Broadus, Jimmy W.
Broderick, Thomas E.
Brookshaw, Kay F.
Broussard, Thomas G., Jr.
Brown, Carradean L.
Brown, David A.
Brown, Dean R.
Brown, Frank H.
Brown, Gary W.
Brown, Gerald G., II
Brown, James B., Jr.
Brown, John D.
Brown, Karl S., Jr.
Brown, Larry W.
Brown, Martin R., Jr.
Brown, Richard M.
Brown, Stuart V.
Brownsberger, Martha M.
Brunk, James F.
Bruno, Mary P.
Bruun, Paul W.
Bryner, Terence M.
Bryson, Ronald L.
Buchanan, James L.
Buchanan, Michael R.
Buck, Bruce E.
Buck, Larry W.
Buckley, Bruce W.
Buckley, Ronald R.
Buckley, Thomas C.
Bueker, Charles D.
Bullard, Donald K.
Bunevitch, Gary J.
Bunn, Warren L.
Burbridge, William L.
Burdett, Arthur C., III
Burdett, James R.
Burgamy, Kirk S.
Burke, Kevin J.
Burke, Michael T.
Burkhart, Roger L.
Burkholder, John.
Burklund, Jo Ann
Burnes, Robert M.
Burnette, David P.
Burnette, Steven R
Burns, Thomas N.
Burt, Raymond P., III
Busch, Daniel E.
Bush, Jack D.
Bushong, John W.
Butler, Alley C.
Butler, William T., Jr.
Butt, Duncan M.
Buttermore, John R.
Bybell, Theodore, III
Byrne, Michael F.
Byrnes, John L.
Cabelka, Timmy D.
Caccamo, David P.
Caesar, Frederick W., II
Calhoun, Brian M.
Calhoun, James W., III
Callebe, Robert G.
Caliman, Kerry H.
Calise, Kenneth J.
Call, Richard W.
Callahan, John K.
Calviero, Leon P.
Campbell, James A.
Campbell, Kay
Campbell, William A.
Campbell, William L.
Cannell, Katsumi O.
Cannon, Miles J., Jr.
Cano, Jose R.
Canter, James A.
Cantwell, Richard W., III
Capello, Leonard W.
Carello, Larry D.
Carey, Timothy J.
Carino, Freddie F.
Carlile, Gary L.
Carlson, Dale R.
Carlson, Gary S.
Carlson, Raymond H.
Carman, Orin O.
Carota, Leonard N., Jr.
Carothers, William J.
Carpenter, John H.
Carrier, Thomas K.
Carrigan, Michael A.
Carroll, Patricia A.
Carroll, Richard J., Jr.
Carson, Michael H.
Carstens, Paul D.
Carter, Earl F., Jr.
Carter, James R.
Carter, Thomas B., Jr.
Caruso, Ralph, Jr.
Casella, Leonard R.
Casey, Robert A., II
Cassada, William P.
Castan, William C., Jr.
Castaneda, Ruben, Jr.
Castle, Judith A.
Castleman, Bruce A.
Castro, Kim
Causey, Lewis A.
Cavallo, Mark B.
Chaffee, Alfred E.
Chaflin, J. Ross
Chamberlain, Guy C., II
Champion, Edward L., Jr.
Chanik, Evan M., Jr.
Chapman, James H., Jr.
Chapman, John L.
Chapski, Stanley R., Jr.
Charles, James L.
Chastain, Benjamin L.
Cheezum, Steven B.
Chell, Raymond N., Jr.
Cheney, Charles E.
Cheney, Robert A.
Cherry, Dewaine R.
Chesser, Steven B.
Chetelat, Gary L.
Chiaverotti, Gary R.
Chippindale, Bruce J.
Chisholm, Peter C.
Christ, Frederick R.
Christensen, Robert K.
Christiansen, Frank M. J.
Christman, Patrick L.
Ciarula, Thomas A.
Cipriano, James J.
Cirone, Robert
Claar, Crista L.
Clair, William C.
Clapper, Mark F.
Clarey, Robert J.
Clark, Arthur E.
Clark, Jeffrey A.
Clark, Robert M.
Clarke, Richard B.
Clarkson, Danny L.
Clary, Michael D.
Clay, Michael B.
Cleaveland, John P., III
Cleveland, Carl L.
Clifford, Dennis E.
Coachman, Sandra L.
Cochran, Jay B.
Cochran, Samuel S.
Cochrane, Craig A.
Coffeen, Robert C.
Coghill, Cortlandt, C. I.
Colburn, Timothy G.
Cole, Lonnie W.
Coleman, Frank S., Jr.
Colenda, Robert D.
Colflesh, John A.
Collins, Douglas L.
Collins, Kathy E.
Collins, Stephen C.
Collins, Thomas J., III
Colton, Arthur, II
Columbia, Richard M.
Compitello, Thomas C.
Conant, Michael J.
Conatser, Douglas H.
Conley, Elizabeth K.
Conn, Robert H., Jr.
Connell, Guy L.
Connor, John H., Jr.
Conroy, John W.
Conway, Raoul B.
Conway, Robert T., Jr.
Cook, James D.
Cook, Larry E.
Cook, Norman R., III
Cooke, Wilbur O., Jr.
Coombs, Barry L.
Cooper, Charles G., III
Cooper, Michael R.
Cooper, Philip P. M.
Copeland, William T.
Cordes, Bruce A.
Corel, David W.
Corkum, Kenneth E.
Cornell, David W.
Corse, William R.
Corteville, Douglas F.
Cory, John A.
Cosden, Christopher E.
Coshow, Douglas E.
Coste, Peter F.
Costello, Barry M.
Cotter, Edward F., Jr.
Cotton, John G.
Couch, Daniel P.
Coulter, Daley T.
Covert, Harold D.
Covey, Dana C.
Cox, Paul R.
Cox, Richard L.
Cox, Stephen T.
Crabtree, Charles S.
Craddock, Frank W., Jr.
Craig, Peter A.
Cramer, Ryan C.
Crandall, George P. I.
Crawford, John M.
Creasy, Albert D., Jr.
Cremer, Gordon D., II
Crews, Jeffrey W.
Cross, William H., Jr.
Crouch, Marion L.
Crouch, Michael S.
Crowell, Philip H., III
Crowley, Edwin V.
Crum, Stephen M.
Crumbie, George J., Jr.
Cullen, Dennis P.
Cullinan, John F.
Cummings, Jeffrey W.
Cummings, Robert B.
Cunliffe, John C.
Curreri, Michael P.
Currey, Gary A.
Cutter, Duane S.
Dacey, Leo F.
Dacquisto, Nicholas J.
Dailey, John C.
Dailey, John L., Jr.
Dalby, John F.
Daling, Michael E.
Damin, David E.
Dampier, Kenneth D.
Daniel, Addison G., III
Darch, Douglas A., Jr.
Darrah, Joan E.
Daugherty, Terry L.
Davidson, Bruce B.
Davis, Bruce W.
Davis, James C., III
Davis, John M.
Davis, John R.
Davis, Lavern A.
Davis, Mark C.
Dawson, David L.
Dawson, Philip M.
Day, James C.
Deafenbaugh, Martin F
Dean, Kenneth E.
Dean, Richard W.
Dean, Robert M.
Dean, Steve R.
Dean, Steven M.

Deas, Thomas C., Jr.
Deases, Bernd K.
Decker, Loren E., Jr.
Decker, Wilson B.
Degeorge, Thomas J.
Delaney, Peter J.
Delaney, Richard F.
Delauder, Roy A., Jr.
Deleon, Victor M.
Delorez, John R.
Deluca, Sandra A. S.
Demanss, Michael C.
Demasi, Francis D.
Demo, Willard J., Jr.
Demory, Dean G.
Denari, Mark E.
Dempsey, John C., Jr.
Denham, Stanley A.
Dennis, Michael F.
Denny, Patrick L.
Dentico, John P.
Denzer, Daniel C.
Depeder, Andrew A.
Deprez, Gregory R.
Desalvo, Douglas A.
Destafney, James J., Jr.
Deulley, Gary W.
Devilbiss, Stephen B.
Devlin, James L.
Dewald, Ted E.
Deweese, Joe D.
Dewey, Marilyn F.
Deyoung, Gary W.
Dibenedetto, Leo F.
Dick, John L.
Dick, Richard L.
Dickie, John A.
Diener, Randall A.
Dietz, Clyde P.
Dilley, James R.
Dillon, Andrew J.
Dineen, Patrick D.
Dixon, James R.
Dlugos, Lawrence E.
Dobson, Douglas S.
Dodge, David O.
Doerflein, Lawrence T.
Doerr, Michael R.
Doherty, William G.
Dohse, James T.
Dolan, Craig R.
Dole, Stephen M.
Domboski, Kenneth F.
Donahue, Conrad J., Jr.
Donaldson, James W., Jr.
Donley, Barbara A.
Donohue, Timothy M.
Donovan, Michael J.
Dorpinghaus, Teresa M.
Dorsett, Charles E.
Dorsey, Douglas V.
Doswell, Joseph W., Jr.
Doty, Arthur G.
Dotzert, David J.
Dougherty, Michael J.
Dougherty, William F.
Douglas, Barry C.
Dowling, Stephen J.
Downing, Jo Anne G.
Doyle, Merrill C.
Drag, Joellen M.
Drake, Patrick R.
Draper, Dennis C.
Dreger, J. Brian
Drew, Lyle L., Jr.
Driscoll, Raymond M., Jr.
Driscoll, Sondra L.
Driver, John J.
Drysdale, Charles H.
Dubose, Dorothy E.
Dubrouillet, Michael
Duddy, Daniel F.
Dull, Timothy J.
Dumbauld, Dennis B.
Dunaway, William M.
Duncan, Richard E., III
Dunn, William H.
Durling, Paul B.
Durst, Calvin L.
Dussman, Robert A.
Dwyer, Dennis M.
Eager, John B.
Eakin, David M.
Eby, Robert K., Jr.
Eckert, Gary L.
Eddy, William A., Jr.
Edmunds, Charles A.
Edvardsen, John J.
Edwards, Bruce J.
Edwards, Michael S.
Egeberg, Gerald W.
Eggleston, James M.
Eisaman, John E., Jr.
Elam, Harry B.
Elliott, James C.
Elliott, Kenneth M., Jr.
Ellis, James C.
Ellis, Timothy P.
Ellison, Michael S.
Elster, Eleanor A.
Eltringham, Peter S.
Elznic, Douglas F.
Emerson, Lucian F., Jr.
Emerson, Ralph W., Jr.
Empeno, Francis A.
Enewold, Steven L.
Engelhaupt, Thomas A.
Engler, Royce A.
Enright, Thomas F.
Enterline, Julie R.
Epley, Lawrence E.
Erickson, David P.
Erickson, Robert L.
Erman, Reginald J., Jr.
Ertel, Philip L.
Erwin, Tina M.
Escola, George E., Jr.
Espinosa, William M.
Essel, Wayne E.
Essery, James E.
Estrada, Manuel F.
Etro, James F.
Eurek, Allan J.
Evans, Frederick W.
Evans, John J.
Evans, William L.
Evans, William G.
Everett, Hobart R., Jr.
Eves, Howard D.
Evjen, Bruce P.
Ewing, James L., IV
Exell, John R.
Fabricius, William A.
Fahey, James T.
Fahlberg, Frederick D.
Falkenstein, Rudolph F.
Farley, Bruce K.
Farmer, Gary L.
Farmer, Kip M.
Farmer, Linwood E., Jr.
Farrar, George W.
Farrell, Rodney G.
Farris, Mary M.
Faust, Homer L., Jr.
Faust, John L.
Faust, William A.
Fedison, Dennis P.
Fee, John F.
Feeks, Thomas M.
Feeney, William J.
Feltz, Gerard C.
Fencl, David A.
Fenlon, Robert M.
Fennelly, David M.
Fenner, James H.
Fergason, David G., Jr.
Ferguson, Jerry F.
Ferguson, Michael A.
Fericks, John A.
Ferlic, Kenneth P.
Ferraro, John R.
Ferrell, Curtis L., III
Fichtner, David P.
Fields, Joseph H., III
Fife, Richard W.
Finger, Gary M.
Fink, James O.
Finney, David F.
Fischer, Jay P.
Fishburne, Lillian E.
Fisher, Alan D.
Fisher, Edward K.
Fisher, John L., Jr.
Fisher, Rand H.
Fisher, Robert C.
Fisher, Rory H.
Fishman, Robert E.
Fitzgerald, Paul V., III
Flamm, Raymond M., Jr.
Flanagan, William J.
Fleming, Charles M.
Fleming, John L.
Fleming, Thomas E., Jr.
Flenniken, Robert J.
Floberg, John W.
Flor, Gary J.
Flynn, Edward C.
Flynn, Robert H.
Fogarty, William P.
Foley, Patricia G.
Folk, Laura A.
Fong, Van Y.
Fontaine, Gregory N.
Ford, Robert D.
Forde, Jack D., Jr.
Forgy, James M.
Foskett, Arthur K.
Foss, Janice L.
Foster, Larry A.
Foster, Linda C.
Foster, Robert L.
Foster, William K.
Fournier, Stephen P.
Foursha, Sammy L.
Fowler, Carolyn L.
Fowler, Charles S.
Fox, Martin
Fox, Tally B.
Frabotta, Frank J.
Frailing, Richard W.
France, Howard J.
Francisco, Roger B.
Frank, John B., Jr.
Franken, Daniel J.
Franze, Charles R.
Frasch, Lewis G.
Freeman, James K.
French, Gerald S.
Friestedt, Jonathan D.
Froman, James C.
Fry, Norman J.
Fulcher, David O.
Fulcher, Michael I.
Fulton, Raymond N., Jr.
Funke, William H.
Furlong, Daniel M.
Fursman, Beryl D.
Fursman, James M.
Gabrynowicz, Mark P.
Gage, Michael J.
Gahnstrom, William E.
Gajan, Raymond J., Jr.
Galecki, Richard M.
Gallagher, Alison D.
Gallagher, Edward F., Jr.
Gallagher, Thomas P., III
Galligan, Robert M.
Gallina, Judith A.
Galvacky, Joseph E.
Gangewere, Robert R., Jr.
Gantt, Douglas A.
Garban, James R.
Garbarini, Craig B.
Garfrerick, David P.
Garner, Dan J.
Garrett, Patrick M.
Garrison, James E.
Garvey, Richard S.
Gathercole, Kenneth P.
Gayle, George T., Jr.
Gebbia, Frank, Jr.
Gemender, Kathryn M.
Genzler, Patrick A.
Gerken, William J.
Gerlt, Danny H.
Gerou, Deborah K.
Gersh, John R.
Geschke, Mark J.
Gesell, Ernest E., III
Getzfred, Lawrence D.
Gholdston, Edward W.
Gibbs, Dennis C.
Gibbs, Ronald M.
Gibson, Robert J.
Gibson, William L.
Gideon, Alan K.
Giessing, George C., III
Gift, Paul R.
Gilbert, Douglas C.
Gilbert, James V.
Gillespie, Dennis M.
Gissendanner, James T. J.
Giza, Mary C.
Glasnapp, Randy E.
Glass, Charles R.
Glick, Gary L.
Glover, Grey A.
Golay, Mark A.
Goldberg, Marc D.
Goldenstein, John P.
Goldsmith, Ludwig M.
Goldstein, Jonathan L.
Gonsalves, John H., III
Good, William D.
Goode, Randall L.
Gooden, Charles M.
Gooding, Brent B.
Goodrich, John R., II
Gordon, James W.
Goreham, Leonard A.
Gorman, John P.
Gorman, Thomas F., Jr.
Gormly, Richard B.
Gottschalk, John L.
Goudge, Derek A.
Gouge, Michael J.
Goulding, William A.
Grabulis, Dennis D.
Grady, Quentin R.
Graffy, John J., Jr.
Graham, Bret
Graham, John M.
Graham, Philip D.
Graham, Richard F.
Grano, Jacqueline R.
Grant, Jeffery W.
Grant, Mary A.
Granzow, Robert H., Jr.
Grassi, Thomas A.
Gravell, William
Graves, Michael M.
Greanias, George H.
Green, Bennie, Jr.
Green, Consuella
Greene, Gary L.
Greenen, William R.
Greeno, James T.
Gregoire, Barry L.
Gregor, John B.
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Griffin, Constance L.
Griffin, Douglas B.
Griffin, Patricia
Griffin, Richard A., Jr.
Griffith, David N., Jr.
Griffiths, Gary A.
Griffiths, Geoffrey M.
Grigsby, Andrew E., Jr.
Grimsley, Michael J.
Gripp, Jan W.
Groenert, Frederick E., Jr.
Grosel, Joseph J.
Gross, Charlotte R.
Gross, Edmund S.
Grover, Craig A.
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Gruber, James P.
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Gunderson, Edward C.
Gut, Raymond J.
Guzauskis, Steven A.
Gyolai, James J.
Haas, Clifford A.
Haberman, Orrin E.
Hacunda, Michael R.
Haddock, Ronald W.
Hadrosky, Fern K.
Hafer, Donald L.
Haggart, James A.
Hagge, Stephen C.
Hains, John P.
Hakin, Dennis K.
Hale, Dennis G.
Haley, Robert M.
Hall, James C.
Hall, John R.
Hall, Ralph M.
Hall, Raymond T.
Hallam, Stephen C.
Halloran, Lewis G.
Hamlin, James S., Jr.
Hamm, Richard R.
Hammond, Daniel R.
Hammond, Mardale L.
Hamon, Dale R.
Hampson, Gary W.
Hamric, Sharon A.
Hamrick, James D.
Hance, Carl E.
Hand, Rexford D.
Handforth, Dwight W.
Haney, Scott C.
Hannan, William J.
Hansen, Allen R.
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Hansen, Steven P.
Hanson, Robert D.
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Hard, Ronald L.
Harding, Ross M.
Harding, Stuart R.
Hardy, David M.
Hargus, Bruce C.
Harkins, Steve R.
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Harrell, John B., III
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Harris, Benny J., II
Harris, Jerry M.
Harris, Michael J.
Harris, Michael M.
Harris, Raymond M., Jr.
Harris, Ronald E.
Harris, Russell E.
Harrison, James J.
Harrison, Marc A.
Hart, Charles R.
Hart, Robert S.
Harten, Thomas W.
Hartling, Robert M.
Hartnett, Gregory A.
Harvey, John C., Jr.
Harward, William F., Jr.
Hatton, Peter L.
Hayashida, Alan K.
Hayes, David L.
Hearty, Frederick R.
Hebert, Dennis N.
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Hedin, John A.
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Heggeseth, Eric M.
Heidecker, Robert W.
Heimann, Frederick E., Jr.
Heinrich, Richard D.
Heisler, Georgia E.
Helling, David W.
Helm, Roger D.
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Helmer, Dale P.
Helmick, Gary L.
Hemberger, Jay M., Jr.
Hemer, Glenn A.
Hempenius, Howard J.
Henderson, Craig B.
Henderson, Michael D.
Hendrickson, Paul B.
Hendrickson, Scott L.
Henry, Donald R.
Henry, Douglas G.
Henry, Michael D.
Herbert, George A., Jr.
Herlin, Peter D.
Herman, Richard J.
Herpin, William B., Jr.
Herr, David L.
Herret, Thomas R.
Herring, Raymond B.
Hertel, J. Douglas
Hesler, James E., Jr.
Hess, Lawrence E.
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Hess, William C.
Hessdoerfer, Ronald C.
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Heuchling, Robert K.
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Hildreth, Lawrence E.
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Hillenmayer, James D.
Hines, John R., Jr.
Hinson, Gertrude R.
Hinton, Robert M.
Hirt, Elizabeth J.
Hlavka, Stanford H.
Hobbs, Dennis A.
Hobby, Gray D.
Hodgins, Bart D.
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Holder, Thomas V.
Holgate, Stephen M.
Holk, George B.
Hollis, Stephen J.
Holloway, James C.
Holly, Nelson C.
Holmes, John D.
Holmes, Robert C.
Holmes, Robert C., Jr.
Holmes, William B.
Holmquist, Derek E.
Holstein, Daniel L.
Holt, Thomas H.
Honey, Ronald D.
Hood, James L.
Hooker, Richard B.
Hooper, Ronald B.
Hoover, Richard M.
Hopkins, Donald D.
Hopkins, James P., IV
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Horstmann, Cherie A.
Horton, Steven W.
Horvath, David A.
Hosner, John F.
Hotchkiss, Stephen C.
Houck, Kim C.
Houge, Gary D.
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Huber, Gregory A.
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Huegerich, Thomas P.
Huelle, Denis E.

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Iden, Douglas C.
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Ikeda, Larry I.
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Johnson, Jacob L., Jr.
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Johnson, Lant A.
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Johnson, Robert S.
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Kurz, William C.
Kwake, William E.
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Kysar, Billy D.
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Lees, David G.
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Leonard, Thomas L.
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Liechty, John D.
Liedtke, William R.
Lin, Elizabeth J.
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Lindner, Carl M., III
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Lion, Raymond A., Jr.
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Lochausen, Vernon C.
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Long, Kerry B.
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Low, Michael D.
Lowe, Harold C.
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Lucas, David W.
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Lucy, John C.
Lundberg, Dennis L.
Lundeen, James R.
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Lundstrom, Susan K.
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Lyon, Michael E. U.
Lyons, Patrick M.
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MacDonald, Gordon S.
MacDonald, Marsha E.
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Macmillan, Charles A.
Macpherson, Steven M.
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Madden, Daniel F.
Madison, Larry G.
Mahaley, Joseph S.
Maher, John D.
Main, Kent A.
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Malay, Jonathan T.
Mallow, Larry E.
Malone, William T.
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Mangan, Barry P.
Managan, John C.
Manganaro, William F.
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Mansell, Patricia L.
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Marcussen, William J.
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Markiewicz, Thomas R.
Markkanen, Stephen E
Marquart, Donald G.
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Marsh, Willie C.
Marshall, David W.
Marshall, Robert E., Jr.
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Marten, Steven Co.
Martin, David W.
Martin, John J., Jr.
Martin, Michael L.
Martin, Thomas O.
Marvin, George R.
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Maskell, Robert E.
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Mason, Stephen W.
Masoner, Karl L.
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Matella, Thomas O.
Mathis, Stanley W.
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Maxwell, Kenneth W.
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Mayne, Richard K.
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McAllister, John C.
McAlpin, Larry T.
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McCarthy,
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McCallum, Keith E.
McCamant, Robert R.
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McClellan, Mark S.
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McClure, Martha G.
McClurg, James R.
McConhie, Robert W.
McCord, Raymond S.
McCormick,
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McCracken,
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McCrory, James L.
McCrory, Ralph C.
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McClullom, Sarah S.
McDevitt, Harry J., III
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McDonald, Randal S.
McGalliard, Bruce E.
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McGarry, John J., Jr.
McGarry, Thomas P.
McGeorge, Cynthia
McGinniss, Kevin M.
McGinty, Louis L.
McHenry, John S.
McIntosh, John A., III
McKay, Michael A.
McKay, Michael B.
McKearney, Terrance J.
McKeever, Michael S.
McKenney, William J.
McKenzie, Alan B.
McKinney, James B., Jr.
McLane, John T., Jr.
McLaughlin, Kathleen M.
McLean, Charles R.
McMillan, George M., Jr.
McMillan, Gibson E., Jr.
McMorrow, Horace M., Jr.
McNamara, Thomas P.
McNatt, Tobin R.
McNeil, Christopher P.
McRobbie, Michael D.
McVoy, Peter L.
McWey, Russell E.
Mead, Gregory G.
Medved, Richard C.
Mee, Richard E.
Meetze, James
Mehnert, Arthur F.
Mehrmann, James W.
Meier, David K.
Meldrum, Duncan H.
Melin, Roger D.
Mellor, Martin W.
Menez, Martin C.
Mericle, David D.
Meroni, Mary J.
Merrion, Albert S.
Merritt, Susan J.
Messen, Ronald
Messervy, James L.
Messier, Joseph W.
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Metrick, Bruce R.
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Meyer, Thomas L.
Meyer, Timothy H.
Meyer, William J., II
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Michelsen, Jack D.
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Mihalick, Joachim T.
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Miller, Burt E.
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Miller, Gary W.
Miller, Guy S.
Miller, Jeanne M.
Miller, John R.
Miller, Michael J.
Miller, Paul F.
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Miller, Robert B., II
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Milner, Edward M., Jr.
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Mitchell, Jent P., III
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Monson, Steven D.
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More, Dennis W.
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Moore, Harry G.
Moore, Kathleen A.
Moore, Kenneth L.
Moore, Mary C.
Moore, Terry L.
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Moorman, Robert B. Jr.
Moose, Susan L.
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Moreland, David B.
Morgan, James W.
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Morin, James B., Jr.
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Morrison, Roger H.
Morrison, William M.
Morrissette, Thomas W.
Morrow, James N.
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Mortenson, Victor A., Jr.
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Mullarky, John W.
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Mulvehill, Pamela M.
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Murch, Roger W.
Murphy, Ann K.
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Murphy, James S.
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Murphy, Robert T.
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Murray, James P.
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Myers, Lawrence C., III
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Nestlerode, Robert N.
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Newton, Ivan D.
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Ni, Randolph
Nibbs, Virginia W.
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Nielsen, William F.
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Noll, Bruce T.
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Noval, John J.
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O'Brien Katherine V.
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O'Donohoe, Joseph P., II
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Rath, Mark L.
Rausch, John L.
Rausch, Luella D.
Rautenberg, Steven P.
Ray, Bill C.
Rayhons, George A.
Reale, Kevin J.
Redekopp, Richard D.
Reed, Russell A.
Reed, Thomas W.
Reed, William A.
Rees, Michael C.
Reese, Raoul B.
Reeves, John R.
Reid, Thomas J.
Reightler, Kenneth S. J.
Reimann, Otto G.
Rein, Douglas J.
Reinhardt, Edward R.
Reinhardt, Peter J.
Reisdorfer, James R.
Rejcek, Milton F.
Relan, Craig S.
Renner, Ronald E.
Reppert, Donald L.
Repsholdt, Kai T.
Ress, Charles M.
Resser, Stephen F.
Retzke, David E.
Reynolds, Craig O.
Reynolds, Roger R.
Reynolds, William W.
Rhoads, Gary G.
Rice, Ann L.
Rice, Douglas S.
Rich, Brian C.
Rich, Gordon L.
Richards, James J.
Richardson, Jerry K.
Richardson, Larry D.
Richardson, Philip W.
Rickey, Randy J.
Rickgauer, Charles W.
Rickman, Fredrick L.
Riggs, Bernard A.
Riley, Clark T.
Riley, Richard P.
Riley, Robert M.
Ringen, Walter E., III
Rinko, Christopher E.
Ritchie, Thomas E.
Rivers, Robert A.
Rizzi, Jo-Ellen S.
Robb, Randolph R.
Robbins, James C.
Roberson, Lawrence G.
Roberts, Gregory L.
Roberts, Joseph D.
Roberts, Thomas F.
Robinson, Brenton L.
Robinson, Evan D.
Robinson, Katherine S.
Robinson, Steven R.
Robinson, Thomas R.
Robken, James E., Jr.
Rocklein, Dennis E.
Rockwell, Charles D.
Rockwell, Richard T.
Rode, Alexander M.,
Rodman, William B. V.
Rodriguez, William Jr.
Rogalski, Wayne J.
Rogers, James P.
Rogers, John P.
Rogers, Joseph E.
Rogers, Matthew J.
Rogers,Thomas F.
Roland, Ellen F.
Rolfes, Robert W.
Rollandi, Victor L.
Romano, Joseph C.
Romatowski, Richard R.
Romine, Steven L.
Rondestvedt, Christian R.
Root, Merle W., Jr.
Rose, Gregory J.
Rosel, Marianne B.
Rosen, Gary A.
Ross, Nicklous J.
Ross, Thomas J.
Ross, William T.
Rothring, James R.
Roughead, Gary
Roush, James W.
Rovner, Jerry H.
Rowan, Alice J.
Rowe, Wayne J.
Rowland, Michael L.
Rowson, Michael C.
Ruberg, Ernest M.
Rubin, Bernard J.
Rubio, David W.
Ruck, Forrest E.
Rucker, Harry J.
Rudy, Robert C., Jr.
Ruebsamen, David C.
Ruehe, Frederic R.
Ruete, Edward S.
Ruhnke, Bernard E.
Ruputz, Philip
Russell, Bruce F.
Russell, Charlsie L. M.
Russell, James E.
Russell, John M.
Russell, Thomas B., III
Rutter, Stephen D.
Ryan, Edward C.
Ryan, Francis P., Jr.
Ryan, Paul J.
Ryan, Stephen I., Jr.
Ryder, John W.
Sadler, David A.
Salazar, Noe A.
Saller, William
Salmen, Mark J.
Salmond, Charles N.
Sammon, Stephen M.
Sample, Gregory L.
Samples, David O.
Samuels, Richard G., Jr.
Samuelson, Gary V.
Sanborn, Kathryn J.
Sanborn, Michael B.
Sanden, Gary A.
Sanders, Max F.
Sanders, Robert J., Jr.
Sanderson, William C.
Sandgathe, Scott A.
Sanzo, Paul S.
Satterwhite, Bernard M. J.
Savage, Richard J.
Saviello, Matthew J.
Scala, Peter A.
Scarcpili, Thomas J.
Schaaf, Dean W.
Schaefer, Marc
Schaeffer, George, III
Schaeffer, Richard A.
Schafer, Michael F.
Schaffer, Van A'
Schaub, Delbert D.
Scheetz, William A.
Scheib, Timothy E.
Scheibl, Frederick J.
Schein, Guy D.
Schellhorn, Christopher F.
Schenk, Douglas A.
Scherer, George S.
Schide, Alan P.
Schlass, Gregory J.
Schleicher, John F.
Schmidt, Glen M.
Schneck, Andrew E.
Schnedler, Jeffrey W.
Schneider, Mark J.
Scholes, Robert C.
Schooley, John M.
Schreck, David W.
Schreckengast, Stewart W.
Schreder, David L.
Schultz, Paul S.
Schumaker, Larry C.
Schwartz, Martin S.
Schwartz, Michael N.
Schwartzel, Joseph H.
Schweikart, Kenneth E.
Schwerstein, David G.
Schwindler, Frank J.
Scott, Craig W.
Scott, Dennis R.
Scott, Robert P.
Scott, Timothy J.
Scrivner, Joe B., Jr.
Scudder, Ronald L.
Seaberg, John R.
Searls, Janet C.
Seebode, William F., III
Seedorf, Herman L., III
Seil, Anne M.
Seiwald, Michael J.
Selman, William W.
Settle, Amy
Service, Thomas B.
Severinghaus, Richard J.
Sevier, David M.
Shafer, David D.
Shaffer, Neal D.
Shallies, Kenneth H.
Shaughnessy, Mark V.
Shaw, John D.
Shayda, Paul M.
Shea, Dennis J.
Shebalin, Paul V.
Sheehan, Kevin P.
Sherland, Paul G.
Sherman, John R.
Sherman, Steven S.
Sherrill, Robert N.
Shick, Jack E.
Shirah, Charles E.
Shirah, Reuben H.
Shiver, Wayne S.
Shockley, Rodney L.
Shoemaker, Terry L.
Shon, Michael D.
Short, William E., Jr.
Showalter, Robert C.
Shuter, Marc A.
Sidman, Howard B.
Siegel, Harry M.
Silva, Terry D.
Silverberg, Terrence C.
Silvestri, Michael J.
Simcoe, Ronald B.
Simcox, John S.
Simeral, Robert L.
Simmonds, Thomas L.
Simmons, Larry W.
Simmons, Nathaniel P. J.
Simmons, Viva A.
Simon, Michael F.
Simpson, Daniel L.
Simpson, Michael D.
Simpson, Robert C.
Simpson, William L., Jr.
Sine, Don T.
Siska, Peter C.
Sklow, Clifford L.
Skorich, Mark S.
Skowronek, Leslie J.
Slagle, Brian A.
Slavichak, Steven E.
Sleichter, William T.
Slighter, William J.
Sliva, Thomas E.
Sliwinski, Donald E.
Sloan, Joseph W., Jr.
Sloan, Leo D. III
Smania, David J.
Smark, Walter
Smeigh, Carl M., Jr.
Smilari, Nicholas B.
Smith, Charles E.
Smith, David J.
Smith, Guy M.
Smith, Jim G., Jr.
Smith, John P.
Smith, Kenneth M., Jr.
Smith, Kyle R.
Smith, Michael R.
Smith, Pemberton
Smith, Peter J.
Smith, Robert G.
Smith, Russell L.
Smith, Scott T.
Smith, Stephen E.
Smith, Stephen M.
Smith, Terry W.
Smith, William D.
Snead, James C.
Snelson, Leland R.
Snodgrass, Dale O.
Snook, Richard E.
Snow, Terry D.
Snow, William H.
Snyder, Stephen F.
Sohl, John H. III
Somers, James W.
Sommers, David P.
Sorek, Michael J.
Soroka, Mariane J.
Sorrow, Walter T.
Spalding, Bruce A.
Spangrude, Gene R.
Spann, Joseph D.
Spannagel, David J., Jr.
Sparaco, John A.
Speer, James D.
Spencer, Sterling R.
Sperry, Catherine E.
Spicer, Ronald W.
Spinks, William H., Jr.
Spishock, Patricia M.
Springer, Ross A.
Springman, Robert E.
Stack, Robert B.
Stacy, David R.
Staley, Gordon A.
Stalnaker, Steven D.
Stangl, Frederick W.
Staniewicz, Matthew J.
Stark, Barry A.
Stark, Richard D., Jr.
Stauter, John A., Jr.
St. Denis, Thomas G.
Steele, Michael J.
Steffens, Rodney C.
Steinstel, Richard R.
Steinkenneth, Merritt
Stella, John R.
Stelling, Gretchen M.
Stencil, John C.
Stengl, Louis C.
Stephens, Van A.
Stephenson, Robert A.
Stephenson, Walter W.

Sterling, Clyde E.
Stevens, Charles M., II
Stevens, John F.
Stevenson, John R., Jr.
Stevenson, William J., III
Stewart, Joseph D.
Sticinski, Don L.
Stillwell, John W.
Stilwell Joe R., Jr.
St. John, Lawrence G.
Stoddard, Timothy D.
Stokes, James M.
Stolberg, Elizabeth
Stone, David L.
Stone, Edward L.
Stone, William E.
Storm, Bradley D.
Stout, Kathleen S.
Stover, Dan H.
Straessle, Gregory C.
Straka, Donald J.
Strauss, Lance J.
Strickland, David W.
Stricklin, Ted A.
Striffler, Paul C.
Strong, Michael
Strout, Dennis R.
Strudler, Sy
Stuckey, James S, II
Sturgis, David H.
Stutt, Gary J.
Stutzman, David L.
Suchy, Joseph W.
Sudkamp, Stephen D.
Sugg, Dale C.
Suhr, John E.
Suhs, David R.
Suich, Darlene J.
Sullivan, John A.
Sullivan, Michael P.
Sullivan, Nicholas M.
Suopis, Cynthia A.
Suter, Della J.
Swanson, Eric R.
Swenson, Scott A.
Swinburnson, Cory M.
Swinton, Stephen P.
Syverson, William A. Jr.
Talipsky, Raymond
Tamburello, Charles
Tanner, Leland H.
Tash, David L.
Tatone, Michael A.
Taylor, Chris A.
Taylor, James W.
Taylor, Linda S.
Taylor, Michael E.
Taylor, Patrick E.
Taylor, Timothy B.
Taylor, Timothy M.
Temple, Ralph D.
Templer, Robert J., Jr.
Tennant, Richard C.
Tenneson, Linda G.
Terry, Michael W.
Tesoriero, Thomas J.
Thamer, Steve D.
Thaxton, Douglas D.
Theurer, Roger F.
Thickstun, Timothy L.
Thiesse, Thomas W.
Thigpen, Dan L.
Thomas, James W.
Thomas, John K.
Thomas, Margaret E.
Thomas, Michael R.
Thomas, Phillip C.
Thompson, Bruce G.
Thompson, Henry F. Jr.
Thompson, Stephen C.
Thompson, Thomas A.
Thomson, Homer P., III
Thomson, Robert J.
Thornton, Davey S.
Thorpe, James W., Jr.
Thorpe, Lester F.
Thralls, Edmund L.
Threet, Charles L., Jr.
Throckmorton, John F.
Thurmond, James E. Jr.
Tiene, Mary L.
Tilton, Terry W.
Tjader, Theodore R.
Toalson, Vance L.
Tomlinson, Craig S.
Tompkins, Christopher F., III
Tompkins, Jean A.
Toms, David A.
Toms, Terry J.
Torbenson, David M.
Torelli, Margaretmary
Trager, Steven C.
Trahan, Arnold V.
Trahan, Charles R., Jr.
Traughber, John R.
Trent, Michael H.
Trestrail, Calvin D., Jr.
Tripp, Dale P.
Tritz, Thomas R.
Trowbridge, Frank R., Jr.
Trump, Rodney H.
Tschida, James R.
Turisco, Thomas F.
Turnblacer, Theodore C.
Turner, Edmund B.
Turner, Geoffrey W.
Turner, Terry A.
Tutt, Charles R.
Twardziak, Antony J. Jr.
Tyson, Dan M.
Uhl, Robert A.
Uldrich, John A.
Ulmer, Edwin L.
Umbel, Richard P., Jr.
Ungvarsky, William J.
Unwin, Jay P.
Updegraff, William D. II
Urban, John L.
Usher, Jill R.
Vaillancourt, David P.
Valdes, James F.
Vanbelle, Bruce T.
Vandine, Robert W.
Vanhorn, Robert G.
Vanoss, Leland B.
Vanparys, Jerome J.
Vansickle, James L.
Verduzco, Gleason H.
Vervoorn, Robert W.
Via, Kenneth D.
Viator, Oran, Jr.
Vienna, Kevin R.
Vining, Pierre G.
Virgilio, Richard L.
Virtue, Patrick M.
Vito, Dennis J.
Vittetow, Lelia D.
Volker, James R.
Vosbury, Frederick W.
Voss, Cary V.
Vrotsos, Pete A.
Vuchetich, Paul J.
Vugteveen, Dana L.
Waddell, John W.
Wagner, David D.
Wagner, David C.
Wagner, Jerry P.
Wakefield, Robert D.
Waldmann, John G.
Walenga, Craig G.
Walker, David B.
Walker, Jerry L.
Walker, Larry O.
Walker, Thomas D. L.
Walsh, Vincent A.
Walters, William T.
Walther, Clarence W., Jr.
Wanamaker, Wayne M.
Ward, Glenn H.
Ward, William H.
Warner, Stephen R.
Warren, Thomas E.
Waterman, Heather A.
Watling, John M., Jr.
Watry, Coleen A.
Watson, Darrel E.
Watson, Douglass C.
Watson, Timothy P.
Watson, Vernon M.
Watt, George P. Jr.
Watts, Robert D.
Watts, Stephen E.
Waylett, Don H.
Weaver, David D.
Webb, James R.
Webb, John O., Jr.
Weber, Joel N.
Weddel, David W.
Weir, John R.
Weise, William S.
Weitz, Charles A., Jr.
Weldon, Gerold W., Jr.
Welker, Jeffery G.
Weller, Joseph D., Jr.
Welles, Franklin G.
Welsh, Jeffrey D.
Welsh, Raymond M.
Wenderlich, Raymond L.
Werson, Jan P.
Wesco, Steven L.
Wesley, Allan G.
Wesolowski, Robert A.
Wessman, Lynn G.
West, William D.
West, William E.
Westegaard, Michael A.
Westhoven, John M.
Weyburn, Bevan C.
Whalen, Robert J.
Wheeler, Mark A.
Whisenhunt, Ronald A.
Whitaker, Kent P.
Whitaker, Randy D.
White, Carroll L.
White, David G.
White, Donald H.
White, Millar J. C.
White, Richard O., Jr.
White, Robert B.
White, William S.
White, William F.
Whitfield, Donald B.
Whitney, Leon E.
Whitney, Richard J.
Whitten, Robert C.
Wicklund, Gail A.
Wiegand, Roy A., Jr.
Wiegley, Roger D.
Wight, Randy L.
Wilburn, Jeffrey S.
Wilcox, Karen L.
Wiley, Donald J.
Wiley, Ronald A.
Wilhelm, Carl A.
Wilkes, Edward B.
Willard, Robert F.
Willburn, Alan B.
Williams, Craig R.
Williams, James M.
Williams, James G. Jr.
Williams, Jay H.
Williams, Peter A.
Williams, Robbie L.
Williams, Ronald D.
Williams, Terence L.
Williams, Thomas G.
Williams, Tyler E., III
Williams, Vernon T.
Williams, William W.
Willis, Robert B.
Willkie, William J.
Willmann, David W.
Willmore, Michael R.
Wills, Michael E.
Wilmeth, John P.
Wilson, Bryce H.
Wilson, Craig W.
Wilson, Donald F.
Wilson, Eugene K., Jr.
Wilson, Gerald E.
Wilson, Richard A.
Wilson, Terence S.
Wilson, Thomas J. III
Wilt, Harry R.
Winberry, Paul S.
Winchell, Sherman D.
Wingast, Leda B.
Wingo, Terry G.
Winner, Stanley H.
Winter, Randall D.
Wise, Henry L.
Witherspoon, James W.
Witthauer, Thomas O.
Woerman, William J., II
Wolf, Kathleen V.
Woll, Jeffrey R.
Womack, Stephen L.
Wood, Steven C.
Woodhouse, John H., Jr.
Woodrow, Terry R.
Worchester, Stevens J.
Word, Frank B.
Worthing, Lewis K., III
Wright, Charles B.
Wright David K.
Wright, Richard L.
Wright, Richard C., II
Wuethrich, Chris A.
Wuichet, John W. II.
Wynkoop, Peter
Yackus, John S.
Yarborough, Joseph E., Jr.
Yaremchuk, Arthur W.
Yepsen, John D.
Yerkes, Robert W.
Yerkes, William M., Jr.
Yirak, John L.
Yoe, Louis E.
York, Francine F.
York, William G.
Young, Austin G.
Young, Brian K.
Young, Ernest C.
Young, Francis I.
Young, Gordon R.
Young, Patricia L.
Yuhas, Stephen P.
Zanon, Richard J., Jr.
Zayac, James A.
Zebrowitz, Michael G.
Zelle, Fred C., III
Zesk, Edward W.
Ziebell, Grant G.
Zimet, Michael I.
Zimm, Alan D.
Zimmer, Gary W.
Zollinger, John K., Jr.
Zortman, James M.
Zysk, Susan B.

WITHDRAWALS

Executive nominations withdrawn from the Senate, July 19, 1976:

Marion J. Callister, of Idaho, to be U.S. attorney for the district of Idaho for the term of 4 years, vice Sidney E. Smith, resigned, which was sent to the Senate on December 2, 1975.

D. C. Burnham, of Pennsylvania, to be a Governor of the U.S. Postal Service for the term expiring December 8, 1983, vice Frederick Russell Kappel, term expired, which was sent to the Senate on April 10, 1975.

EXTENSIONS OF REMARKS

CHARLES S. BONK HONORED

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. ANNUNZIO. Mr. Speaker, the 1976 disabled American Veterans Illinois State Convention unanimously adopted a resolution to honor the late county commander of the DAV's heart of Chicago Chapter No. 10, Honorable Charles S. Bonk, and I rise to call the attention of my colleagues to the outstanding record of this fine man.

Charles was seriously wounded at St. Lo, in France, during World War II Normandy invasion, and was awarded the Purple Heart. He also served as an Illinois State Representative and a Chicago alderman in addition to his most recent duties as a Cook County commissioner and as part of the Disabled American Veterans organization.

Charles S. Bonk dedicated his talents and his lifetime to service to his fellow citizens and our Chicago community will continue to miss his leadership in civic affairs.

The resolution honoring Charles S. Bonk passed by the DAV's Heart of Chicago Chapter No. 10 follows:

HEART OF CHICAGO CHAPTER NO. 10, DISABLED AMERICAN VETERANS

I, Theodore J. Jendrzejewski, Adjutant, on behalf of myself, Frank Bottiglero, Harold Kasten, John Mocek, Jr., Edward Osuch, Tom Petrick, Frank Rottman and all the other officers and members of the Heart of Chicago, Chapter No. 10, Disabled American Veterans, and the following Civic, Business, Religious and Fraternal leaders in our "Great City" called Chicago under the direction of one of the finest and greatest Mayors that ever lived, Richard J. Daley, and right beside him sharing the many burdens, trials and tribulations of his office his charming wife, and Alderman Vito Marzullo, Hon. Tom Janczy, Senator John D'Arco Jr., the Hon. Larry DiPrima and Matt Ropa, the Hon. Frank Annunzio and John Fary, Comm. Lou Farina, Gen. Francis P. Kane, Col. Jas. J. O'Connor, Father Boniface, Father Ben Kantowicz, Milton Ash, Jimmy Kott, William Kurtz, Ed Lesniak, Richard Lubejko, Jerry Lucich, Vasco Marconi, Marino Mazzei, Neil Pellicci, Al Stefani, Frank Burchi, Georgie Cheung, Frankie and Neil Francis, Walter Jendrzejewski, Patrick Jofre, Jimmy Koch, Nicky Kokenes, Alex Koklenes, John Mazouch, Paul Meador, John Paukstis, George Vanek, Ben and Ray Weaver, Charlie LoVerde Jr., James O'Donnell, Lt. Michael Tristano and Mrs.

Judith Zaba, submit the following resolution:

Whereas, Comrade Charles S. Bonk died April 20, 1976 at his home, Chicago, Illinois, leaving a void in his family which can never be completely assuaged, and a vacancy in our Chapter that cannot be easily filled, and

Whereas, by this sudden death a career of devoted Civil Service is closed with a special loss to the Heart of Chicago, Chapter No. 10, Disabled American Veterans, by reason of his intimate association with it and the conscientious application of his energies and talents with unflagging enthusiasm and indefatigable efforts to its varied projects for the weal of the entire Department of Illinois, Disabled American Veterans, his Community, State and Nation,

Now, therefore, Heart of Chicago, Chapter No. 10, Disabled American Veterans, through its members resolves: Firstly, that the members present at the joint session of the 1976 D.A.V. State Convention to be held in Mt. Vernon, Illinois during May 14, 15, and 16, 1976 express their gratitude for the invaluable services to the Heart of Chicago, Chapter No. 10, Disabled American Veterans, his Community, State, and Nation by standing at attention for one moment of "Silent Prayer," in his fond memory and, Secondly, the Department of Illinois D.A.V. expresses to Harriet, his widow, sincere condolences as well as thankfulness for sharing him so generously for the good of the Disabled American Veterans, his Community, State and Nation.

Resolved, further, that this resolution be spread upon the permanent records of the Department of Illinois, Disabled American Veterans to further perpetuate the monument of Charles S. Bank, and, also, that a specially identified copy hereof be presented to Harriet, his widow, and that such a copy be forwarded to all the Chapters throughout the Department of Illinois, and to Alderman Vito Marzullo, Ward Committeeman 25th Ward, City of Chicago, the Hon. Richard J. Daley, Mayor, and to the Hon. George Dunne, President, Cook County Commissioners, and to Governor Dan Walker, State of Illinois, and to Otis Skinner, U.S. Attorney General, and to Jerry Ford, President of the United States.

Respectfully submitted.

THEODORE J. JENDRZEJEWSKI,
Adjutant.

Dated: April 22, 1976.

Attest:

VERN LAPIERRE,
Commander.

Approved:

JOE GALLANTY,
Judge Advocate.

We hope that the requirement for Committee consideration will be dispensed with and that the entire assembly attending the joint session on Saturday morning, May 15, at the 1976 State Convention in Mt. Vernon, Illinois adopt this proposed resolution unanimously.

THIS IS A DAY TO REMEMBER

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. DERWINSKI. Mr. Speaker, now that the Bicentennial celebration is behind us, it is clear that it was a truly great national occasion which was concluded in a totally positive and wonderful reaffirmation of the American spirit and a progressive national attitude. The editorial commentary that helped develop this spirit must be noted; therefore, I insert in the RECORD editorials from three outstanding publications which serve my district, the Star-Herald, the Suburban Life, and the Worth-Palos Reporter:

THIS IS A DAY TO REMEMBER

Today is the 200th anniversary of the American Revolution, a successful experiment in human affairs with few parallels in recorded history.

On this day in Philadelphia in 1776, a group of dedicated men, of different economic and political backgrounds but united on the matter of local self government, set in motion a momentous chain of circumstances that has continued uninterrupted to this day.

The meeting on July 4, 1776, was rife with danger. It was a convention of rebels, assembled to take a king to task. By signing their names to the Declaration of Independence, the delegates placed a noose around their necks, for hanging was the punishment meted by the British government for treason.

Nor were prospects for the revolutionary movement encouraging. The Continental Army had yet to win a major battle, money for military supplies was getting harder to come by, and the morale of the fighting men was at low ebb. In addition, it also was known that King George had decided to send German mercenary troops to put down the rebellion. "Not worth a Continental" applied not only to the American currency, but also to Congress and the Army. Only fools would persist in the fact of such dismal odds. Only fools and visionaries.

Despite the melancholy outlook, however, there was no last-minute wavering among the delegates; when the time came, all signed the courageous document. They knew it could be their death warrant, but they also saw it is the birth certificate for the infant Republic.

Several weeks earlier, by a fortunate circumstance, the job of drafting the Declaration was given to Thomas Jefferson. A classical scholar, he had, according to his associates, a "happy talent for composition ... a peculiar felicity of expression." Even John Adams, the "Atlas of American Independence," who also had been considered for the exacting writing assignment, told Jefferson: "You can write 10 times better than I can."

Jefferson proved equal to the challenge. The Declaration embodies a timeless and universal expression of human hopes and ideals. To be sure, it was a new kind of nation that was proclaimed, but that nation was away in the future—if indeed ever. The Declaration was only a blueprint; carrying out the plans would be the responsibility of succeeding generations.

It is this challenge—to continue to work for the goals set forth in the Declaration of Independence—that continues to face us today as we observe the nation's Bicentennial. Despite occasional dissension within the country and to it from without, the freedom-loving spirit that motivated the founding fathers still prevails in America. The brave deeds and high resolves of that July day in 1776 have not lost their power to inspire.

As one, then, with justifiable pride in our achievements as a people and with faith in an even more rewarding future as a great democratic nation, let us resolve to make this historic day not only one of grateful remembrance, but also one of solemn rededication to the ideals and principles that gave us birth.

HAPPY BIRTHDAY AMERICA

Sunday we enter into our third century as the United States of America with a big nationwide bicentennial birthday party.

Activities throughout the land will recall the proud history that shaped this country and particularly the Declaration of Independence, issued exactly 200 years ago, announcing the birth of a new nation conceived in liberty and equality.

The Fourth of July holiday weekend will climax but not end months of bicentennial planning and events which our western suburbs have been actively participating.

A year ago we said we believe this country needs a return to good old fashioned patriotism. Community involvement in bicentennial activities since that time has done much to achieve this goal.

Fireworks, parades and picnics are the traditional Fourth of July observances, but with the bicentennial celebration many communities are adding pageants and larger scale activity.

With participation in these events this weekend, we hope residents will renew the patriotism and spirit which has made this nation the greatest land on earth.

It is our hope that all Americans will come together to remember how we came to be, celebrate what we are and to reflect on where we are going.

A once in a lifetime celebration, the bicentennial is more than just the traditional July 4th activities. It's more than just a day off from work or a chance to get away for the holiday weekend.

It can be a time of new beginnings just as America has been a land of new beginnings for peoples from all corners of the globe since its founding.

We hope Americans will use this bicentennial weekend to celebrate our nation's 200th birthday, not just to get away from it all.

We hope everyone comes to the birthday party to rekindle the pride and love all citizens once had for America's green forests and fertile plains, from the shores of the great oceans to the crest of her highest mountain peaks.

And as we celebrate, let us remember that we hold this land in trust for future generations so that they may proudly celebrate more centuries of freedom as a land of liberty and justice for all.

Let's reaffirm our faith and trust in the American way. Fly the flag, participate in the community's bicentennial activities and be proud you're an American.

THE PROMISE OF AMERICA

(By Pat Bouchard)

"The war is over, but this is far from the close of the American Revolution. On the contrary, nothing but the first act of the great drama is closed." This is a quote from Benjamin Rush, one of the signers of the Declaration of Independence.

With the Centennial and, now, the Bicentennial we have viewed the second and third acts of the great drama of American democracy and we stand on the threshold of the fourth.

Our birthday—our Bicentennial—the 200th anniversary of the founding of our nation, is a good time for reflecting on what has happened in our country in the past, what is happening now, and what will probably happen or should, hopefully, happen in the future. Most important, let's reflect on our own part in all of these happenings.

Our country has been blessed abundantly with natural beauty, national resources, and material riches. We have a responsibility to keep these blessings solvent through wise use, not abuse. Along with the foregoing blessings we have the pimples of prejudice, poverty, political chicanery, violence, and inequities in our legal system. Surely we should ponder our part in all of these problems, also.

While we mull the problems, we can take heart in the fact that the democracy has survived 200 years. More, it will continue to survive, because most of us really do believe in the intrinsic value of each individual and we fall back on the strength which allows dis-

parate viewpoints to coexist. The remedies for America's faults lies in the hands of the many individuals willing to work to end our imperfect conditions. Those who, though recognizing the faults of our democratic institutions, refuse to fall into indifference and distrust of them and continue to work for their renewal and betterment. Are we, you and I, to be numbered among those willing workers?

Every birthday celebration needs a gift. Perhaps the best gift we can offer our country on this occasion is the gift of ourselves. Tied up with that gift should be a promise to examine our role and duties as a citizen. Let's brighten the gift of self with determination to become knowledgeable and active in public issues; to speak and act for the common good; and to be a responsible and regular voter.

We end this piece with a pledge framed in another quote from the late President Lyndon B. Johnson: "We rededicate ourselves to the responsibilities of America. We do not insist that we are perfect, but we must strive for perfection as long as there is an American nation. For only by honoring America's promise do we honor America itself."

WEST COAST SITE PROPOSED FOR CONCORDE

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. KETCHUM. Mr. Speaker, at this time I would like to share with my colleagues the text of a letter written by a constituent of mine to the president of Air France, as well as to British Airways' chairman of the board. I firmly believe that the sentiments expressed in this correspondence indicate full well that the community in question is not only for the Concorde—but also for progress. The letter follows:

EAST KERN AIRPORT DISTRICT,
Mojave, Calif., June 22, 1976.

Re East Kern Airport District: Use of Mojave Airport as west coast site for SST activities.

M. PIERRE GIRAUDET,
President, Air France,
Paris, France.
Sir FRANK MCFADZEAN,
Chairman of the Board, British Airways,
London, England.

GENTLEMEN: During the past several weeks, representatives of the East Kern Airport District have been exploring the possibility of the use of Mojave Airport as a West Coast site for Concorde activities. Preliminary studies have now been completed; the Board of Directors of the District wishes to extend to British Airways and Air France a formal invitation to utilize the Mojave Airport for such activities.

The Mojave Airport, shown on the attached photograph, is located approximately sixty nautical miles north of downtown Los Angeles, California. The Airport is located in a relatively remote region on the western edge of the Mojave Desert. It is bounded on the west by the town of Mojave with a population of approximately three thousand. No other significant inhabited area is located within a fifteen-mile radius of the Airport.

The Airport, which is owned and operated by the East Kern Airport District, a public agency, consists of approximately two thousand acres of land and includes several miles of runways and taxiways. (More details concerning the runways and taxiways are found on the reverse side of the enclosed west facing photograph of the airfield.)

Since the District undertook the operation of the Airport, approximately four years ago, it has expended considerable funds to upgrade facilities at the Airport. Even though the basic facilities shown on the enclosed photograph continue to exist, additional facilities are now available and the District is engaged in a continuous program of improving the Airport.

Currently, the Airport is utilized by several manufacturing firms in the industrial area located to the south and west of the active runways. The existing flightline facilities are used by various aeronautical enterprises. General Electric Corporation, Rockwell International, and Flight Systems, Inc., a flight test research corporation, are some of the District tenants. Some additional improvements would be required should you desire to utilize the Airport for Concorde operations.

Perhaps the most salient feature of the Mojave Airport for the purposes of the present discussion is its location which is only sixty nautical miles from downtown Los Angeles. It is served by relatively lightly traveled freeways so that ground transportation may traverse the distance between Mojave and downtown Los Angeles in approximately one and one-half hours. (During the "rush hour" at least one hour is usually needed to traverse from Los Angeles International Airport to downtown Los Angeles.) The Airport is located on a railhead, and is presently served by Golden West Airlines providing commuter service between Mojave and LAX. Mojave Airport is also located approximately seventy nautical miles from the Pacific Ocean. (The terrain between the Airport and the Pacific Ocean is largely uninhabited.)

Significantly, the Mojave community is 100% in favor of granting landing rights to the Concorde. We doubt that such enthusiasm can be duplicated anywhere in the United States.

As mentioned, initial steps have already been undertaken by the District preliminary to this correspondence. In April, 1976, the District adopted a statement of no environmental impact. Under California law, such statement, unless attacked within thirty days, will serve in lieu of a full scale environmental impact report. Thus, while the Federal Government may feel the need to prepare another environmental impact statement should you desire to utilize the Mojave Airport, similar delays at the local level are not anticipated. We have also made a preliminary contact with the office of the United States Secretary of Transportation. While our discussions were necessarily somewhat generalized and conditioned upon an expression of interest by your organization, representatives of the Department of Transportation have indicated that the Mojave Airport appears to be "environmentally" well suited for Concorde activity. To be sure, the Secretary of Transportation's office has not offered its support (or opposition) to this project. However, we feel that the Mojave Airport is the most viable site on the West Coast of the United States for Concorde traffic when those factors which are of concern to the Department of Transportation are taken into consideration.

We recognize that the decision to utilize the Mojave Airport is entirely within your hands. It is our hope that this correspondence will encourage further study on your part to explore the marketing feasibility of such project. We are encouraged that such a study will prove to be favorable because of the extremely fortuitous location of the Mojave Airport vis-a-vis possible Pacific routes for your aircraft. Finally, because you have heretofore been faced with a thoroughly frustrating series of delays with regards to United States traffic, we are constrained to point out that the District will fully commit its considerable resources to the prompt fruition of the project should you decide to proceed. In this regard, we are prepared to meet with you in the United States or Europe at your earliest convenience.

Very truly yours,
EAST KERN AIRPORT DISTRICT,
DAN J. SABOVICH,
General Manager.

COMMUTER TAX RATIONALE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. McKINNEY. Mr. Speaker, the arguments surrounding the District nonresident income tax issue are too often clouded by misinformation, misunderstanding of the facts involved, and emotionalism. For that reason, it was a pleasure to pick up the Washington Post on June 22, 1976, and read a letter to the editor from Mr. Peter D. Ehrenhaft, an attorney practicing in the District, which contained one of the most succinct and rational discussions of this legislation I have seen since introducing a commuter tax bill last January. I insert Mr. Ehrenhaft's letter in the RECORD so that his reasoned and well-written statement can lead all of us to a greater understanding of this important issue.

Mr. Ehrenhaft's letter follows:

THE CASE FOR IMPROVING D.C. TAX LAWS

Recently published letters have discussed the proposed District of Columbia "commuter tax." They have not, however, mentioned that every state and each city in the United States that imposes income tax follows the principle familiar to the Congress and a part of the Internal Revenue Code; namely, that the jurisdiction within which personal service income is derived has the primary right to tax it. To the extent a person is also subject to tax by another jurisdiction for reasons of domicile or nationality, it is the latter that must defer to the former. Accordingly, the Internal Revenue Code gives to U.S. residents and nationals who pay income taxes to foreign countries on personal service income derived in such countries a credit against their U.S. tax. This principle is also a part of all of the international tax treaties to which the United States is a party. And it is the rule followed by the many states and cities within this country that impose an income tax. The government of the place where the income is earned has the first right to tax it. Local residents who are taxed under this "source" rule on income they earn elsewhere are then allowed to credit such nonresident taxes against their local tax obligation.

The law of the District of Columbia is unique in not following this universal practice. It, alone, bases its income tax on the domicile of the taxpayer. As a result, persons living in the adjacent states but working within the District are relieved of the obligation to pay tax to the District—which obligation they would bear if, instead of in Washington, they worked in Cleveland, Detroit, Philadelphia, New York or St. Louis while living in Maryland or Virginia. And conversely, I, as a D.C. resident, while deriving income from my firm's office in New York City, pay a nonresident tax to New York City, but receive no deduction or credit against my D.C. individual income tax. My

partners resident in Maryland do receive such a credit against their Maryland income tax. Thus, D.C. residents deriving personal service income elsewhere are taxed twice, contrary to all principles of fairness or the system of income taxation known to all other jurisdictions. Clearly the local income tax law should be made to conform to the norms of the federal law and the laws of the other states and cities of this country.

If a change in this principle of District of Columbia tax law were adopted, it would also make sense to adopt locally the system now followed by many, if not most, of the states with individual income taxes by which the state income tax is determined by application of federal law and principles (with some minor adjustments). There seems to be no reason whatever why the New York State tax law has incorporated by reference the congressionally-enacted Internal Revenue Code for most purposes of its state income tax, while the District of Columbia labors under a separate congressionally-adopted tax law with significant differences that tend to affect every taxpayer (e.g. in determining eligible charitable deductions, the amount of personal exemptions, the limit on medical expense deductions and the deduction of contributions to retirement plans). Incorporation by reference of the Internal Revenue Code would facilitate the preparation of D.C. returns and should therefore, encourage compliance with local law.

PETER D. EHRENHAFT,
Attorney at law.

Washington.

OUR CONTINUING ENERGY CRISIS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. ROSTENKOWSKI. Mr. Speaker, recently WBBM Newsradio, a Chicago CBS affiliate, broadcasted an editorial regarding our country's continuing energy crisis. Not only is this editorial a fine example of WBBM's public service commitment to its listening audience, but it is also an incisive commentary on an issue of national importance.

Our country is indeed in the midst of a continuing energy crisis. Today we are quickly using up an all too finite amount of fuel, 40 percent of which we have to import. We must conserve our fuel and continue to develop a national energy policy.

The WBBM Newsradio editorial follows:

CONTINUING CRISIS

If we don't hear a lot about an energy crisis, there must not be one, right? Wrong. We don't have to wait in long lines at the gas pumps any more, it's true. And since nobody's saying much about energy problems these days, we're going back to our old wasteful habits.

Don't kid yourself, though. There is still an energy crisis. The government and the oil companies disagree on the amount of fuel left under the ground here, but they do agree one one thing: The supply is finite; it will run out.

Already the United States imports about 40 percent of the crude oil the country uses. About 26 percent of that comes from the Arab nations. Our country just can't afford to be that dependent on others for our energy. It's clear from those staggering figures that the federal government has to move faster to develop a coherent national energy policy.

It's also clear that we are going to have to work harder to conserve what we've got. There are plenty of things we can do. Keeping your speed limit down to 55 is one thing. Joining car pools is another. In the home you can save energy and save money by insulating your walls and ceiling, ventilating the attic, installing storm windows, and using your air conditioner as little as possible.

The energy problem hasn't gone away in the last couple of years. And it's not going to go away. All of us are in this together, of course. The government has to do its share with the overall strategy and we all should conserve where we can. The warning, "'Don't be fuelish" makes even more sense now than it did two years ago.

That's our opinion. We'd like to hear yours.

GARY C. PERREIRA, HAWAII ESSAY CONTEST WINNER EXALTS THE AMERICAN EXPERIENCE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. MATSUNAGA. Mr. Speaker, the Knights of Columbus have recently concluded a statewide essay contest in Hawaii open to all elementary school students, through the eighth grade, attending Catholic schools. I have had the pleasure of reading the winning essay entitled "What's Right With America" by Gary Perreira of St. Joseph's School in Hilo on the "Big Island" of Hawaii.

Gary's composition is an extremely thoughtful commentary on America from the point of view of an individual who is proud of the characteristics which make America so unique. It evokes in the reader a deep sense of appreciation for the political freedoms, rich heritage, and natural splendors shared by all Americans. The sense of pride in our country which Gary exhibits in his work conveys the dynamism of the spirit which lives on in the American experience, and is indicative of the feelings that prevail in this, our bicentennial year.

By way of congratulating Gary and his proud parents, Mr. and Mrs. Herbert J. Perreira of Hilo, Hawaii, and with the thought that my colleagues will find this essay as thought-provoking as I did, I am submitting it for inclusion in today's CONGRESSIONAL RECORD. The essay follows:

WHAT'S RIGHT WITH AMERICA?

(By Gary C. Perreira)

My birth certificate is the Declaration of Independence. I was born on July 4, 1776. I am a fabulous country with fabulous people. I house 200 million people and the ghost of the courageous people who fought for my freedom.

I am Washington, Hale, Jefferson and Patrick Henry. Bunker Hill, Valley Forge and Yorktown are a part of my heritage. I am Davy Crockett, Daniel Boone and John Paul Jones. I am Generals Lee, Grant and MacArthur. I am Abraham Lincoln and his Gettysburg Address.

I remember the Alamo, Lusitania, Pearl Harbor and Iwo Jima. Whenever freedom calls, I answer. I have left my heroic dead in the Argonne Forest, Flanders Field and on the bleak slopes of Korea and Vietnam.

I am the wheatlands of Kansas, farmlands of Idaho and the forests of the Northwest.

My capital, Washington, D.C., is like no other of my cities. If you look to the north you see the White House, to the east is the Capitol, to the west the Lincoln Memorial, and to the south the Jefferson Memorial.

I am a religious nation founded upon religious principles. My people recognize God's power, authority and responsibility to Him. I am a nation that believes in the worth and dignity of the individual.

I am a government that is a true democracy. I am a Republican kind of government with the Constitution as my cornerstone. I am a government that is responsible to God and country. I guarantee life, liberty and freedom.

I am big, I sprawl from the Atalntic to the Pacific, covering more than three and one-half million square miles.

I am America. Yes, I am the United States of America. I was conceived in freedom and in freedom I will spend the rest of my days.

I am all fifty states with snowcapped mountains, green plains and sunny valleys. All these I offer to you.

I am heir to a brave and godly heritage. I must care for myself without and within. I must live up to the best that I know. I must work and dream big and keep the torch of freedom burning. I am this land.

May I always possess the hope, the strength and the integrity to remain strong. This is my prayer and may God be with me.

ONE OF THE GREATEST

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. MOTTL. Mr. Speaker, I ask my colleagues in the House to join with me in tribute to Creighton E. Miller who will be inducted into the National Football Foundation Hall of Fame in New York on December 7.

I take personal pride in this fine honor being bestowed upon Creighton Miller in that I have known him for some time. Both he and I are Clevelanders and graduates of Notre Dame University.

Creighton Miller starred on the Notre Dame gridiron in 1941, 1942, and 1943 and is considered by many to be one of the greatest football players in the grand history of Notre Dame. In fact, his coach, the late Frank Leahy, called him "the best halfback I ever saw."

Besides his great ability to pick up yardage against some of the toughest defenses of the time, Creighton was an inspirational leader to the Fighting Irish. Notre Dame football teams amassed a sparkling 24-3-3 record during his college career.

Creighton not only is a standout in Notre Dame football history, but also in the tradition-filled Miller family football history. His father, the late M. Harry "Red" Miller, had been an oustanding halfback at South Bend, one uncle, Don Miller, was one of the famous Four Horsemen on the 1924 team, and several other uncles and brothers carved their own niches at prep schools and later at Notre Dame.

Creighton's successes on the Notre Dame football field carried over into other endeavors. After receiving his AB

at Notre Dame, he went on to help form the Cleveland Browns professional football team in 1946. He helped lay the groundwork for one of the most successful professional teams in history.

He has been a respected and successful attorney in Cleveland since 1947 and retains an active interest in his alma mater and collegiate sports. The National Football Foundation Hall of Fame is according him a well-deserved honor by selecting him for membership.

OUR NATION'S BICENTENNIAL

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. LITTON. Mr. Speaker, I am happy to include in the RECORD an essay written by a fine lady of my constituency. It pleases me to see the love, pride, and interest that Americans still express for their country, even after 200 years.

The essay follows:

OUR NATION'S BI-CENTENNIAL

(By Ruth McKenzie)

My thoughts are at random as I think of God. The writing of my love affair with our country. I gaze out at the weeping willow tree with its overhanging branches, the red maple standing so stately, the red bud with its snarled trunk and beautiful color, the old well and pump left for sentimental reasons. Then I think of our church with the steeple. This is all a part of our heritage and America I love so well.

My heart overflows as I remember my childhood of loving and being loved in a family of ten children and the hardships endured. For a good husband and the love and respect of our children, the beauty of grandchildren as they look up at you with loving eyes as you rock them and make up little ditties to sing.

I thank God for the strength he gave me to stand over my mother the last two months in the hospital with cancer; for easing her pain a little by softly humming or singing hymns she loved so well as a child; for the courage to withstand the loss of a brother on the battle fronts; the loss of an infant daughter; for the opportunity and enjoyment of working outside the home for several years through necessity. All of this has made a well rounded life in this wonderful country of ours.

We think of our forefathers this Bicentennial year and what they have accomplished. We marvel that in two hundred years the auto, airplane, electricity, telephone, trains, buses, television, the atomic age and going to the moon have all come to pass. The progress of education, press, and the sciences, we must not become too concerned with material things but what are we going to do about the future. We must remember that conscience is trained and so the man. Are we examples to the future generations? This America offers us.

We must remember our government and what it stands for. We have many conscientious men and women in our democracy with high ideals. We should pray that this never falters. We should try to learn and change if necessary the things we do not like about our system. Government is the people. Lets teach our children this. To stand up and be counted for what contribution they can make.

We must not be a passive people. Not in the Church, home, work or government. We must be alert and concerned. Change what can be changed if necessary, accept what cannot be, forget our prejudices and forgive those who will not.

We learn in history of the Declaration of Independence, Thomas Jefferson and John Adams, Victory at Yorktown, Lexington and Concord, Paul Revere's ride, Washington and food hunger. The pitfalls of establishing an army, Lincoln and the Civil War, the Constitutional Convention. So much in so little time.

We have turned from a physical world to a mental world. America is singing out, this is a new beginning. We have the hope and aspirations of our founding fathers. We are naturally adventurers and like the young man in a hurry. America implies a commitment for constructive change. Our country takes the lead in this for the benefit of all mankind. Almost anyone who is born into one level of existance can move up to a higher level if he or she has the determination to do so.

Freedom may go the wrong way without the right Faith. We should not take it out of context. Man wants all webs and barriers down yet he cannot live without them. Let's cast our eyes to the horizon and pray for we know true happiness comes from within. Our moral code depends on developing the inner man. The human heart can change. We can pick up the good of the past and add our own resources to this. Lets make the next two hundred years a still greater America with the red, white and blue still flying. Can you think of a more beautiful tomorrow?

LETTER TO THE EDITOR

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. FISHER. Mr. Speaker, I have been requested by Mr. John W. Ecklin of Arlington, Va., to insert into the CONGRESSIONAL RECORD his letter to the editor of the Rosslyn Review dealing with pasma fusion. Although I am not qualified to judge the merits of Mr. Ecklin's theory, I did want to share his views with my colleagues:

ARLINGTON, VA.,
June 4, 1976.

Mr. JOHN JACOBS,
Editor, the Rosslyn Review,
Arlington, Va.

Letter to the Editor:

Since you printed my letter about Pasma Fusion on 1 Aug 14 (which was then inserted on page 29733 of the 21 Aug 74 Congressional Record) I have been spectacularly unsuccessful in convincing nuclear scientists of its feasibility. This letter left unmentioned a critically important effect.

Over 4 decades ago Oppenheimer achieved fusion by aiming a nuclei beam at a stationary target. Strange as it seems, although this proved fusion was possible, nuclear scientists somehow decided beams could never be used for a trigger. Thus they never tried opposing beams, and so they never even tried to get greater density in the beams.

Pasma Fusion gave each nuclei enough speed so that nuclei from opposing beams had enough momentum to overcome their mutual repulsion and fuse. Nuclei are positive charges and repel each other. A low beam current, by coasting, was stored electrostatically in two hollow donut shaped (torus) storage rings to build up density or beam current.

Recently I read in QED theory when a nuclei either moves in a straight line or spins it creates a magnetic field as either motion is a current. Further the magnetic effect from spin is far greater than from linear motion or speed.

When nuclei revolve around the two storage chambers they also get opposite spins so now when they are combined in one chamber they are magnetically attracted to each other. What can this mean? Nuclei are so tiny that it seemed impossible to ever get them to hit each other especially since they also repel each other electrostatically. The mechanical layout of Pasma Fusion automatically gives the opposed nuclei an opposite spin which causes them to magnetically attract each other and we no longer require a direct hit. Serious consideration by American scientists of the effects from deliberately induced nuclei spin could provide the answer for a fusion trigger.

Our energy crisis has only worsened since the Aug 74 letter so I have sent a copy of this letter to Representative Joseph L. Fisher to be placed in the Congressional Record. Everyone wants to do all they can to solve our common eneryg crisis.

Sincerely,

JOHN W. ECKLIN.

CORPORATE SEX DISCRIMINATION

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. ROSENTHAL. Mr. Speaker, I was shocked and dismayed to discover that there is only 1 woman among the 500 leading corporate executives in America this year. In its annual statistical portrait of the heads of the Nation's biggest and richest corporations, Fortune magazine concluded that today's chief executive "is still a he." While top corporations are opening their doors to the younger and middle-class worker, big business clings to the discriminatory hiring and promotion practices which hold women in economic fealty. Women constitute 18 percent of the corporate work force; but they occupy a meager two-tenths of 1 percent of the positions entailing the most responsibility and control. While the percentage of women in the labor force has risen from 37 percent in 1960 to 46 percent in 1974, the percentage of working women occupying supervisory positions has declined.

Some women have crept up the corporate ladder. But their progress consistently has been halted short of the top executive posts which shape American corporate policy.

Moreover, even when the corporate woman has gained a toehold at the top, she usually finds that sex discrimination has followed her. It impedes her in many ways, not the least of which is her pay. Women executives, according to the January issue of Atlanta magazine, receive salaries barely half—59 percent—those of men in comparable positions.

The policies of this country's mammoth corporations touch the lives of millions of Americans. The concept of a homogeneous, closed fraternity of executives cannot be reconciled with the American ideal of an open society which rewards ability and not birth. Moreover, even should women be given a presence in

corporate America it is essential that she also enjoy a status and stature comparable to the male worker. Barring women from the upper echelons of the business world denies over half of the population a significant economic impact in the United States.

It is essential that we confront and overcome the pervasive biases of our society. The role of women in corporate America symbolizes the great distance we have yet to travel. Women have dispelled the myth that they are incapable of functioning in the business world, and their abilities and achievements must no longer be ignored in the executive suites and corporate boardrooms.

QUESTIONNAIRE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. DERWINSKI. Mr. Speaker, I am proud that there was a record response this year from the constituents of my district to my annual questionnaire. The results have been tabulated, and I want to bring them to the attention of the Members because I believe the poll indicates a strong feeling of dissatisfaction on several nationwide problems.

My 1976 questionnaire indicated that the two areas of greatest concern are basically the same ones which disturbed people the most as shown by my 1975 poll. They are the problem of ineffective handling of criminals by the courts and a Government which has become too large and powerful.

An overwhelming number of people believe that Congress should enact legislation imposing mandatory minimum sentences for criminals convicted of murder, my poll shows. This question drew the greatest number of comments, and many people expressed the views that the death penalty should be restored and that the courts were too "soft" on criminals.

There was also a tremendous response to the question of whether there is too much Government regulation in the lives of American citizens. People complained not only about overregulation of businesses, but also professions and leisure activities.

The tabulation for the 1976 questionnaire sent to the constiuents of the 4th District of Illinois follows:

RESULTS OF 1976 QUESTIONNAIRE—4TH DISTRICT

1. Should Congress enact legislation imposing mandatory minimum sentences for criminals convicted of murder?

Answers. His, yes, 87 percent, no, 10 percent; hers, yes, 85 percent, no, 11 percent.

2. Would you favor a reduction in the number of federal employees by 5 percent a year for the next four years?

Answer, his, yes, 83 percent, no, 13 percent; hers, yes, 82 percent, no, 14 percent.

3. Would you support a Constitutional Amendment prohibitng abortions?

Answer, his, yes, 28 percent, no, 68 percent; hers, yes, 26 percent, no, 68 percent.

4. Do you favor federal funds to help New York or any other city unable to meet its financial obligations?

Answers, his, yes, 19 percent, no, 77 percent; hers, yes, 21 percent, no, 76 percent.

5. Do you approve of the U.S. resuming relations with Cuba at the present time?

Answers, his, yes, 43 percent, no, 53 percent; hers, yes, 40 percent, no, 54 percent.

6. Should the Federal Government provide health insurance for long-term, major (catastrophic) illnesses?

Answers, his, yes, 68 percent, no, 27 percent; hers, yes, 70 percent, no, 24 percent.

7. Is there too much government regulation in the lives of American citizens?

Answers, his, yes, 75 percent, no, 21 percent; hers, yes, 72 percent, no 23 percent.

8. Do you favor extending federal revenue sharing with state and local governments beyond December 31, 1976?

Answers, his, yes, 63 percent, no, 31 percent; hers, yes, 62 percent, no 28 percent.

9. Should all Social Security beneficiaries receive equal annuities regardless of marital status?

Answers, his, yes, 65 percent, no, 29 percent; hers, yes, 70 percent, no, 25 percent.

KERMIT GORDON

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. CONTE. Mr. Speaker, I wish to pay tribute to Kermit Gordon, a distinguished American, whose recent death has deprived the United States of a remarkable public servant and a scholar whose teaching inspired a generation of young economists at Williams College. Kermit Gordon combined the gifts of public leadership and academic excellence as have few other Americans in recent times.

In his years at Williams College, where he was a David A. Wells professor of political economy, Kermit Gordon was revered as a stimulating and perceptive teacher who was particularly close to his students. In 1961, he was called to Washington to serve on President Kennedy's Council of Economic Advisers. Later he was appointed Director of the Budget Bureau and served under Presidents Kennedy and Johnson. Following his Government service, his abilities found a new fruition at the Brookings Institution in Washington, of which he became vice president in 1965 and president in 1967. For the remainder of his life he demanded of his colleagues at Brookings the kind of quality he imparted to his own work in Government and the academic world. Through the Institution he led, he has left a rich legacy to the Nation.

Kermit Gordon's death has elicited a number of tributes to the man and his work. Mr. Speaker, I am including articles from the New York Times, Washington Post, and Washington Star at this point in the RECORD:

[From the Washington Post, June 24, 1976]

KERMIT GORDON

Kermit Gordon, the president of the Brookings Institution, who died on Monday at the age of 59, was one of those very rare creatures in this town—a dedicated public man who managed over the years to maintain a sense of duty and a sense of humor at the same time. Neither ever failed him. Mr. Gordon, by training a professor of economics, was the least dismal practitioner of that so-called "dismal science," and there was a vital, organic connection between his very human energy and wit and his capacity to understand the meaning of the great issues of government with which he was concerned.

One of his favorite anecdotes about himself—and, by extension, about all public servants who tend to lose touch with the meaning of reality in general and with the meaning of the sums of public money they are dealing with in particular—dealt with a luncheon he had with his wife in the White House mess while he was the Director of the Budget. Mr. Gordon relished recalling how he had had continually to let his wife be interrupted by a procession of administration types who came to their table to tell him that they really couldn't handle some particular $15 million or $20 million budget cut he was insisting that their agency take, and how he had heard himself saying, again and again, "Oh, that's okay—I'm sure we can get that much back in." At last, over dessert, Mrs. Gordon got to say what she had wanted to talk about when she suggested that they have lunch in the first place: The man who was going to repair the garage had finally come in with his estimate and it was going to cost $1,400. "$1,400!" Mr. Gordon liked to recall he had veritably shouted—"What do you mean $1,400? I never heard of so much money!"

In the past 15 years, Mr. Gordon had served in the administrations of Presidents Kennedy and Johnson, and Richard Nixon called on him while he was at Brookings to become a member of the controversial Pay Board. It was typical of Mr. Gordon, who needed that last busy, tiresome, unprofitable and difficult job like a hole in the head, that he should have both accepted and become an exceptionally diligent and tireless member of the board. It was also typical, we fear, of the Nixon White House that took advantage of his talents and sense of duty, that even as Mr. Gordon was giving them his all, they were engaged in a dangerous and preposterous plot to discredit and destroy the Brookings Institution over which he presided. You will remember the scene as it was to be disclosed in the Watergate proceedings: the talk of fire-bombing the building, the plans to purloin internal Brookings documents, the campaign to smear the Institution's reputation. The inspiration of this disgusting conspiracy seems to have been the dim inability of the conspirators to understand the meaning of intellectual independence and disinterested public purpose: they regarded every dissent from the wisdom of their own programs and proposals as evidence of some kind of self-interested partisan maneuver. But people in this city who were capable of seeing reality—as distinct from seeing a reflection of their own shortcomings in everyone else—knew a different truth. It was that under Mr. Gordon's direction, starting in 1967, the Brookings Institution had taken on a new vitality; it had been energized and brought with great skill into the center of the arena of informed discussion of public problems and public issues; and this had been achieved without its succumbing to the obvious dangers of politicization, of becoming a "shadow" government or a producer of "counter" programs—terms and conceptions which Mr. Gordon himself despised.

We can sum it up in a sentence: Kermit Gordon was a great guy and a fine public servant—and, on both accounts, he will be missed.

[From the Washington Post, June 23, 1976]

KERMIT GORDON, BROOKINGS HEAD, DIES

(By Laurence Meyer)

Kermit Gordon, 59, president of the Brookings Institution and former director of the Bureau of the Budget under Presidents Kennedy and Johnson, died Monday night of cardiac arrest at George Washington University Hospital following surgery.

In a city accustomed to confrontation and high pressure politics, Mr. Gordon had a

reputation for getting results with quiet competence and grace.

James Tobin, Sterling professor of economics at Yale University and a colleague of Mr. Gordon on the Council of Economic Advisers, described Mr. Gordon yesterday as a "Really wise man with a broad perspective of economic and political affairs—a sense of proportion of what was important and what wasn't."

Although he did not have a doctorate in economics and published relatively little, Mr. Gordon "had a wide following in the profession," according to Tobin. Charles L. Schultze, a senior fellow at Brookings and Mr. Gordon's successor as Budget Bureau director, said that Mr. Gordon was "one of those rare individuals who don't publish but who know, talk to and are respected by their more prolific colleagues."

Mr. Gordon also was one of the few high-level officials who made the transition from the Kennedy to the Johnson administration. Shortly after President Kennedy's assassination, Mr. Gordon wrote President Johnson a brief memo advising him that there was still time—though not much—for him to give the federal budget for the coming fiscal year his own stamp.

"Kermit literally spent the month of December, 1963 . . . with President Johnson," Schultze said. The final product was a budget that bore Lyndon Johnson's imprint. In the process, Mr. Gordon also won the respect of the new President. "I inherited a lot of talent from Kennedy," President Johnson said, "but no one better than Gordon."

Born in Philadelphia on July 3, 1916, Mr. Gordon graduated with highest honors in economics from Swarthmore College. As a Rhodes scholar, he studied at University College, Oxford, in 1938 and 1939.

From 1941 to 1943, he served as an economist with the Office of Price Administration. After serving in the Army and more government service, he joined the faculty of Williams College as an instructor in economics in 1946.

He became David A. Wells professor of political economy in 1961, just as he was about to take a one-year leave of absence to come to Washington as a member of the Council of Economic Advisers.

Walter Heller, chairman of the council under President Kennedy, recalled yesterday that Mr. Gordon was chosen by him and Tobin as "the perfect man to round out the council." The appointment was almost killed, however, when presidential aide Theodore Sorensen remembered Mr. Gordon as having refused an offer to serve as a consultant to then Sen. Kennedy in 1958. Heller said his insistence on having Mr. Gordon finally received President Kennedy's reluctant approval.

Once a member of the council, Heller said, Mr. Gordon "very quickly became one of the favorites in the White House, partly because of his ability to communicate." Heller said Mr. Gordon "had that marvelous clarity of thought and clarity of expression and style that made him invaluable in the presidential orbit."

Mr. Gordon also had another quality prized in the Kennedy White House—wit. Heller recalled Mr. Gordon as the coiner of the phrase "forthright evasion" and as having remarked, "Virtue is so much easier when duty and self-interest coincide."

While on the three-member council, Mr. Gordon was credited with taking the leading role in formulation of federal wage price guideposts used by the Kennedy administration in an attempt to check inflation.

As he was about to leave government to return to Williams, President Kennedy asked Mr. Gordon to become Budget Bureau director, a post he held from 1962 until 1965, when he resigned to become vice president of the private, nonprofit Brookings Institution.

When he became president of Brookings in 1967, Mr. Gordon expanded the program already under way to shake off the stodgy image Brookings had and to involve it in important questions of policy.

Arthur Okun, a senior fellow at Brookings and chairman of the Council of Economic Advisers in 1968-69, said that Mr. Gordon's "gentle prodding" encouraged the staff of Brookings to produce. Okun and others said that Mr. Gordon labored at his own writing, demanding the same precision from himself that he expected from others. Partly as a result of the high standards he set for himself, Mr. Gordon published relatively little.

Tobin said that Mr. Gordon was responsible for bringing to Brookings "the most effective group of economists for policy problems anywhere."

Robert V. Roosa, chairman of the Brookings trustees, said that Mr. Gordon had made Brookings "a living symbol throughout the world for creative exploration of problems of government."

Mr. Gordon, by all accounts, brought to his work a first-rate mind and a toughness that was softened by courtesy and tact. "Internally," Schultze said yesterday, "he didn't suffer fools gladly, but he didn't let the fools know it."

McGeorge Bundy, president of the Ford Foundation, said that Mr. Gordon's judgment as a board member had helped guide the Ford Foundation through a difficult period. In addition to his ability to get to the heart of a problem, Bundy said, Mr. Gordon was a man of unquestioned integrity. "People just plain knew where they stood with Kermit," Bundy said.

Mr. Gordon is survived by his wife, Mary, of 2202 Wyoming Ave. NW; two daughters, Mrs. George Sher and Mrs. Thimas J. Kline; a son, Andrew; his mother, Ida Robinson Gordon; a brother, Lester, and one grandchild.

[From the New York Times, June 23, 1976]

KERMIT GORDON, 59, DIES; WAS HEAD OF BROOKINGS

(By Leslie H. Gelb)

WASHINGTON, June 22.—Kermit Gordon, president of the Brookings Institution and a former economic adviser to Presidents Kennedy and Johnson, died here last night. He was 59 years old.

He had been recovering from pancreatitis and was planning to spend the summer in Williamstown, Mass., where he had been a professor at Williams College.

Mr. Gordon left Williams in 1961 to become a member of President Kennedy's Council of Economic Advisers. He served from December 1962 to June 1965 as director of the Bureau of the Budget for Mr. Kennedy and Mr. Johnson.

He assumed the presidency of Brookings on July 1, 1967, after serving for almost two years as the first chairman of the President's Health Insurance Benefits Advisory Council on the Administration of the Medicare Program.

In this period, he was regarded as a key shaper of Democratic economic policies, including the policy of a strong Presidential role in establishing wage-price guidelines.

His career in Government began in 1941, when he was an economist in the Office of Price Administration. In World War II, he was in the Army and assigned to the Office of Strategic Services.

Mr. Gordon joined the department of economics at Williams College in 1946 and became a full professor in 1955. He was graduated from Swarthmore College in 1938.

NEVER WROTE A BOOK

Mr. Gordon never got a Ph.D. and never wrote a book. As Charles Schultze, one of his colleagues in the Government and Brookings, recalled, "Kermit was one of the few from the oral tradition of economics whose reputation stemmed from his teachings and conversations with his professional colleagues, and from the many Presidential policy statements that never bore his name."

A well-known Democrat, Mr. Gordon, nevertheless, served in the Nixon Administration as a public member of the Pay Board from October 1971 to December 1972, and as a member of the General Advisory Committee on Arms Control and Disarmament from 1969 to 1973.

He also held executive positions with the Ford Foundation in the late 1950's and was a member of its board of Oxford, in 1938 and 1939, a trustees from 1967 to 1975.

Mr. Gordon was a Rhodes scholar at University College, period that interrupted his lifelong interest as a softball player.

He had one of the most remarkable careers among those men who entered Government in World War II and whose careers then began to intertwine universities, the foundation world and public service.

ADVOCATE OF TOLERANCE

Where many of his colleagues gained prominence as advocates for particular ideologies, Mr. Gordon's reputation was built as an advocate of tolerance.

Soon after he was named to advise Mr. Kennedy, he gave a speech on the elusive nature of the public interest and said: "Men possessed of strong analytical powers—men of goodwill, disinterested men—will often define differently the public interest in a particular problem."

Nor did he sidestep taking stands, according to his colleagues. They remember him as the father of the wage-price guidelines policy that foresaw that governmental efforts to pull the nation out of recessions would carry the risk of runaway inflation. But his stands, as Joseph Pechman, an associate at Brookings, said, "were taken with wit and tact."

Gilbert Steiner has been acting as president of Brookings since Mr. Gordon's illness, which began in February. No successor has been named.

Mr. Gordon was born in Philadelphia July 3, 1916.

Survivors include his mother, Ida E. Robinson Gordon of Philadelphia; a brother Robinson Gordon of Philadelphia; a brother, Lester, of Cambridge, Mass.; his wife, the former Mary King Grinnell of Winnetka, Ill.; two daughters, Mrs. George Sher and Mrs. T. J. Kline, and a son, Andrew, of Pittsfield, Mass.

Funeral arrangements have been not been completed.

[From the Washington Star, June 23, 1976]

KERMIT GORDON DIES; HEAD OF BROOKINGS INSTITUTION

(By Richard Slusser, Washington Star Staff Writer)

Kermit Gordon, 59, a former director of the Bureau of the Budget who became president of the Brookings Institution in 1967, died Monday in George Washington University after a long illness. He lived on Wyoming Avenue NW.

Gordon joined the prestigious research organization as vice president in 1965—following three years as budget director during the Kennedy and Johnson administrations. Gordon was described as giving the budget office "a freshness and originality in grappling with some ancient federal problems. If he did not solve all those problems, he at least raised embarrassing and pertinent questions about them."

A member of Kennedy's Council of Economic Advisers before his appointment to the Bureau of the Budget, Gordon was regarded as a near-genius at reconciling inter-agency policy disputes without raising tempers.

The day after President Kennedy was assassinated, Gordon wrote a memorandum to President Johnson that although work was far advanced on preparation for the budget to be submitted the following January, there

was still time for Johnson to prepare his own budget.

During the next 30 days, Johnson and Gordon extensively reviewed governmental agencies and Johnson submitted his own budget.

Johnson later tried to get Gordon to agree to become secretary of the Treasury, but he refused, maintaining that a more conservative secretary would have greater confidence of the business and banking industry.

One of the few leading economists to attain that position without a Ph.D., Gordon was named the David A. Wells professor of political economy at Williams College in 1961. He joined the Williams economics department in 1946 following other government service: He was an economist for the Office of Price Administration from 1941 to 1943 and later during World War II was in the Army, assigned to the Office of Strategic Services, a predecessor to the Central Intelligence Agency. After the war he was a special assistant in the office of the assistant secretary of State for economic affairs.

In 1950, Gordon was a consultant to the White House in connection with the preparation of the "Report of Foreign Economic Policies" and the next year was an economic consultant to the Office of Price Stabilization.

Gordon was named President of Brookings in 1967 after two years as vice president. He also was a trustee of the Ford Foundation from 1967 to 1975, in addition to serving in a number of other positions with the foundation.

[From the Washington Post, June 27, 1976]

SOCIETY AND THE FAITH OF KERMIT GORDON

(By Hobart Rowen)

"I inherited a lot of talent from Kennedy," Lyndon Johnson once said, "but no one better than (Kermit) Gordon." That says almost all of it. Kermit Gordon, head of the Brookings Institution, who died last week in Washington at age 59, was a solid and wise citizen—affable, compassionate, witty and urbane.

He came to Washington from Williams College in 1961 to join the Council of Economic Advisers, excited, he once told me, at being a member of a team that might translate into reality the Kennedy promise "to get the country moving again."

In later years, at Brookings, he may have turned a trace more conservative. Certainly, the public perception of a Brookings, identity with Democratic Party politics bothered him, and he tried to defuse it.

Gordon never fell into the Washington trap of seeking power for power's sake. My mind goes back to the time he was called to the phone during a dinner party in 1965. Later, I found out it was President Johnson at the other end, tempting Gordon with the job of Secretary of the Treasury.

But Gordon turned him down, and held fast to his plan to leave as budget director to go to Brookings, firmly believing that LBJ needed a banker or financial man, rather than an economist, to succeed Douglas Dillon. For most men, principle would have succumbed to ego under the weighty honor of the Treasury job.

Gordon had another great gift, not bestowed on all economists. He knew how to make the jargon of the trade come out in nice, smooth English. But it was not simply the deft turn of phrase that distinguished Kermit Gordon's efforts. There was substance and imagination as well.

In that extraordinarily gifted Kennedy CEA, if Chairman Walter W. Heller (who recruited the other members) was the salesman and educator, and Yale's James Tobin the moral conscience, Gordon was the work horse.

He was the one who devised the famous 1962 wage price guidelines for "non-inflationary behavior." This, of course, caused organized labor to cool on Gordon—an attitude that continued while he served, as a good soldier, on the Nixon pay board in 1972. Gordon, for his part, viewed labor with a jaundiced eye. He felt the unions in recent years had come up with few new ideas.

Gordon will be known best for his years as budget director, first under Kennedy, and then under LBJ, with whom he established an extraordinary relationship. In his first session with the new president, in that traumatic weekend following the Kennedy assassination, Gordon told LBJ that there was still time for an "LBJ imprint" to be put on the budget for fiscal 1965.

He gave Johnson the idea that the budget total—which liberals were fighting to pump up to $103 billion—could be brought in under $100 billion, establishing Johnson as an economizer and man of action.

Attention thus was focused by administration publicists on that mystical and almost meaningless $100 billion benchmark. When Gordon produced a $97.9 billion budget, Johnson was hailed as a hero by the Congress and the business community, and Gordon had cemented a solid and influential role with LBJ.

Johnson demanded Gordon's almost constant attendance. Once, having discovered that the budget director and his wife Molly had gone off to a concert, LBJ snarled the next morning: "Well, playboy, I hope you had a good time."

To those who saw the Williams College liberalism dissipating under the Johnsonian influence, Gordon once said in an interview with Newsweek: "It's just nonsense to think that the liberal point of view must be associated with loose spending." Liberals, he wrote later, are as apt to confuse "profligacy with progress" as conservatives are to mix up "parsimony with economy."

One of his most tireless crusades was against pork-barrel legislation, especially the billions for water control. "Can you imagine spending all that money to reclaim land, and then using the whole damn area to plant crops already in surplus?" he once exploded.

Yet Gordon had no patience with the sort of disillusion with government articulated in the late 1960s by campus radicals and black leaders (who should have known better, he thought).

He liked, as he would say, to take the "non-apocalyptic" view of things, whether it related to inflation, the oil embargo, or social crisis. The Kermit Gordon philosophy, in essence, was that the people's problems are many, but manageable.

"I come away with the feeling that this society is going to get better marks than it seems to be earning right now," he told the Women's National Democratic Club in 1969. If it does, it will because of the faith of individuals like Kermit Gordon.

TO ELIMINATE THE 25-MEMBER COSPONSOR LIMIT

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. JOHN L. BURTON. Mr. Speaker, I will be introducing a resolution amending the House rules to eliminate the 25-Member cosponsor limit—see rule XXII—and in its place adopt the Senate procedure that allows cosponsors to be added to a bill until final passage of the measure.

This would eliminate the necessity of Members reintroducing bills solely to add coauthors. It would provide a savings of significant portions in the operation of the House, possibly anywhere from $500,000 to $1,000,000 a session, which is not exactly chopped liver.

The text of the resolution follows:

Resolved, That (a) the last sentence of clause 4 of Rule XXII of the Rules of the House of Representatives is amended by striking out "but not more than twenty-five".

(b) Clause 4 of such Rule is further amended by adding at the end thereof the following: "The name of any Member may be added (or deleted) as a sponsor of a bill, memorial, or resolution which has been introduced and to which this paragraph applies, if a request on behalf of such Member is made by a Member to the Speaker (prior to the enactment or adoption of such bill, memorial, or resolution by the House), and such name shall be added (or deleted, as the case may be,) as a sponsor of such bill, memorial, or resolution when such bill, memorial, or resolution is next printed or reported. Such request shall be printed in the Record. The Public Printer shall not reprint any bill, memorial, or resolution for the purpose of adding (or deleting) the name of an additional sponsor."

If you are interested in cosponsoring, please contact Ed Segal of my staff at extension 55161.

CAPTIVE NATIONS WEEK

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. RHODES. Mr. Speaker, amid the festivities and celebrations that attend our reaching 200 years as a free Republic, today we take somber note that many people in this world do not enjoy the blessings of liberty.

Eighteen years ago the Congress enacted Public Law 86-90, which established Captive Nations Week. For millions of Americans, the "old countries" from which their parents or grandparents came to our shores no longer exist. They were overrun by the Soviet Union. Their governments were disbanded. In many cases their people were dispersed to erase their nationalistic identities. Many who refused to accept the bonds of communism were sent to labor camps.

The peoples of the Captive Nations, and their descendants and relatives here, never have given up the dream that one day freedom and self-government may return to those countries. Captive Nations Week helps maintain that faith and hope.

We also should use this occasion as a reminder that the price of liberty is vigilance against subversion and aggression. There are many in the world who harbor ill-feelings toward the United States. If there is ever to be hope that the Captive Nations regain their independence, we must make certain that we, as the greatest independent Nation on Earth, preserve our liberties, maintain our strength, and be aware of the dangers of a perilous world.

I join my colleagues in paying tribute

to the brave people who have lost their homelands to communism, and urge that we all rededicate ourselves to the support of freedom around the world.

NATIONAL MEALS ON WHEELS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. MILLER of California. Mr. Speaker, I am reintroducing today legislation to create a "National Meals on Wheels" program under the auspices of title VII of the Older Americans Act. The purpose of this program would be to provide nutritional meals to homebound senior citizens, many of whom currently suffer severe malnutrition.

Nearly 50 Members of this body now have joined me in sponsoring this important legislation, which was introduced in the Senate by Senators McGOVERN, KENNEDY, and PERCY. The Senate has already held preliminary hearings on the legislation. Given the broad support for the program in the House, I am hopeful we will begin consideration shortly.

Title VII, the elderly feeding program, already provides many senior citizens with nutritious meals on a regular basis. But most of these meals are served in a congregate setting. Only 13 percent of all these meals were served to senior citizens in their homes, a total of only about 30,000 meals last year. Considering that there are between 3 and 4 million homebound elderly in American, we have a long way to go.

The National Meals on Wheels bill will go far toward providing meals to the homebound elderly. My bill would authorize expenditures of $80 million in the first year, and $100 million in the second year for distribution under the title VII formula to title VII projects or local meals-on-wheels programs. A special attempt is to be made to fund existing programs which already have demonstrated their expertise in providing meals to the homebound. Many of these local efforts, which have been successful in the past and which draw their support from the community, have been largely ignored by the Federal Government and, tragically, many have had to cease their operations. My bill would reverse this unfortunate trend.

There are great costs to our society at present because of our failure to have a comprehensive feeding program for our elderly citizens. First, there is the health cost. Millions of our senior citizens suffer illness and even death which could be averted had they enjoyed a balanced, nutritional diet.

Malnutrition, often caused by an inability to purchase or prepare foods for their own consumption, is a major reason for seniors entering nursing and retirement homes and institutions. Studies recently have concluded that perhaps as many as 40 percent of those older Americans currently in institutional care are there solely because of their inability to prepare their meals. Once in such institutions, unfortunately, many senior citizens lose touch with their families, feel isolated from the world, and never leave, dying premature and needless deaths.

I believe it is a great tragedy that this has become the lot of so many millions of Americans. Failure to develop a comprehensive feeding program for the elderly is another evidence of our Government's insensitivity to the great pressures which are driving generations apart. In this particular case, our Government is actually financing the over-institutionalization of our elderly to the tune of some $5 billion annually spent on senior citizens' nursing home care. By comparison, the cost of the program I advocate in the National Meals on Wheels bill would be minimal and would have the added benefit of keeping our older generations in their home communities, able to live independently with dignity, and in touch with their families and friends.

Improved elderly nutrition programs would save money in other ways. Meals provided under this bill would cost only about $2.50 each, or just 10 percent of the cost of an identical meal provided in an institution. Overall, the Senate Nutrition Committee has advised that enactment of this bill could result in a reduction in nursing home expenditures of between $200 to $400 million in the first year of the program. Reduced medical expenses for both the citizen and the Government and lower disability payments, also, could be realized. Were our Government to promote preventative care like nutrition programs on a more general basis, I believe that we all would profit in both financial and human terms.

An important component of this legislation would establish a 1-year research project in cooperation with the National Aeronautics and Space Administration meals system for the elderly. This project, a spinoff of the manned space program, will develop methods for mailing, or otherwise delivering, packaged, and prepared meals to elderly, homebound people. Over the past year, an experimental program operated by NASA in Texas, in conjunction with the LBJ School of Public Affairs, and United Action for the Elderly, has successfully provided over 120 citizens with good meals.

This National Meals on Wheels Act makes sound fiscal, medical, human, and nutritional sense. It would provide a long ignored and much deserving group of citizens with a vitally needed service. I invite my colleagues to join me in supporting this legislation.

HON. ELMER JOSEPH HOFFMAN

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 2, 1976

Mr. CRANE. Mr. Speaker, it is always a sad occasion when we mourn the passing of a former Member of this body. For me, it is a particularly sad note when I join with my distinguished colleague from DuPage County to mourn the passing of his predecessor and our friend, the late Elmer Joseph Hoffman.

Former Representative Hoffman was a native son of Illinois and of his own DuPage County. He served ably in county offices, as the treasurer of the State of Illinois for two terms and in this body for 6 years.

I came to know and work closely with Elmer Hoffman in the 1964 election campaign when he was again running statewide for Secretary of State in Illinois. At that time, I was active, not as a candidate, but as a campaign worker and, as such, I admired and respected the vigor and enthusiasm with which Mr. Hoffman campaigned statewide.

First and foremost he was a man of his own people and from what would become the suburbs of Chicago. Thus it was that he left a safe seat in the House of Representatives to return to Illinois and seek statewide office once again.

He served ably in the Congress as a member of its important Rules Committee. Following his retirement he again served in various capacities both for the county government and for the Republican Party in DuPage County.

Distinguished service like this is too seldom encountered and far too seldom appreciated. Therefore, it is with a sense of loss and fondness that I joint my distinguished colleague from Illinois in paying tribute to and old friend, Elmer Hoffman.

GRANT CONWAY

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. BYRON. Mr. Speaker, Grant Conway, who led efforts to save the C. & O. Canal, died last week at Georgetown University Hospital.

It was my pleasure to have known and worked with Grant Conway for many years. It was his untiring efforts which kept the preservation of the C. & O. Canal before the public resulting in the passage of the legislation creating a C. & O. Canal National Historic Park. Grant was a man who dedicated his life to public service through his lifetime interest in environmental affairs and the Nation's park and recreation facilities.

Since the creation of the C. & O. Canal Park, Grant Conway served as one of Montgomery County's representatives on the C. & O. National Canal Advisory Commission. I also worked closely with Grant in the Appalachian Trail Conference where his leadership helped provide Federal protection for the trail. Again, his efforts were tireless on behalf of one of his favorite projects.

Grant Conway will be greatly missed by all those who knew him and worked closely with him. His life is an example for others to follow. Few people spent so much of their free time in pursuit of excellence and the welfare of his fellow citizens.

IN THE FOOTSTEPS OF HUMPHREY

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. CONABLE. Mr. Speaker, the Democratic Convention clarified for all of us the views of their candidates as well as the party itself. The platform, which the press reported as bearing the imprint of the candidate for the Presidency, promises Federal programs which are well known as being costly in terms of Federal tax dollars and requiring greater number of Federal personnel to administer them. Since this is contrary to the "tone" of the Presidential candidate during the primaries, I would urge all Americans to review this document carefully.

A recent column in the Washington Post by George F. Will analyzes both the selection of Senator MONDALE as a running mate and the platform, and concludes that greater Federal involvement in all our lives will be the result of the election of the Carter-Mondale ticket. I insert the column in the RECORD at this point:

IN THE FOOTSTEPS OF HUMPHREY

(By George F. Will)

NEW YORK.—As is well known, Jimmy Carter plans to build a New Jerusalem on the rock of love. That is, of course, devoutly to be desired. But first things first, and first he wants to do something about his well-founded suspicion that the people he will depend upon to campaign for him—liberal activists who dominated the convention floor—are not aglow with enthusiasm for him.

Carter watched television coverage of events Wednesday night, when the convention was suddenly suffused with affection and enthusiasm for Morris Udall as he released his delegates to vote for Carter. From the moment two years ago that Walter Mondale withdrew from the nomination race, Udall was the odds-on favorite to become what he did become, the choice of the liberal activists. Twelve hours after Udall, at Madison Square Garden, officially dropped out, Mondale, at Carter's side, dropped in again, to the delight of those who the night before had cheered Udall to the rafters.

These liberal activists are well to the left of the party rank-and-file. They constitute the unconquered redoubt where liberal orthodoxy is preserved in undiluted clarity. They have harbored ill-founded suspicions that Carter is bent on departing from that orthodoxy.

To help them rest easy, and incite them to heroic exertions on his behalf, Carter has given the most intense liberals all that they asked for and more than they could have demanded. Carter has plighted his troth to Mondale, the most liberal person on Carter's final "short list" of seven possible running-mates.

Thus, Carter's first and most important decision as nominee was an act of appeasement, bold only in that it revealed more clearly what already was clear enough to anyone with eyes to read. The choice of Mondale is additional and probably redundant evidence that Carter's creed is reflected in the Carterized platform, which is remarkable only for its degree of fidelity to party orthodoxy.

The economy? The platform endorses "national economic planning," including rendering the Federal Reserve System "responsive" to the politicans. It also contemplates "direct government involvement" in wage and price decisions, and a "broad range" of new public jobs programs, including programs to allocate aid on the basis of race and sex to help minorities attain business ownership. The plaform suggests a federally sponsored "domestic development bank" and federal insurance for state and local bonds as incentive for increased state and local spending.

Expanding the welfare state? The platform endorses comprehensive, universal and mandatory national health insurance financed by new payroll taxes and general tax revenue. It says the federal government should relieve local governments of all welfare costs and undertake a phased assumption of a portion of the states' welfare costs.

Revenue sharing? Increase it; adjust the formula to add to the incentive for local governments to raise taxes; and add a new "emergency anti-recession" aid program for cities.

Education? More federal aid.

Housing? More direct subsidies; more subsidized loans.

Rural America? More subsidized loans for electrification and telephone facilities, more funding of development programs.

Farmers? More subsidized credit.

Environment? "Substantially" more research and development spending.

Transportation? "Substantial direct public investment" and (this is my favorite plank) "whatever action is necessary to revitalize railroads." There is a banner to which honorable persons can repair: Extremism in pursuit of revitalized railroads is no vice.

All political parties are, in Felix Frankfurter's phrase, "organized appetite," but the Democrats should be reminded that gluttony, even concerning government services, is a deadly sin. Certainly Mondale's mission in life is not to remind anybody of that. And now, after the selection of Mondale, there is even less evidence than there ever was that it is Carter's mission.

Carter says he has "absolutely no doubt" about having made the right choice, which makes this choice like almost everything else in Carter's mind. There can be little doubt that this choice shows that Carter is content to paddle along in the Democratic mainstream in the wake of the master, Hubert Humphrey.

When Humphrey became Vice President in 1964, the man who was placed in Humphrey's shoes as Minnesota senator was Mondale. And all this year the second name on Humphrey's list of ideal Presidents (right behind the name "Hubert Humphrey"), has been the name "Mondale."

Carter says there is "no discernible difference" between his and Mondale's views on sensitive issues. Given that Mondale is one of the two or three most liberal senators, Carter's choice of him should still Democrats' fears, and dash others' hopes, that Carter presents a break with the party's Humphreyite past.

PERSONAL EXPLANATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. LEHMAN. Mr. Speaker, due to unbreakable commitments in my district, I was forced to leave Washington on July 1 before the House had completed its legislative business. Had I been present, I would have voted as follows:

On roll No. 505, the rule for the conference report on H.R. 12455, social services and child day care standards, I would have voted "yea."

On roll No. 506, the motion offered by the gentleman from California (Mr. CORMAN) to substitute for the Senate amendment provisions granting the States authority to set means tests for groups in most social programs, while exempting family planning from means tests and maintaining individual family tests for child day care, I would have voted "yea."

HOW GOVERNMENT SHOULD NOT WORK

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. HEINZ. Mr. Speaker, some months ago, I introduced legislation that would create a National Commission on Regulatory Reform. Since it was introduced, we have gained 165 cosponsors. Soon, I will be circulating a Dear Colleague letter seeking more support in the hopes that the bill will receive some attention in the Interstate and Foreign Commerce Committee.

In the meantime, I would like to call my colleagues' attention to a story that appeared in the Wall Street Journal on July 16 that illustrates quite clearly just why my legislation is needed.

I urge my colleagues to read about the Vulcan Co. of Latrobe, Pa., and then I urge them to think again about the need to reform Government institutions that work against the very people they are meant to serve:

PAPER WEIGHT—COMPANIES OFTEN FIND THEY MUST PUT FORMS AHEAD OF SUBSTANCE—VULCAN, INC. FORGOES ATTACK ON PRICE PROBLEM TO DEAL WITH PENSION PAPERWORK

(By David Ignatius)

LATROBE, PA.—Ed Nemanic, secretary-treasurer of Vulcan Inc., is a sweet-tempered, charitable man. He doesn't hate bureaucrats and he doesn't believe politicians are out to destroy the free-enterprise system.

But the government is beginning to try Mr. Nemanic's patience.

The executive learned in May that one of Vulcan's divisions had been unwittingly underpricing a product. The division manager needed prompt help, but, unfortunately, the auditor best able to handle the problem was enmeshed that week in Department of Labor paperwork—his desk piled high with densely-worded EBS-1 pension-plan reports. An exasperated Mr. Nemanic told the auditor to complete the reports to end the "mass confusion" they were causing. The problem of the troubled division had to wait.

Vulcan's cost-accounting problem eventually got solved. But the paperwork headache continues, threatening at times to turn this producer of ingot molds, cranes and molded plastic parts into a government errand boy. "You never really catch up," Mr. Nemanic says. "Before you know it, some other screwy form is coming across your desk."

7000 MAN-HOURS THIS YEAR

An inventory of the federal, state and local government paperwork processed by Vulcan shows that the company will file at least 480 forms this year. The company estimates that 20 employees will spend a total of 7,000 hours compiling the forms, at an annual cost of $88,000 in salaries and fringe benefits.

By comparison with larger companies, Vulcan—with $90.3 million in sales last year—is a paperwork piker. A billion-dollar giant like

pharmaceutical-maker Eli Lilly & Co. calculates that it fills out a total of 27,000 forms annually at an estimated total cost of $15 million. And the new Commission on Federal Paperwork estimates that government form-filing's total cost to the economy is $40 billion a year.

But because Vulcan strives to be a lean company, without a layer of bureaucratic fat that could absorb the demands of government regulators, its paperwork problem is highly visible, directly affecting top executives in every major department of the company.

IMPACT ON WASHINGTON

Vulcan's experience is probably fairly typical of small and medium companies, which are hardest pressed by government paperwork demands. Protests from these companies are currently having some impact in Washington, spawning a number of proposed legislative curbs on the paperwork load. So far, though, the proposals haven't gone beyond the stage of—well, paperwork.

Meanwhile, Vulcan struggles to keep its head above paper. Interviews with key company personnel show that the paperwork burden far exceeds its direct cost in salaries and fringes. For the blizzard of forms often diverts the company from projects that might better serve its shareholders, employes and consumers.

For example, Lawrence Jeffries, a Vulcan plant personnel manager, reasons that if he weren't spending some 20% of his time handling the record-keeping requirements of the Occupational Safety and Health Administration (OSHA), he might be able to complete a safety-training manual for the company's Latrobe foundry advising new employes on the safest way to use each piece of equipment. "It needs to be done," he says, "but the record keeping never stops."

A YEAR BEHIND SCHEDULE

Down the hall, Charles Suprock, the company's chief engineer, reflects ruefully that he's a year behind schedule in drawing up plans for a foundry modernization program expected to save Vulcan about $450,000 a year. The most important reason for the delay: His three-man engineering staff spends at least twelve man-weeks a year filing some 40 state reports on anti-pollution equipment. He is convinced some of the forms (which run as long as 42 pages) never get read.

The corporate personnel director, James Donnelly, looking toward the company's coming contract negotiations, says he would like to be able to consider offering new benefits like a dental plan and a legal-services plan to employes. But because he has to draw up and annually update Vulcan's affirmative-action plans for minority hiring, oversee pension and welfare-plan reports, and send off regular employment data, he fears he won't have time to consider such matters before negotiations begin.

In some instances, the cost of Vulcan's paper shuffling is matched by obvious benefits. A quality-control technician recalls the days before strict emission-control standards, when the sky above the company's Latrobe plant was always gray, and cinders from the iron-melting cupola "would float out across the parking lot, land on your car, and burn right into the paint." And at management headquarters, an executive says that safer, cleaner plants required by OSHA will benefit the company and its shareholders by making it easier to hire conscientious workers who have stayed away from foundry work in the past.

But more often, the paperwork burden seems like a Sisyphean labor. Take the "sand permit" that chief engineer Suprock has to file in Michigan. In an effort to police emission of pollutants, the state requires separate permits for every major piece of equipment at the Wayne County foundry, including a storage container that held 91,353 tons of sand last year. "Discharge of pollutants from the sand," Mr. Suprock notes, "was zero."

Another Michigan regulation requires weekly monitoring of the 88,000-gallon-a-day flow of water that passes through the plant's storm drain. The authorities apparently don't realize that the water passes directly onto the neighboring property of another company, where it is monitored once again. "It's entirely duplicated effort," Mr. Suprock contends.

Many of the government reporting requirements make no sense to Vulcan executives, but they say they try hard to provide accurate information. Given the effort, they get especially angry when the data are compiled in an inaccurate or unusable manner.

Consider the case of the phantom ingot molds. As a major producer of the iron molds that are used to form ingots out of molten steel, Vulcan has for years filed the Census Bureau's form M-33A, a monthly summary of the company's production of "Molds for Heavy Steel Ingots." The Census Bureau uses the data to compile its own regular monthly summary of industrywide production of the ingot molds.

Several years ago, these summaries by the Census Bureau began to make Vulcan's management very nervous. They showed a dramatic increase in total production of ingot molds for commercial sale, even as Vulcan's own commercial production remained relatively constant. Salesmen were called in for anguished consultations on the causes of the company's declining share of the growing market. Sales accounts were reviewed and exhortations delivered. But to no avail; Vulcan's share of the market kept slipping.

Finally, after a year and a half of worry, the company began to get suspicious about who was producing all the additional commercial molds. Nobody, it turned out. The monthly figures had been inflated by accident. The Census Bureau later admitted the error and issued revised figures. But the ingot-mold experience, says Vulcan president Gerald N. Potts, has made him "more wary" about his use of such statistics.

The company has similar, if less dramatic, problems with other government reports that it helps compile. Personnel director Donnelly, for example, finds that the wage statistics gathered from Vulcan and other companies and published by state employment services "are meaningless to us, even at bargaining time." The wage categories, he says, are too broad and often inapplicable, so the company conducts its own survey of industry wages at contract time. "We are able to arrive at a much more meaningful wage survey," he says. The state's reports end up in the wastebasket.

Another problem that has Vulcan employes muttering things like "abomination" from behind their paper-clogged desks is the duplication of effort required by many state and federal regulatory bodies. Joseph Schwemmer, an auditor who fills out state income-tax forms, says his job would be "much simpler" if states could agree to use a standard tax reporting formula. Instead, he says, the trend seems to be in the opposite direction, with many states devising special tax and reporting requirements.

FEDERAL DUPLICATION

Federal agencies, too, often duplicate each other by requesting the same basic information in a plethora of different forms. The Federal Trade Commission's quarterly financial report MG-1 asks for data available in Vulcan's quarterly 10-Q filing with the Securities and Exchange Commission. The Industry Class Supplement to the Bureau of Labor Statistics' form 790 asks for information about raw materials and final products that's available in the FTC's form NB-1. Even when the data requested is easily available, the forms are still a major distraction. "They come in at various times," notes auditor Robert Reed. "You have to go back time and again for the same information."

The government's inability to handle its own paperwork may be the surest sign that the problem has gotten out of hand. After a lengthy OSHA inspection of Vulcan's Cook County, Ill., foundry last October, Vulcan awaited a formal record of the citations, promised by the inspectors within four weeks. The company was still waiting last May when a second pair of OSHA inspectors showed up for an inspection. "We told them fine, but that we'd never received our first set of citations," Mr. Suprock recalls. After a hurried phone call back to headquarters, the embarrassed inspectors departed. Several days later the first citations, somehow misplaced for over six months, arrived at the plant.

Every form has its amusing nuances, but for Mr. Nemanic the ultimate monument to bureaucratic confusion remains the ever-changing set of pension-plan reports, the latest version of which distracted his auditors from investigating the internal cost-accounting problem last May.

Mr. Nemanic recounts the history of the pension reports to explain why he believes that the federal government is using companies as "guinea pigs" in a trial-and-error search for the perfect form. Until last year, he says, Vulcan was required to file a D-1 description of any new pension plan, a D-2 annual report on all existing plans, and a D-1 Supplement, which was supposed to capture any significant information not included on the two other forms.

REVISED IN 1975

Then, in 1975, the Labor Department revised its forms in accord with the Employe Retirement Income Security Act and mailed out the new EBS-1. The 1975 version was 12 pages (plus attachments), but only the first and last pages had to be completed. This year, with companies perhaps beginning to understand the first EBS-1 format, the form was altered to six pages, all of which had to be completed. (The Labor Department insists that under the new system, paperwork will actually be less than it was before the recent changes.)

Along with the EBS-1 filings, the act also requires companies to inform employes about pension-plan benefits. But the laborious process of compiling the necessary "layman's language" plan descriptions was halted at Vulcan this spring after the Labor Department decided the descriptions could wait a year. Instead, companies could simply provide employes with notification that such information was available from the company pension-plan administrator. Vulcan duly sent out six-page mimeographed notification forms, using the Labor Department's "recommended language" (which included such layman's terms as "fiduciary" and "vested benefits").

The reaction of retired employes who received the letters was near-hysteria, says Mr. Donnelly, personnel director, who is the company's pension-plan administrator. He says nearly half of them called the company, desperate to learn whether the gobbledygook meant their pensions were going to be raised or cut.

But that isn't the end of the pension-plan paper chase. The Internal Revenue Service—which used to require completion of forms 4848, 4848A, and 4849 (which had replaced earlier form 2950) as well as the 990-P—moved this year to a consolidated form 5500. Vulcan employes hope, in defiance of past experience, that the new "streamlined" form will actually simplify things.

The last straw: The SEC, apparently unwilling to go across town to look at the EBS-1 forms, requires companies to file a separate, consolidated SEC pension-plan report, the R-41. "Everybody's in the ball game," Mr. Nemanic says, "but nobody knows what's going on."

REHABILITATION OF JUVENILE DELINQUENTS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. HAWKINS. Mr. Speaker, the New York Times on July 6, published the following perceptive article by Tom Wicker concerning alternative programs to institutionalization for rehabilitation of juvenile delinquents. Although he finds that the innovative community-based treatment program in Massachusetts has not been wholly successful, he cites the program as a step in the right direction in overcoming the inability to solve the problem by incarceration.

It is apparent that it is necessary to move away from the unsuccessful age-old practice of institutionalization toward treating most youths in a community setting. The Juvenile Justice and Delinquency Prevention Act of 1974 authorizes the Law Enforcement Assistance Administration to formulate and implement such creative programs. However, to date inadequate appropriations have minimized the success in rehabilitating delinquents. I would like to commend my colleagues on the Appropriations' Conference Committee for approving a substantial increase in funding the Juvenile Justice Act for fiscal 1977. The appropriated amount of $75 million is, however, only half the amount authorized under the Juvenile Justice Act of fiscal year 1977. The article follows:

THE PUZZLE OF CRIME BY KIDS

(By Tom Wicker)

When a 41-year-old man was stabbed to death this summer in Greenwich Village, no one was really surprised when police arrested a 14-year-old youth and charged him with the killing. Juvenile crime clearly has been increasing.

In New York City, in fact, violent crimes by young people have increased by 70 percent in the last five years. The number of juveniles charged with murder just about tripled in that period; twice as many young people were charged with rape.

Crime by kids is a baffling, tragic problem. Children panic easily, or lose their heads in fits of rage; others seem free of the kind of remorse, guilt feelings and fear of consequences that affect adults. Moreover, children charged with crime have traditionally been looked upon as children in need of help—which has led in many cases to relatively light penalties and a quick return to the streets.

Since the first juvenile court was established in 1899 in Cook County, Ill., the juvenile justice system, inadequately financed and staffed, has been the redheaded stepchild of the larger criminal justice system (itself generally inadequate to the whole problem of crime).

In New York, a study of the juvenile justice system by the state Office of Children's Services disclosed records in chaos and more than two-thirds of cases pending for three months or more, with some requiring 21 months to get through the courts.

Another New York study, in 1974, showed that 80 percent of the delinquent youths sampled were black or Puerto Rican, 59 percent came from welfare families, and only 21 percent lived in families with both parents present. Most (like many adult offenders) were either educationally retarded or emotionally disturbed, had low opinions of themselves, and suffered deprivation in their homes and communities.

Nevertheless, public opinion seems to be moving toward getting tougher with kids. The New York Legislature last week approved a bill, worked out with Gov. Hugh Carey, mandating two years minimum confinement for serious juvenile crimes of violence and a five-year rather than an 18-month maximum. But some critics believe even this isn't enough. They want the age of criminal responsibility lowered and youths convicted of violent crime sent to adult prisons—despite ample evidence that these institutions neither deter crime nor rehabilitate offenders. Indeed, sending young people to most adult prisons is almost guaranteed to make them angrier and more violent than they already were.

Another set of critics of the present system—for example, the Community Service Society—recommends developing a variety of noninstitutional, community-based facilities rather than large, expensive and impersonal institutions. That's more or less what's been done in Massachusetts, where institutions for juvenile offenders were closed in 1972, on the theory that community-based correctional programs would be more effective and humane, and less expensive.

The results are in dispute. A research group from Harvard found that Massachusetts recidivism rates were no better and in some case worse; but they also found a tentative pattern of greater recidivism in higher-security programs than in foster care or nonresidential facilities. This would be expectable if the more serious offenders always were sent to the higher-security programs; but placement has more to do with where the offender lives than with the seriousness of his offense.

The research group found that the 1975 Department of Youth Services budget was *up* 70 percent since 1971. But inflation also has increased since then, the number of youths served has nearly doubled, and some new programs clearly cost less than the old institutional facilities did. Foster care and nonresidential day-care programs, for example, respectively cost only $5 and $8 per day per child in 1975.

Critics also charge mismanagement and incompetent staffing, and some of these accusations apparently can be sustained. But "unprofessional" personnel like students, ex-offenders and "street people" often are more empathetic with troubled children than professionals are; and in Massachusetts such workers have produced foster homes for 220 delinquents—against the traditional wisdom of child-care agencies that it is impossible to find foster homes for such young offenders.

So if Massachusetts has not entirely solved the problem, it has at least raised the possibility that a useful alternative to medieval treatment of young offenders might be under development. It has also demonstrated that there are no easy answers—whether "soft" or "tough"—to the problems of juvenile crime.

(*This article was prepared with the assistance of Kathy Slobogin of The New York Times.*)

TRIBUTE TO ELMER HOFFMAN

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 2, 1976

Mr. SIMON. Mr. Speaker, I read with regret of the death of Elmer Hoffman, a former Member of the House of Representatives from Illinois, and a very dominate force on the Illinois political scene for many years.

I got to know Elmer Hoffman well during his years of Illinois service. It is no disservice or discredit to him to say that he found the U.S. House of Representatives not the place where he most wanted to serve. He enjoyed county government and State government. For decades he was the power behind the Illinois Sheriffs Association and that group wielded considerable power in the State of Illinois.

I found him gracious even when we disagreed on a matter.

I worked with him closely at one point when I sponsored legislation to permit county sheriffs and county treasurers to succeed themselves. Under the old Illinois Constitution that was not possible. He favored the change and I joined him in that sentiment and we worked together in that particular fight.

Illinois has lost one of its most colorful personalities on the death of Elmer Hoffman. His life was a full one and I am pleased to join my distinguished colleague from Illinois, Mr. ERLENBORN, in paying tribute to Elmer Hoffman.

THREE MARIN COUNTY FIREMEN RECEIVE AMERICAN RED CROSS CERTIFICATE OF MERIT

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. JOHN L. BURTON. Mr. Speaker, I would like to call the attention of all Members of Congress to the outstanding and heroic accomplishments of three of my constituents.

Marin County firemen Marty Medin of Woodacre, Robert Lewis of Kentfield, and Jerry Van Soest of San Rafael have been named to receive the Red Cross Certificate of Merit and accompanying pin. This award is given by the American National Red Cross to persons who save or sustain a life by using skills and knowledge learned in a volunteer training program offered by the Red Cross in first aid, small craft, or water safety.

According to George Elsey, president of the American National Red Cross, this is the series of events which occurred:

On April 28, 1976, Firemen Lewis, Medin, and Van Soest, trained in Red Cross advanced first aid and cardiopulmonary resuscitation—CPR—received a call to aid a very young child who had fallen into a backyard swimming pool. When discovered by his mother, the victim was unconscious, with no apparent heartbeat or respiration.

While one prepared the oxygen equipment, the two other men performed CPR on the victim. This procedure entails the alternate application of mouth-to-mouth resuscitation and external chest compressions to provide breathing and heartbeat.

The three rescuers continued their efforts until the arrival of an ambulance. Without doubt, the prompt and efficient application of CPR by the firemen saved the victim's life.

Mr. Speaker, the meritorius action by these men exemplified the highest ideals of the concern of human beings for others who are in distress. I am quite proud of the heroic efforts of Firemen Lewis, Medin, and Van Soest, and believe that we in the House of Representatives owe them our thanks and congratulations for a job well done.

WAXMAN CONDEMNS SAUDI MISSILE SALE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. WAXMAN. Mr. Speaker, the administration's proposed sale of 2,000 Sidewinder missiles to Saudi Arabia poses the gravest of threats to the balance of power in the Persian Gulf, and ultimately, to the security of the State of Israel. Such a sale only feeds the explosive arms race in the area. Moreover, the arms involved have an excellent chance of finding their way into the arsenals of the confrontation states which ring Israel.

Additionally, it is unclear to me whether this sale involves solely the purchase of missiles, or entails a commitment of American personnel to man and operate these systems. There are deeper questions involved here than just the sale of the missiles. Are Americans running the Saudi Arabian armed forces? How deep is our commitment? And who is controlling the nature and scope of our involvement?

What is to be gained for the United States to be the arms merchant for all sides in the complex quagmire of Middle East politics? Why should we continue to feed the arms race in the explosive part of the world?

As of this time, there are few available answers.

This sale is only the latest in a series of arms exports by the Ford administration which has been undertaken without any attempt to consult with the Congress. Once again our two branches of Government are poised on the brink of confrontation over this issue—a situation which has recurred simply because this administration continues to make important strategic policy decisions in secret.

Moreover, the magnitude of this sale, and its impact, casts grave doubt over whether the President is truly interested in promoting stability throughout the Persian Gulf. This year alone we have already extended $6 billion in arms sales, commercial and governmental, to the Saudis; their military coffers are burgeoning with American weapons.

Again the question arises: why is this administration impelled to continue to pay tribute to the Saudis in this manner? I submit there is no legitimate answer.

Therefore, Mr. Speaker, allow me to briefly summarize this sale and the current military and political atmosphere of Saudi Arabia. As you will see, there are several compelling arguments against this sale.

In the last few years, the United States has found itself in the position of being the major arms dealer in the Persian Gulf area. We have transformed the once nomadic armies of Iran and Saudi Arabia into modern sophisticated forces, with weaponry so advanced, many experts conclude it would be nonfunctioning if it were not for the massive influx of American personnel.

The administration's current intension to sell the Saudis approximately 2,000 Sidewinder heat-seeking air-to-air missiles is ill-conceived. These missiles, which detonate after flying into the tailpipe of the enemy aircraft, can only be launched two at a time before the aircraft must land for reloading. At present, the Saudi stockpile is estimated at 400. Saudi air capability in delivering this missile rests with the American built F-5, of which the Saudis own 50, with another 60 to be received by the end of 1978. Clearly this new purchase would create a great surplus-missile imbalance in the Saudi arsenal, an imbalance which would invite transfer of these arms into other Arab states involved in the Middle East conflict. Surely it is not our policy to help light the fuse of a new catastrophic confrontation.

The possibility, and in my opinion probability of Saudi arms transfer can be seem from two perspectives. First, their actions in regards to military transfer as well as their abundant gifts to other Arab confrontation states. Second, the statements of Saudi officials make no attempt to hide the fact that in the event of any new Middle East conflict, they will extend their help on whatever level necessary to secure the "lost rights of the Palestinian people and get back occupied Arab territories."

In regards to my first concern, that of Saudi arms transfers, we have seen the deployment of two 6,000 man brigades in Syria since the Yom Kippur war of 1973. One of these brigades remains in Syria to this day. The Saudis have also participated in joint air maneuvers with Arab Allies, as was witnessed in November of last year, when 15 of these same F-5 fighters joined with the Syrian Army in activity along the Israeli border. This report has been confirmed by the State Department.

In the last few years, the Saudis have given Jordan $150 million for an American built air defense system. They have purchased 38 Mirage-III jet fighters from France which were delivered to Egypt and there is another deal pending for 200 British Jaguar fighters which are also intended for Egypt. Since 1973, the Saudi Arabians have given over $4 billion to other Arab states to refurbish their military forces. This growing role of Saudi bank rolling, especially in light of the influx of petro-dollars, is a distressing one indeed.

A major concern of mine deals with the complex and widespread involvement of American Army Engineers, military personnel, and civilian training teams that are employed in Saudi Arabia. Currently, the Army Corps of Engineers are building several different air and naval bases for the Saudis, one of which at Tabuk, is less than 150 miles from Eilat, or the southernmost tip of Israel. An F-5 stationed there would have the capability to strike at any point in Israel. Another new naval base at Jeddah will allow the Saudis to effectively cut off shipping through the Red Sea. Another project includes the training of an elite National Guard by the Vinnell Corp. of Los Angeles. Many observers have seen this guard as an internal hedge against the Regular Army of Saudi Arabia. This guard, which Americans control via Vinnell, is only one example of the political instability of the entire country.

The recent detention of a Saudi C-130 transport plane by Israel after it strayed off course, raises a serious issue. I understand that this plane, with its three American crewmen—employees of Lockheed Corp.—was flying a routine supply route from Syria to Saudi Arabia. Routine, only because of the Saudi Brigade stationed there. We must ask ourselves how involved our American personnel are, and what roles they would serve if hostilities erupted. Americans are said to be manning the sophisticated air defense system, as well as training the Saudis to use new infantry weapons and new tanks. Some speculate that if a war began now, we would find our personnel there in combat-supportive roles.

I offer this brief summary in order to demonstrate how continued massive American arms support to Saudi Arabia could tip the balance in the entire area. The Saudis do have an interest in purchasing arms to balance the power of Soviet-supplied Iraq, but is this their primary concern? I suggest that they are caught up in a tragic arms race with Iran, and that they also see this new role in terms of becoming the Arab confrontation states' own private arsenal state. That we are fueling this arms race from both sides is ludicrous, and I believe it is only a matter of time before much of the new Saudi weaponry ends up in the hands of Arab countries directly involved in the conflict with Israel. Additionally, serious doubts have been expressed over the further deployment of American arms in Saudi Arabia. Some experts have concluded that without American support, the Saudis could not effectively operate their sophisticated weaponry.

This remains the most troubling question about this arms sale. Therefore our introduction of 2,000 more potent missiles into an already fragile balance is surely unjustified. These easily adaptable missiles could be employed on other aircraft used by Saudi Arabia's allies. I agree with the Arms Control and Disarmament Agency's judgment that the sale is excessive as far as Saudi Arabia's defense needs are concerned. Furthermore, I believe that this sale demonstrates the absurd situation we find ourselves promoting in the Persian Gulf. Aside from its role as a supplier of the confrontation states, Saudi Arabia has pressed for sophisticated weaponry that it cannot handle simply because its neighbor Iran has flexed its muscles, thanks to massive U.S. support. We are creating yet another powder keg in an already explosive world.

Mr. Speaker, I urge my colleagues to support my position in opposing this action.

MONEY FOR SOCIAL PROJECTS TAKES DARK, HIDDEN PATH

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. WHITEHURST. Mr. Speaker, the article which follows appeared in the Norfolk Virginian-Pilot on Sunday, July 18, and it gives a clear picture of the kind of bureaucratic arrogance which has become all too prevalent.

In the hope of getting some clarification of this matter, I am requesting reports from both the Department of Health, Education, and Welfare and the General Accounting Office. The American taxpayers deserve to have a clearer picture of how their money is spent, and I intend to do everything I can to try to make such agencies more responsive, and more responsible.

I want to commend Ms. Edith Smith for her fine reporting, and I am pleased to take this opportunity to call the matter to my colleagues and all others who read the RECORD:

MONEY FOR SOCIAL PROJECTS TAKES DARK, HIDDEN PATH

(NOTE.—Last August, a Department of Health, Education, and Welfare press release arrived at the city desk of The Virginian-Pilot. It was like hundreds of other government releases that come to a newspaper office in the course of a year announcing grants for various programs.

(The release was full of the well-rounded, redundant phrasing and alphabetical confusion that mask the bureaucracy and its operations. It said that HEW (Region 111) had awarded more than $6.8 million to "colleges, universities, and nonprofit agencies within the region for Talent Search, Upward Bound, and Special Services programs." The programs had begun in the middle to late 1960s during President Johnson's Great Society era.

(The money would go to "motivate and assist the disadvantaged . . . and enable them to enter, to continue, or to pursue the different avenues in postsecondary education."

(In other words, the programs would try to do what the public school systems had been unable to do: prepare the students for, or keep them in, college.

(Of the $6.8 million assigned to Region 111 (Delaware, Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia) about $1.6 million would go to Virginia, and of that, $254,297 would go to Norfolk State.

(Staff writer Edith Smith was assigned to determine how the Norfolk State grant would be spent, and whether it actually helped the people for whom it was intended. She began her search in Philadelphia at the Region 111 headquarters, the 16-story Gateway Building at 3535 Market St.)

(By Edith Smith)

The Gateway Building is an imposing modern edifice two blocks north of the University of Pennsylvania and two blocks east of Drexel University in downtown Philadelphia.

It is the working home of 1,200 HEW employes, and the fount of millions of dollars for various programs in a five-state area, plus the District of Columbia.

It looks like money itself, full of big offices, huge desks, fancy drapes, secretaries and receptionists. It buzzes with activity.

I had appointments that day, Sept. 3, 1975, with Dr. Kirkwood Yarman, director of post-secondary education for HEW, and Velma Monteiro, senior program officer for Student Special Services for Region 111.

I also had tried to make an appointment with Dr. Walker Agnew, regional commissioner of the Office of Education, but was told he was on vacation. "He'll probably be out of town for about two weeks," Yarman had said.

The one-hour joint interview with Yarman and Monteiro was less than fruitful. Yarman, a GS 15 with a salary range of $30,000 to $36,000, knew little if anything about the programs. A man of about 45, with curly blond hair that came to his shoulders, he let Monteiro do all the talking.

Monteiro, in her middle to late 20s and with a short Afro, on the other hand was very sure of herself and knew most of the answers. She gave me a detailed summary of the purpose of each program, how they came about, and the amounts funded to each.

But when I asked how much money went to staff salaries, how staff was hired, and HEW's evaluation of the programs, I was met with evasive answers and frequent citations of the Freedom of Information and Privacy acts. I did learn a few things, however.

"Norfolk State was awarded $254,000 for its three programs," I said. "Do you think, based on the program's past performance, the amount is justified?"

Monteiro was not anxious to answer. Pressed, she shrugged and said, "I'd say there are better directed programs in the region. On a scale of 1 to 10, I would rate Norfolk State a 5. About average."

I asked to see the previous written evaluations of the 10-year-old programs at Norfolk State, thinking that since they were paid for with public money, they should be made public, assuming there was no breach of national security.

Monteiro cited the Freedom of Information Act without citing an applicable section. "You can get it from Norfolk State," she said.

"Why can't I get it from HEW?" I asked.

"You'll need a written request," she answered, "and even then I'm not sure you'll get it. We will have to contact our Freedom of Information Center."

The interview was interrupted at this point when a distinguished-looking gentleman of about 60 walked into the room without knocking. "Uh, hello, Dr. Agnew," Yarman said, somewhat startled, and the two talked for about five minutes.

Agnew? That can't be Agnew, I thought, and I stared at the gentleman so hard that Yarman finally introduced him to me.

As he was leaving the room, I said, "But I thought he was out of town." I was met with blank stares.

I asked the two public officials about their background and their salaries.

"I don't know why that would be useful to your story," Yarman said. It would be useful, I said, to know the qualifications of the people who are spending tax money, and how much they are getting to do so.

But Monteiro and Yarman refused to divulge their salaries and previous job experiences, and our interview came to an end.

But before I left, one of them mumbled something to the effect of what's a nice black girl like that doing a story like this for?

David Frankel, who is about 50, is assistant regional director of public affairs for HEW. He had set up the interview with Yarman and Monteiro and had told me to call on him if I had any trouble getting information. I called on him after leaving the interview.

I met with him in his huge, plushy carpeted office, which included a long sofa and several paintings. He was cordial, but in answer to my complaints I received a 30-minute detailed talk on the sights to see in Philadelphia and a tourist map. "You should take advantage of your time here," he said, escorting me to the door.

The one bright spot during my visit to sunny Philadelphia was lunch in HEW's 500-seat cafeteria. Meat loaf, rolls, dessert and coffee cost only $1.80.

The next leg of my journey in quest of information on the programs was to Richmond and a three-day workshop. HEW sponsors the workshop each year for directors of Special Services and several members of the staffs to advise the participants on changes in rules, guidelines, and reporting procedures.

Among other things, the workshop was a gala affair, highlighted by a formal banquet and entertainment by a jazz trio and a modern dance group.

On the business side, everyone I talked with agreed generally that the workshop was informative and interesting, but the conversations usually trailed off at the approach of specifics. None could tell me what impact, if any, the programs had on the students.

"We can answer how many students we've been serving, but we still can't answer (after 10 years) what our impact has been," one official said.

One official with the State Council of Higher Education confided that he didn't know about Special Services until he was asked to speak at the workshop. "I had to do some fast research," he said.

One thing the workshop had was plenty of speakers, including one from Puerto Rico, all traveling at government expense.

One of the major speakers obviously hadn't been clued on the bureaucratic routine. He said during his speech, "It's critically important that your work be made a little better known."

The audience applauded, but it wasn't listening.

I tried to find out the cost of the workshop, but HEW neatly hides that figure by making each project pay its own way. However, almost 200 people stayed at the John Marshall Hotel, the workshop headquarters, and the room bill alone came to about $12,000. The luncheon I attended cost me $8, and the dinner banquet was $12 per person.

I tried to find out how much money the Norfolk State College programs spent on the workshop but was refused that information.

The most frustrating part of the assignment involved Norfolk State.

Allen Creekmur directs Special Services, Gladys Kaggwa the Upward Bound project, and the Rev. Ben Beamer the Talent Search program.

I made an appointment to see Creekmur Jan. 28, and I was to see Mrs. Kaggwa the next day.

I went to Creekmur's office for the 11 a.m. appointment Jan. 28. He wasn't there.

After about 45 minutes, Creekmur called to say he would be late because he was moving his mother out of a nursing home. He suggested we meet the next day.

I told him I had an appointment with Mrs. Kaggwa the next day, but he said he had talked with the Rev. Mr. Beamer and Mrs. Kaggwa and the three of them had agreed that it would be better if I met with all of them at the same time.

"That's fine," I said, and we set an appointment for Jan. 30 at 10 a.m. "I'll bring a photographer."

Creekmur was in his office waiting for me Jan. 30, but Beamer and Mrs. Kaggwa were not. Creekmur said we had to go to Dr. William Craig's office (Craig is Norfolk State's vice president for development and thus supervises the three programs) to get his permission to discuss the programs. Creekmur said that college officials no longer had to

go through the president for permission to grant interviews, but Craig had insisted that I talk with him first before the interviews would be allowed.

"Shall we go? Craig is expecting us," Creekmur said, and we walked to Craig's office in the next building.

Actually, Craig wasn't expecting us.

When we got there, Craig asked me if I weren't a week early. "I've got an interview with someone else in 15 minutes."

Craig said he would give be about 60 seconds. "You're going to have to make it fast," he said.

In 57 seconds, I said I wanted to talk with the directors of each program to find out how much money had been spent, how many students had been served, and how each program had been assessed.

Craig said he could not give any information. "It's college policy," he said. The "college policy" answer is Norfolk State's version of HEW's Freedom of Information and Privacy acts answers.

Craig was not only short on information. He also was camera shy; he wouldn't allow pictures to be taken of himself or the program directors, and the photographer who had been trailing me left.

Craig said my time was up, but agreed to meet with me again on Feb. 3.

On that date, Craig still refused to give me permission to talk with the project directors, who up until then seemed quite willing to talk. Craig said they didn't want to be interviewed.

Craig also said interviews with the students would not be permitted. It would be an invasion of their privacy, and, "These are very sensitive students, you know." This was a considerable departure from the early days of the programs. Virginian-Pilot files contain several stories on the programs and the students.

Craig would only say when the projects had begun at Norfolk State and how many students each program served. When asked the total amount that had been spent on the programs, Craig said he had no idea.

I asked for a copy of HEW's evaluation of the Norfolk State programs. Craig said it was "college policy" that the evaluation of a federally funded program could not be released. When asked for a copy of that "college policy," Craig said he didn't have time to look it up.

Lifting me up by the arm, Craig said, "Only because you are an alumna of Norfolk State did I take the time to talk with you at all."

As he escorted me from his office, I asked Craig one more question. "Does Norfolk State follow up on its students in order to determine the value of the programs?"

"Those that we can follow up, we do," he answered.

"How are they doing?"

"Just fine."

"What proof do you have?"

"Just take my word for it."

Dissatisfied with Craig's answers, I went to the office of Dr. Harrison B. Wilson, Norfolk State president, and told his secretary that I would like to talk with him. He didn't have time, and asked that I leave a list of questions, which I did.

After five months, they are still working on the answers.

Second District Congressman G. William Whitehurst once said: "Political power has been transferred to an unaccountable federal bureaucracy; the people have lost control of their government; and Congress is to blame for this state of affairs which has rendered meaningless portions of our Declaration of Independence."

And I say to myself, "What the hell, I'm only one reporter. I can't cure something that's been going on for years."

And then I go looking for a copy of a Department of Health, Education, and Welfare application.

Those HEW salaries aren't bad.

EPILOGUE:

On Oct. 7, I had sent a written request to HEW asking for a copy of the evaluations of the Norfolk State programs. When I received no reply, I called Monteiro Oct. 24. She said my request had to go to the Freedom of Information Office, and suggested that I try to get a copy of the evaluations from Norfolk State.

I called Craig several times at his office, but he was never in and did not return my calls. I called Monteiro again Feb. 4 and again asked for a copy of the evaluations. She told me to write again and suggested I be more specific about what I wanted.

On March 1, I received the evaluations from HEW, but they were so contradictory and bland that I couldn't write anything about them without discussing them with the evaluators. You know the answer to that question.

U.S. TAX SYSTEM CITED AS CAUSE FOR DOMESTIC OIL SHORTAGE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Ms. ABZUG. Mr. Speaker, I wish to bring to the attention of my colleagues an article written by one of my constituents, Mr. Jay Olnek, that appeared in the Riverdale Press, which clearly reveals that a major source of our current oil shortage and the resultant high oil prices lies in our tax system.

Under section 901 and 902 of the Internal Reserve Code, American oil companies can take as a tax credit for any taxes they have paid to foreign governments. Oil cartel countries, having taken ownership of their oil facilities, keep most of the oil profits and leave a small portion to the American oil companies for marketing their oil. By labeling the profits of the cartel countries a "tax," American oil companies are able to circumvent the usual corporate tax on profits of 48 percent and in some cases—for example, Gulf Oil—pay as little as a 1-percent tax. None of the five major oil companies paid more than a 5-percent tax in 1973. This counterproductive tax system has resulted in profits made on foreign produced oil being double those made on domestic oil. Faced with such a profit system, the oil companies have quite logically attempted to reduce American oil production, both by seeking legislation and by closing many still productive domestic oil wells. This anomalous situation must be corrected.

The article follows:

SHERLOCK HOLMES AND THE FADING AMERICAN OIL INDUSTRY

(By Jay I. Olnek)

Scene—The Oval Office at the White House, Washington, D.C.

Enter—Mr. Sherlock Holmes.

President Ford: Thank you for coming, Mr. Holmes.

Sherlock Holmes: I am honored by your invitation, Mr. President. How can I be of service to you?

President Ford: By helping to solve this mystery. Communist Russia has outproduced the United States in oil for the last two years. I have always believed in the profit system. Something has gone wrong.

Sherlock Holmes: A glut of oil hangs over the world market. Your own oil companies are primarily responsible for this overproduction of oil.

President Ford: Yes, Mr. Holmes, that is true. However, five of our major oil companies do not produce much oil here in our own country. In 1974 for instance, Exxon produced 1,050,000 barrels per day in the United States; in oil cartel countries, that company produced 4,100,000 barrels per day. Texaco produced 850,000 barrels per day in the United States in OPEC countries, the figure was 3,250,000 barrels per day. Mobil's record was 400,000 barrels per day in the United States vs. 2,100,000 overseas. Standard Oil of California—only 600,000 barrels in the United States vs. 3,200,000 overseas. Gulf—400,000 barrels per day in the United States; 2,100,000 barrels in foreign countries.

These five companies produced only 13½% of their oil in the United States. In foreign countries, they produced 86½% of their oil. These are American companies—yet they produce six times more oil overseas than they do in their country.

Sherlock Holmes: Let us assume, Mr. President, that your confidence in the profit system is well justified. Is it possible that there is more profit for American companies to produce oil overseas—and send it back to the United States—than to produce oil right here?

President Ford: Our tax laws make it advantageous to operate overseas. Under Section 901 and 902 of the Internal Revenue Code, American oil companies can take as a credit against their United States income taxes, any taxes paid by themselves, or their subsidiaries, to foreign governments. These oil companies pay only a minimal U.S. tax.

The usual corporation tax within this country is 48% of profits. However, for 1973 Gulf Oil paid a 1% tax, Mobil paid a 2% tax, Texaco paid a 2% tax, Standard Oil of California paid a 4% tax. EXXON was the big taxpayer of the group. EXXON paid a 5% tax on profits of 2.4 billion dollars.

Sherlock Holmes: Oil cartel countries have taken over ownership of their oil facilities. These countries keep most of the profit. However a portion goes to the oil companies for marketing their oil. Suppose a very "friendly" agreement is made to label profits to the cartel countries as a "tax." Can that "tax" be taken as a credit against the oil companies' U.S. taxes?

President Ford: Yes, unless the Internal Revenue Service finds evidence of collusion.

Sherlock Holmes: You stated some oil companies operating overseas pay 1% or 2% in taxes instead of the usual corporate tax of 48%. They produce most of their oil overseas. How does their profit on a barrel of foreign oil compare with their profit on a barrel of oil produced within the United States?

President Ford: After taxes, their profit on the foreign barrel of oil is about double. Cheap foreign labor can increase this profit margin.

Sherlock Holmes: Has there been any attempt by oil companies to curtail production within the United States since they can earn more from overseas oil?

President Ford: In the 50's and 60's, major oil companies fostered the idea of "conservation" of U.S. oil reserves. "Use less American oil and import more foreign oil," they said. A quota was established for foreign oil imports.

Sherlock Holmes: This "conservation" program guaranteed the major oil companies a portion of the American market for their foreign oil?

President Ford: Yes. That naturally followed.

Sherlock Holmes: In the early 60's, what

was the estimated amount of undiscovered U.S. oil reserves?

President Ford: 400 to 590 billion barrels.

Sherlock Holmes: In 1975, what was the estimated reserve figure?

President Ford: 50 billion barrels.

Sherlock Holmes: That is a reduction of about 90%. Oil is being discovered in quantities all over the world. The United States is renowned for its great resources. Yet, its estimated oil reserves decrease!

President Ford: That is strange!

Sherlock Holmes: Has there been any other attempt by major oil companies to curtail production within the United States?

President Ford: Senator Ernest F. Hollings of South Carolina has discovered "shut-ins" of oil wells within the Gulf of Mexico. These are oil wells fully capable of producing large quantities of oil. Over 3,000 of these wells have been capped.

Sherlock Holmes: Let us assume, President Ford, you owned an oil company. Also let us assume that a glut of oil existed on the world market, which is in fact the present case. If the profit after taxes on foreign oil is twice that of domestic oil, where would you produce that oil?

President Ford: I don't believe it is as simple as all that. There are many obstacles, Mr. Holmes, to producing oil within this country. For example, environmentalists.

Sherlock Holmes: Why should the major companies try to overcome that hurdle?

President Ford: Without a profit incentive, I suppose they would not try very hard.

Sherlock Holmes: The profit system can work. However, your tax laws have transplanted the situs of that profit overseas. Major oil companies packed up their bags and followed.

It is necessary to repeal Section 901 and 902 of the Internal Revenue Code. Put a huge tax on foreign oil profits.

The five major American oil companies will come rushing back home again to find oil here.

It will be a repeat of the Gold Rush of 1849. Rivers of petroleum will flow.

President Ford: Mr. Holmes, it is hard for me to believe that the oil shortage in the United States can be due to two small sections of the Internal Revenue Code.

Sherlock Holmes: You believe in the profit system, Mr. President?

President Ford: Of course, I do.

Sherlock Holmes: Then you must also believe this.

NEW AGRICULTURE PROCESS HAS GREAT POTENTIAL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. SIMON. Mr. Speaker, I suppose every Member of Congress is contacted by a series of people who have ideas which may have some substance which seem pretty far out. I have had my share of easy answers on the energy crisis, and everything else, like most of my colleagues have had.

One of those who contacted me is a stockbroker by the name of Harold E. Wolfe of Belleville, Ill., a resident of the district of our esteemed colleague, MELVIN PRICE.

Mr. Wolfe claimed to have a means of increasing plant life productivity amazingly. I took it with a considerable grain of salt, but I did set up an appointment with him.

Having seen the results myself, I have become a believer. The "Wolfe Process" may have some defects that are not now known, but my hope is that Southern Illinois University's School of Agriculture, and other schools of agriculture, will take a look at what Harold Wolfe has developed and research that process and if there are defects, find them out quickly. If there are none, or if the defects can be overcome, we may be on the verge of a new productivity in the field of agriculture that is equal to or exceeds the "green revolution" of a few years ago.

I am attaching for publication in the RECORD, a copy of an article which appeared in the St. Louis Globe Democrat written by Marty Heires, which explains some of the details of the "Wolfe Process":

"WOLFE PROCESS" MAY SAVE WORLD

(By Marty Heires)

Harold E. Wolfe of Belleville believes he has the answer to the world's food shortage and possibly even to the energy shortage.

The answer, he says, is this new method of increasing plant growth.

Wolfe, 76, and his wife, Ruth, live at 24 S. 86th St.

The Wolfes have a large backyard which stretches to S. 85th St. Wolfe uses his ½ acre to experiment with an assortment of bushes, flowering plants, trees, and even some grass samples in a special area.

"What I have in my backyard is the greatest hope for mankind for food and energy in the future," says Wolfe who has been avidly interested in plants for 35 years.

Wolfe's hope for the future centers around the "Wolfe Process," a method he has found to dissolve a hormone so plants can ingest it.

The hormone is naphthaleneacetamide, a member of the auxin class of hormones.

Wolfe began experimenting with the chemical about 25 years ago when some hybrid peonies he had raised were sterile and would not produce seeds.

Wolfe thought the chemical would affect the chromosomes in the plant and stimulate seed production. But he could not find a solvent to dissolve the chemical in so the peonies could actually ingest the chemical.

He decided to evaporate the chemical, which changes to gas at about 98 degrees Fahrenheit.

He placed the plants in plastic bags and springled some chemical inside so the sun's heat would evaporate it.

At first Wolfe thought he had left the bag on too long and he had "cooked" the plants.

But the next year the peonies grew back even larger and more vigorous than before.

"I knew I got tremendous growth, but for 15 years I did not know what was causing it," says Wolfe. "When I realized what I had, I went to 12 universities for help and not one of them helped me."

But the bespectacled and balding Wolfe, whose eyes seem to sparkle a bit when he talks about his discovery, says he did not let the rejection bother him.

Then, two years ago, Dr. John Yopp, a plant physiologist from Southern Illinois University at Carbondale, and a group of researchers came and took pictures and samples of plants growing in Wolfe's backyard.

Yopp says he is not prepared to call Wolfe's discovery a major breakthrough, but he says if Wolfe performed his experiments as he says he did, the chemical definitely affects plant growth.

"Whether the effects is something that will be entirely useful, we'll know by fall," Yopp says.

Both Wolfe and Yopp are unsure how the chemical works, but Wolfe says it increases both sugar and enzyme production in the plants. The increased enzyme production, he says, allows the plants to thrive in soil too poor to support normal plants.

Yopp is most interested in the method of application, which, he says, could be used on a whole field of crops. He also is interested in the possibility that seeds might carry the characteristics as Wolfe says.

If he gets a graduate assistant to perform the necessary experiments, Yopp says, Wolfe's theory, if proved, might gain scientific acceptance by next fall.

In about one week, Wolfe will bring his most recent experiment on wheat to the university for further study.

Wolfe treated stems of wheat in the fall and left the wheat outdoors all winter. Now that the plants are maturing, the treated wheat obviously is superior. Wolfe estimates it will produce two to three times the wheat of untreated plants.

Yopp says Wolfe's work has exciting "possibilities."

Wolfe, a stockbroker for Newhard Cook and Co., Inc., of Belleville, is confident the "Wolfe Process" will work on any plant and any food producing plant will produce much more food.

Wolfe hopes the university will continue work on his treatment process and some firm or government agency will sponsor a graduate student for a year's research to prove the method.

What he is most excited about though, is the seeds of the super plants, which he says carry the "super characteristics."

OLYMPIC GAMES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. DERWINSKI. Mr. Speaker, I am very disturbed by the blatant professionalism and growing political misuse of the Olympic games. If this trend continues, the 1980 Olympics in Moscow will be a complete sports disaster.

The Olympic Committee and the Government of Canada were absolutely wrong in their purely political decisions affecting the Republic of China. This is nothing more than a surrender by the Canadian Government to pressure from Red China and is contrary to all the rules of the Olympic Committee, which ought to have forced the Canadian Government to abide by them.

The Canadian capitulation to Red Chinese political pressure has set a tragic precedent for the 1980 Olympics which will be held in the Soviet Union. Given their propensity for propaganda and refusal to abide by international rules and regulations, what attitude will the Russians take toward any government they disagree with? Will they permit teams from South Korea, the Republic of China, Israel, and other countries that they might be propagandizing against at the time to compete in the Olympics?

I also deplore the complete professionalism which exists in many countries. There is no amateur athlete in our sense of the word in Eastern Europe, especially in the Soviet Union. They are, in fact, professionals who are entirely subsidized by the state for athletic purposes. The same situation exists in many other countries.

ESSAY CONTEST

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. ABDNOR. Mr. Speaker, the South Dakota Stockgrowers Association annually sponsors an essay contest open to young citizens throughout the State.

The topic this Bicentennial year was "How the Free Enterprise System Can Be Improved." The winner and recipient of a $500 savings bond was judged to be Jan McCulloh of Rapid City.

The insight to be gained from the prize winning essay goes far beyond that expected from one the age of its author. Certainly, many of my colleagues would do well to heed its message and the country could only profit as a result.

The article follows:

HOW THE FREE ENTERPRISE SYSTEM CAN BE IMPROVED

(By Jan McCulloh)

Man, when living in the society of men, faces two problems. First, how to acquire, through production or trade, the materials needed for life; then, how to protect himself and his property from his predatory fellowman. These twin obstacles choke life out of any civilization unable to cope with them both. Obviously, progress is not made with bountiful harvests if farmers are butchered by thieves, but the absence of crime is appreciated little during the absence of food. So after thousands of years of feeding and feuding with our brothers, what do we have?

Economic systems are directed toward man's struggle for prosperity, regulating the production, distribution and consumption of wealth. Government seeks to protect man from injustice. The Preamble to the U.S. Constitution justifies six reasons for government. They are: to promote unity, justice, domestic tranquillity, common defense, general welfare, and the blessings of liberty. Our system of economics strives for private control of property, business and labor. The purpose of this or any economic system is not the same as the function of our government. Nevertheless, our government and economic system succeed if allowed to fulfill their independent, though compatible roles.

When wealth runs the government, democracy is thwarted. When government seeks to control wealth, by using power to distribute and consume money it did not produce, justice is aborted. Government has no right to do legally that which would be illegal if done by one man to another.

I have four objections to our present arrangement. First, the Federal Government has assumed powers not intended by the Constitution. We have traded pride for protection. We have exchanged initiative for inefficiency. We have given away freedoms for federal funds. The responsibility lies with a nation who must demand accountability for powers assumed. To demand less is to lose that liberty.

Secondly, we confront unlimited Federal spending. Recent estimates raise the national debt ceiling to a record $627 billion by June 30, 1976. Interest on the federal debt alone is a formidable percentage of our present budget. Inflation in the past has been due to deficit spending caused by wars. Because of overspending, we have a record deficit in time of peace, causing inflation. We have fractured our economic system to the point that those who regulate and consume are not those who produce.

The third insufficiency is control and regulation of business and labor by the Federal Government. Since we allow the government to expend money in private business interests, it assumes the power to regulate that money. The daily decisions of industry are subject to the interference of restrictions which impede growth and damage competition. Workmen and employers alike are financially hurt. Certainly, business and labor abuses should not be tolerated, but upholding the law does not imply expanding its jurisdiction. Government cannot seep into every area of business and remain impartial in administering justice or protecting the interests of all its citizens.

A fourth discrepancy is the lack of public understanding in the field of economics. Economic policy needs to be guided by an informed constituency. Opportunities to gain a background in our economic system are not provided to a majority at an early age. Thus, confusion is perpetuating, to the detriment of our economy.

Let's look at alternatives. I propose the following:

1. The Federal Government should assume only powers specifically set forth under Art. 1, Sec. 8 of the U.S. Constitution. No money should be expended for any purposes other than those specifically set forth under Art. 1, Sec. 8.

2. States should assume all powers not limited to the Federal Government nor denied them in the U.S. Constitution.

3. Congress should pass a law providing for orderly payment of the national debt.

4. The right of any person to work should not be denied or abridged on account of membership or non-membership in any labor union or labor organization.

5. All elementary and secondary schools should include basic economics with current social studies programs.

Advantages of this proposal are considerable. Government would be more responsible to the people. Most major programs would be controlled on a state-wide level. This causes stricter accountability to the voters, less expansion of authority, increased efficiency and less cost. States could adapt policy to their region's needs. The original purpose of government would be restored. Federal spending would decrease and sound fiscal policy would return. Waste and duplication would be eliminated by the states. Decreasing the national debt would reduce inflation and stabilize the economy. The government would consume a smaller percentage of the Gross National Product, since the extreme costs of administering federal programs would be spared the taxpayer. Most important of all, the free enterprise system would be allowed to operate without artificial adjustments due to politics or excessive spending.

Economic affairs of labor and business would be freed from Federal regulation. All industries could then use creativity, ambition and money to profit within the system. Labor would be free, but not forced, to organize. Government could no longer constantly intervene in private enterprises for its own self-serving interests. Yet states would have every right to prevent illegal actions by business or labor.

The public would become better able to determine economic policy, having been taught economics within the schools. We cannot afford to leave economic understanding solely to politicians and lawyers. We must inform Americans of the principles acting upon our economy if we expect our economy to be guided by their votes. Early and continued education could greatly further this objective.

We strive for an economic system which is truly free—free from repression, free from inefficiency, free to prosper. I believe American government and our free enterprise system can fulfill their functions, separately, efficiently and justly. Henry David Thoreau said it best when he said, "Government shows how successfully man can be imposed on, even impose on themselves for their own advantage. Yet the government never of itself furthered any enterprise, but by the alacrity with which it got out of its way."

BLACK TEENAGERS' JOBLESS RATE CONSTANT DESPITE U.S. RECOVERY

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mrs. CHISHOLM. Mr. Speaker, we have heard a great deal about the economic recovery which this country is supposed to be experiencing. I am very concerned that the limited progress being made in some sectors will distract us from the chronic economic suffering which still plagues many Americans, including much of black America.

In order to remind my colleagues of the scope of problems which we have yet to solve, I would like to insert into the RECORD an article by Charlayne Hunter of the New York Times which describes the plight of young black men and women who are struggling to cope with a 40-percent unemployment rate:

[From the New York Times, July 11, 1976]

BLACK TEENAGERS' JOBLESS RATE CONSTANT DESPITE U.S. RECOVERY

(By Charlayne Hunter)

The plight of black teenagers, whose unemployment rates were not only the highest during the recession but have also proved the most unyielding, is viewed as a permanent part of the country's system.

These black youths are regarded as part of a secondary labor class, with little chance of moving out of the perpetual state of joblessness or of escaping the vicious cycle of low-paying jobs that lack security or chances for advancement.

This is the picture that emerged in interviews with economists, labor analysts, manpower experts, community leaders and black teenagers themselves.

Many of these same analyses are echoed by other manpower specialists, civil rights officials, fiscal analysts, and others involved in the unemployment problems of youth.

Contrary to the expectations raised by the Great Society programs of the 60's, which aimed to break the cycle of poverty through training, remediation and job counseling, the cycle proved resistant.

In fact, as the recession lifts slowly for everyone else, the condition of black teenagers and young adults is steadily deteriorating.

"The worse part of being unemployed for me is that I don't seem to belong anywhere," said Denise Davis, a 16-year-old high school dropout from the Watts section of Los Angeles.

"I don't fit into school anymore. I don't have a husband or a baby to take care of. And I don't have a job. I just feel lost."

The argument by some economists that joblessness among black teen-agers will be reduced by the normal process of labor-market activity is contradicted by the persistence of the high jobless rates even in prosperous times.

In 1955, the jobless rate for black teenagers was 15.8 percent, compared with 10.3 for whites of the same age. In 1965, it was 26.2 percent, compared with 13.4. And in 1973, it was 30.2 percent for blacks, compared with 12.6 for white youths.

The most recent statistics are equally dis-

mal. As of June 1976, that rate, according to the Bureau of Labor Statistics, was 40.3 percent for blacks, compared with 16.1 for whites of the same age.

For blacks, that rate increased since the last month, when the rate was 38.5. For whites, it decreased from last month, when it was 16.3.

Furthermore, the rate of joblessness among white teen-agers, though still high and posing many of the same problems, is expected to attenuate as a result of a declining birthrate of whites.

The black birthrate, however is three times that of whites and increasing.

Experts and teen-agers alike contended that new policies must take these factors into account, as well as other barriers, like discrimination.

Describing the "double" disadvantage of minority teen-agers, Mervin D. Field, the director of the Field Research Corporation in Los Angeles, said:

"Because of their age, they haven't had time to establish their work records. And because of their race, they have a harder time because programs especially designed for blacks have almost disappeared."

Dr. Bernard Anderson, of the Wharton School at the University of Pennsylvania, said:

"Fiscal and monetary policies alone are not going to solve this problem. You have to have measures intended to increase job skills, that invest in human capital and that attack institutional barriers."

LOST GENERATION

Without these measures, Dr. Anderson and others argued, a generation of blacks may be lost to society.

"The failure to attack these problems," Dr. Anderson said, "is tantamount to writing off the future of black people."

Earlier this year, the Joint Economic Committee of Congress, noting the predictions of severe unemployment through at least 1980, expressed its concern about the social, economic and psychological impact of the unemployment on young people.

A report by the committee predicted "increases in the incidence of crime, drug abuse and other forms of antisocial behavior that can ruin a person's chance of achieving a full and productive life."

The reaction of the young people themselves to their plight is equally grim.

"I don't think I have much of a future," said Rachel Smith, a high-school dropout, who lives with her mother in Watts. "I just get by from day to day."

Michael Wilson, a 17-year-old dropout from Buffalo, said: "The man may not like the way I survive, but I'm not going to lie down and die."

PLIGHT WORSENING

By most accounts, the economic plight of black teenagers is worsening.

"The paradox is that the economy is better in pockets," said Tom Stewart, the executive director of the Franklin Wright Settlement House, in the heart of Detroit's inner city.

"But the pocket has a zipper in it. And many of our youngsters are not so highly skilled and are not so readily employable. So the zipper doesn't open for them."

Mr. Stewart was among many officials interviewed who said that the job situation this year was worse than last year.

"I'm afraid to face the summer," said Alice Lyte, the director of the Semi-Quois Neighborhood Improvement and Employment Project in Detroit.

In many cities, so many adults are out of work that funds once used to aid unemployed youths are now being diverted to adults.

INFLATION CUTS AID

In Detroit, as well as in other sections of the country, businessmen contended that they had not recovered sufficiently from the recession to increase hiring. And, despite an increase in Federal aid, inflation has reduced the number of job openings.

In some cities, Federal aid itself has been cut.

For example, in Allegheny County, which encompasses Pittsburgh, the county has 2,831 jobs available to disadvantaged youths between the ages of 14 and 21. Last year, $2.7 million was used to hire 4,537 youths for eight weeks at $2.10 an hour for a 30-hour week.

This year, the Federal grant is $1.9 million for jobs paying $2.30 an hour. And there were approximately 10,000 applications for the jobs as early as April.

Though some of these problems may be eased somewhat during an economic recovery others, like discrimination and poor schooling, are viewed as more intractable.

Adults and students alike complained that students were not being prepared in school academically or through vocational counseling.

At the same time, however, Dr. Anderson's research indicated that job-hunting for black youths was "less favorable" than for white youths largely because of discrimination.

APPEARANCE A FACTOR

"Appearance is a big factor with young people finding a job," said Jack Motley, the manager of the Texas Employment Commission Office in downtown Houston.

"With all the freedom movements blacks have been involved in the past few years, many have gone to extremes in their dress and hair styles.

"When a young man comes in with a beard that is not kept well and braided hair, he's not going to be hired—not even an entry level job that he's qualified for," Mr. Motley continued. "And, quite often they want to say they've been rejected because they are black."

Vernon Evans, a graduating high-school senior in Los Angeles, said that he had applied to "about 110 places" but has had no luck.

"Employers are very afraid to hire black men today," he said. "Even if you come to an interview clean-shaven, short hair, looking real nice, they think you are going to rob the place or do some kind of damage. You might be a genius, but they will never give you a chance."

The reactions of other young blacks are just as pessimistic.

Lon Anderson, 18, lives on the Southwest Side of Chicago and has been unemployed since December, when he returned from the National Guard.

"I know I can get a job if I have a good attitude," he said. "I always try hard in interviews. I dress up and smile, and I try to play the part. Even if I haven't gotten a job, at least I've played the part well."

Many psychiatrists and sociologists fear a lowering of ambition among black youths, which seems to have decreased even since last year.

Miss Davis, the Watts drop-out, is one of five children supported by her mother, who is a domestic.

"I don't want to start cleaning people's houses," Miss Davis said. "But what else can I do?"

Her best friend, Rachel Smith, is also unemployed after having worked six months in a fast-food restaurant.

"At that time," she recalled, "I thought it was pretty bad because it was hot and dirty. But now, I wouldn't mind it at all."

SURVIVAL STRESSED

Like many unemployed young people, Miss Smith is idle a lot of the time, and she often spends her days watching television.

"This makes my mother very mad," Miss Smith said, "because she thinks I should work. We have lots of fights about this."

Mr. Stewart, the Detroit settlement house director, sees signs of "incipient [mental] depression" among youths there. In the last two years, 90 percent of Detroit's 18,000 school dropouts were blacks, and there is "a minimum" unemployment rate there of 40 percent for black youths.

"Something that might pass with a laugh is taken seriously and is apt to flare up into a fight," Mr. Stewart said.

And while the rhetoric and "scare" tactics sometimes employed in the 60's are seldom heard nowadays, in quiet, one-on-one conversations with hundreds of black youths, the emphasis was on survival.

"If they're hungry," said a member of one of Brooklyn's hundred or so youth gangs, "they'll rip off a store or a resident of the community. The only thing they're doing is trying to survive."

JUDGE LOUIS E. LEVINTHAL

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. GREEN. Mr. Speaker, Judge Louis E. Levinthal died in Jerusalem on May 16, 1976. Judge Levinthal was a noted Philadelphia lawyer and jurist who along with Judge Curtis Bok and Gerald Flood distinguished Common Pleas Court No. 6 in Philadelphia for several years. Judge Levinthal's standing and service extended beyond his beloved Philadelphia. He served as chairman of the board of Hebrew University in Jerusalem, and was appointed by President Harry S. Truman as special adviser on Jewish affairs to the U.S. military command in Germany and Austria. He counted Presidents Harry Truman, John F. Kennedy, Justice Louis Brandeis, Adolph Ochs, David Ben-Gurion and others as his personal friends. Judge Levinthal was long involved in the creation of Israel, and was and eloquent champion of the underdog throughout the world.

On June 16, 1976, the Court of Common Pleas of Philadelphia County held a memorial service for Judge Levinthal which was presided over by the distinguished appellate jurist Judge James C. Crumlish, Jr., of the Commonwealth Court; the president judge of the Court of Common Pleas of Philadelphia County, Judge Edward Bradley; and Judge Jacob Kalish, who was a former law partner of Judge Levinthal in the firm of Dilworth, Paxson, Kalish & Levy, Philadelphia.

Benediction was delivered by Rabbi Reuben Magil of Beth Zion-Beth Israel Synagogue. In addition to these distinguished judges and their colleagues, other commemorative speakers included Lewis H. Van Dusen, Esq., former chancellor of the Philadelphia Bar Association and present chairman of the ethics committee of the American Bar Association; Jerome J. Shestack, Esq., a senior litigator in the Philadelphia law firm of Schnader, Harrison, Segal & Lewis; I. Bud Rockower, chairman of the board of Rockower Brothers, Inc. Civic and legal leaders who worked closely with Judge Levinthal also added their tributes. These include Thomas J. Elliot, Esq., a Philadelphia attorney with the firm of

Saul, Ewing, Remick & Saul, who upon Judge Levinthal's counsel, lived for a time on Kibbutz Daverat Israel, and Clarence Walker, Esq., a Philadelphia attorney who, along with Harold E. Kohn Esq. and other leaders of the Philadelphia Bar, formerly served as a clerk to Judge Levinthal.

These sincere and eloquent tributes capture the breath, wisdom, and varied concerns of Judge Louis E. Levinthal. Accordingly, I am placing them in the CONGRESSIONAL RECORD with my sincere condolences to Judge Levinthal's family, friends, and colleagues:

STATEMENT OF LOUIS VAN DUSEN, JR.

I have the privilege of speaking on behalf of the Pennsylvania Bar Association.

Our friend and fellow lawyer, Honorable Louis E. Levinthal, was a most distinguished product of this city. He was born in Philadelphia on April 5, 1892, the son of Rabbi Bernard Levinthal, who was an active Zionist. He was a distinguished lawyer and a great judge and political philosopher. Like the rest of us, he grew up to admire that great Court of Common Pleas No. 4, with Judges Finletter, Audenried and McCullough. He was always a progressive legal thinker and a strong opponent of the death penalty, saying, "There is no room for capital punishment if the function of punishment is to reclaim the criminal for society and defend society."

During the administration of Governor George Earle, the Court of Common Pleas No. 6 and the Court of Common Pleas No. 7 were established. Thereafter, for 20 years the Court of Common Pleas No. 6 was generally regarded as having taken over the reputation and leadership previously provided by the Court of Common Pleas No. 4. You will all remember that Judges Bok, Flood and Levinthal constituted the original court appointed by Governor Earle which thereafter served together for over 20 years in this very room. That was a great day in Pennsylvania legal history, and all here today are proud of the legal distinction which Judge Levinthal provided as an outstanding jurist on that court.

In addition to a distinguished legal and judicial career, Judge Levinthal was during World War II national president of the Zionist Organization of America. When he was born, Benjamin Harrison was the President of the United States, Winston Churchill had not yet participated in the charge at Omdurman in the Sudan, and Bismarck was still franking up the Kaiser in an effort to succeed Napoleon as the conqueror of the western world.

The changes that took place during Judge Levinthal's life seem incredible in retrospect, particularly in the field of communications, the automobile, airplane, telephone, radio, television, data-processing, lifesaving drugs, the discovery of both the North and the South Poles, the expedition to the top of Everest, and then to the moon.

The great task of that generation was to make democracy function for the benefit of the people in the face of these enormous changes in their lives over which, as individuals, they had little control. Accomplishment under the democratic process is not always easy to achieve. Lawyers as a profession are called upon to make our democracy work. Judge Levinthal is typical of the great leaders of that era.

Judge Levinthal was indeed fortunate in being able to witness the accomplishment of his own life's objectives He saw the last of the absolute monarchs of the west disappear, and the establishment and survival of the State of Israel against enormous odds. This result he strove mightily to secure.

It is not without significance that our own Earl Harrison, as Dean of the University of Pennsylvania Law School and a partner of Jerome Shestack (who will speak to Judge Levinthal's contributions to Philadelphia's cultural and civic life), was the man who prepared the report for President Truman on the refugees of Europe, which was the occasion for the appeal by President Truman to Clement Atlee urging the British to establish the State of Israel. Subsequently, an Anglo-American joint commission was formed to report on this subject. Earl Harrison was the first witness before that joint commission. You all remember the tremendous efforts made by Rabbi Steven Wise and Judge Levinthal to achieve this objective. It is interesting to note that the two leaders of that commission were both distinguished judges—the Honorable Joseph Hutcheson of the Court of Appeals for the 5th Circuit, and Sir John Singleton of the King's Bench Division. Our own Frank Aydelotte, president of Swarthmore, was a member of the commission, as was my great friend Dick Crossman, of New College, Oxford. The establishment of this commission was the beginning of the final and successful effort to establish the state of Israel, in which effort Judge Levinthal was so effective. This city is proud of its leaders who, 200 years ago, established this country, and it is proud of Judge Levinthal's contribution to the establishment of Israel and to the legal and cultural life of this city.

When asked "What is the American Dream?", the great author Archibald MacLeish replied, "There are those I know who will reply that the liberation of humanity, the freedom of man and mind, is nothing but a dream. They are right; it is the American dream."

Judge Levinthal was a great admirer of Justice Louis Brandeis, and, indeed, he wrote a biography of that great Jurist. Like the prophet Micah, who more than 2500 years ago in Judea stated, "What does the law require of thee but to do justice, to love mercy, and to walk humbly with they God," so did Judge Levinthal, and we are proud and happy that he lived so effectively among us.

LOUIS E. LEVINTHAL: A FRIEND'S TRIBUTE

(By Jerome J. Shestack)

We meet today to honor the memory of a man who was wise and just and good.

In his lifetime, Judge Levinthal never sought accolade. He followed the precept of his Talmudic ancestors to love the work and forego the honor. Yet, he would have been pleased at the gathering in this Court, for he loved his Court, and even more, he loved the law.

Louis Levinthal was born and raised in an unusual household, one which was a fortress of Jewish tradition, a tradition in which active responsibility was a mandate. His father, Bernard L. Levinthal, was a renowned Rabbi, who came here from Lithuania in 1891 and rose to become the first head of the Orthodox Rabbinate in this country. His brothers, Israel and Abe and Cyrus became eminent in the rabbinate and in the law. Judge Levinthal revered his father and when he spoke of him, as he often did, one sensed deep affection and esteem. Fortunate such a father. Fortunate such a son.

The Jewish tradition which Louis Levinthal learned in his father's home was one he honored throughout his life. The Biblical commandment "Justice, Justice shalt thou pursue," was a precept he lived by. And following the Biblical precept, he tempered justice with mercy, looking for that element of merit which must lie in each person.

To his love of law and fealty to justice, he brought a keen intellect and an extraordinarily lucid mind. He had an unfailing ability to cut through the thickets of a problem and perceive its root. Lawyers and litigants considered themselves fortunate to have him judge their cause.

Judge Levinthal believed that justice must be felt as well as rendered and with his talent for articulate expression he explained and taught the basis for his judgments with such forceful clarity that appeals from his decisions were infrequent and affirmances almost invariable.

It is not often given to courts of nisi prius to influence generations to come, but in Common Pleas Court No. 6, a Protestant, a Catholic and a Jewish judge formed a remarkable triptych of justice that stands as a model for courts present and future.

Another vital part of Lou Levinthal's life was his dream of the restoration of Israel as a Jewish homeland. It takes faith to pursue a dream; it takes will to bring a dream to reality. Louis Levinthal had both faith and will.

From his youth, he was an ardent Zionist. He helped the Zionist pioneers who settled the desolate rocky soil of Palestine and made it green and fruitful. He became head of the Philadelphia Zionist organization in 1926 when few could visualize the creation of Israel. Louis Levinthal never wavered from pursuing that dream, even during all of the years it seemed so hopeless. He became president of the Zionist Organization of America in 1941 and redoubled his efforts to win support for the Jewish homeland.

When World War II ended, President Truman asked him to go to Europe as advisor on Jewish affairs to General Lucius Clay. Judge Levinthal saw the horror of the Holocaust and the pitiful remnants of the concentration camps, and he returned with even greater commitment—if that was possible—to the creation of a Jewish state. Surely, one of the happiest occasions in his life was that day in May of 1948 when Israel became again a full independent nation. He was proud that his daughter, Sylvia Bernstein, settled in that land and to his last day he never ceased his labors on behalf of that struggling democracy.

Louis Levinthal also played a major role in the growth of the Hebrew University of Jerusalem. When Chaim Weizman founded the University in 1918 on beautiful Mt. Scopus, he had said that learning was the "Jewish dreadnought." In the years that followed, Hebrew University became a center of free inquiry and a source of enlightment for the whole of the Mediterranean world and indeed far beyond.

During the Israel War of Independence in 1948, Jordanian troops sealed off the University and it remained empty of students and faculty for almost twenty years. Judge Levinthal was one of those instrumental in building an entirely new campus on Givat Ran in modern Jerusalem, and in 1962, at the request of Premier Levi Eshkol, he served as Chairman of the International Board of Governors of Hebrew University, the first time an American was so honored.

After the Sixth Day War in 1967, Mt. Scopus was restored to Hebrew University. That June, I was with Judge Levinthal at an emotional convocation marking the return. It took place in a magnificent stone amphitheatre high about Jerusalem looking out at the mystic purple mountains of Moab and Gilead. In the shadows of the late afternoon, I saw tears run down his face as those who gathered on Mt. Scopus rededicated themselves to the goals of knowledge and understanding to which the University had always been faithful.

Learning and enlightenment were always dear to Louis Levinthal. His own writings were marked by meticulous scholarship. He never relied on experience to the detriment of research, and he disdained the glib aphorism as a substitute for clear exposition.

He headed both Gratz College and the Tal-

mud Torahs of Philadelphia. But his greatest devotion in the field of letters was to the Jewish Publication Society of America. This year marked his 50th year as a trustee of the Society; for 18 years he served as Chairman of its prestigious Publication Committee; for five years he was President of the Society. Under his guidance some of the major works in modern Jewish letters were published, including the first translation of the Pentateuch into modern English by Jewish scholars. Even after his terms of office ended, he rarely missed a meeting of the Society's Board and succeeding presidents of the JPS often sought his counsel on the more difficult problems. I went to him often and there was never a time that he did not simplify the issue and point to a constructive solution.

Despite his deep involvement in so many public causes, he found the time to serve as mentor, patron, and advisor to innumerable young people. He and Lena, his wife, companion and deepest love, often sponsored young artists, musicians and writers in gatherings in their home. But more, in the privacy of his chambers, office or livingroom, he gave generously of himself to those in need.

After the death of his beloved Lena, he chose to live in Israel, but rarely did a momentous event occur in the lives of his friends without a handwritten note. As the years passed, the handwriting became infirm, but the strength of the observation or counsel never waned. He was happy to spend his last years in the land to whose fortunes he had so deeply committed himself. He passed away in his sleep at 84, serene and peaceful.

I am grateful at having been his protege, proud to have become his friend. He leaves us a rich heritage, reminiscences to share and to treasure, and an ideal to aspire to. One man perhaps does not move us far along the road, but those that shared the bounty of Lou Levinthal's fellowship have a deep awareness that we are better because he was here.

JUDGE LOUIS E. LEVINTHAL

(Statement of I. Budd Rockower)

The Talmud tells us it is good to be rich, it is good to be strong, but best of all is to be beloved by your *fellow man*.

Such a man was Louis E. Levinthal. He had courage—and compassion. He was a great leader—and a peacemaker. He had a contagious warmth—his face would light up as it broke into a smile. Lou Levinthal was a true friend, a good son, a proud father, and a wonderful husband. Young at heart, Lou and his beloved Lena were looked up to as the deanagers of Philadelphia.

Lou Levinthal . . . my counselor, my teacher, my friend.

A number of years ago, in celebration of his 75th birthday, my wife and I had dinner with Judge and Mrs. Levinthal. As always, we were fascinated by his moving stories—his exciting experiences with Presidents and Kings and Prime Ministers.

When I suggested that his priceless store of knowledge should be documented for posterity, he modestly replied, "Who would be interested in reading about me?"

Lou Levinthal, with genuine humility, *never* recognized the great man that he was. But he did confess that he had seven large cartons containing his letters, his papers, his manuscripts. That night we entered into a partnership—he would write his Autobiography—we would have it published.

On Sunday May 16th, in Israel, at the age of 84, Lou Levinthal passed away. Two days later I received a letter postmarked Jerusalem—from Lou Levinthal. . . . Possibly the last letter he ever wrote. In his letter, his remarks were most gracious. Even more touching, he praised the Israeli Branch of our family—my youngest daughter Elayn, her husband Jim, and our sabra grandson-David.

Little David's claim to fame is that he has an illustrious Godfather—Louis E. Levinthal. Lou also said in his letter that my son-in-law, Jim, who was collaborating with him on his book, only the day before, finally finished reviewing the last of his papers. Lou Levinthal began his autobiography with his favorite proverb: "I am but a lump of clay, but I was fortunate enough to be placed beside a bed of roses—and I have caught some of their fragrance." Lou felt that this beautiful Indian proverb typified his life, and he hoped that his book would be a loving description of the people who helped him become the person that he was.

The first person was the grandmother who told him of the persecution of the Jews in czarist Russia. Then, his distinguished father—the revered and respected Rabbi Levinthal—the Dean of Rabbis in Philadelphia.

The Levinthals were great Jews—and great Americans. Lou Levinthal was steeped in American history and so proud of his American heritage. About 10 years ago he was the guest speaker at the ceremonies where a group of new Americans took the oath of citizenship.

"You have every reason to rejoice," he said. "for to be an American citizen is not only a high privilege, it is also a priceless treasure. Heretofore, you were aliens, subject to various foreign governments. You now belong only to America—and America belongs to you!"

Supreme Court Justice Felix Frankfurter, himself an immigrant, was one of the people Lou described who helped him become the person he was. Lou's memories include many, many distinguished names: Harry Truman, Justice Louis Brandeis, Chaim Weitzman, General Lucius Clay, Arthur Hays Sulzberger of the New York Times, Leon Obeymeyer.

But of all his experiences, his most tender memories were right in this room—Common Pleas Court No. 6—with Judge Curtis Bok and Judge Gerald Flood.

If Lou could have overcome his modesty, I suspect he would have said "—C.P. 6 was the greatest court of all!"

Will you permit me another personal note?

Lou Levinthal represented one of my daughters, in divorce proceedings a few years ago.

The story is best told by reading Judge Levinthal's letter she received from Jerusalem 2 months ago:

"DEAR JONI AND BILLY: The sensational news about your remarriage made me very happy indeed. I hasten to send you my fondest good wishes and warm congratulations.

"Please congratulate your dear parents on my behalf and please tell them that in all my years at the bar and on the bench, I never derived more satisfaction and spiritual reward than in the humble role I played in the drama which will be an ever happier ending for both of you and your loved ones.

"Fondly,

LOUIS E. LEVINTHAL."

In 1972, Lou Levinthal left the U.S. at the age of 80 to spend the rest of his years in Israel. The establishment of the Jewish state was one of the great goals of his life and Lou Levinthal played a major part in its creation. Up to the very day he died, this cultured, spiritual, wonderful human being held court at the King David Hotel.

He was laid to rest in Jerusalem—between his beloved wife and the great, gentle philosopher, Martin Buber.

"I am but a lump of clay, but I was fortunate enough to be placed beside a bed of roses and I have caught some of their fragrance."

Those of us whose lives have been touched by Louis E. Levinthal have caught some of the fragrance of his roses. Thomas Jefferson eulogizing George Washington closed with a biblical quotation:

Verily, a great man hath fallen this day in Israel."

REMARKS OF THOMAS J. ELLIOTT ON JUDGE LOUIS E. LEVINTHAL

The greatness of Louis E. Levinthal is manifest and abiding. Although we mourn his passing, Judge Levinthal's great mind and spirit sustain us and renew our commitment to meet the escalating challenges to decency and human brotherhood. Louis E. Levinthal, the son of Philadelphia's chief Rabbi who fled persecution in Czarist Russia, was uncommon in his dedication to excellence and freedom. Judge Levinthal's commitment to Pennsylvania's jurisprudence has been well articulated by others. However as a man, fifty years younger than Judge Levinthal, I saw him unstintingly offer wise and good counsel to the National Conference of Christians and Jews, to the Fellowship Commission, and to many other groups and causes.

Too often great men love humanity, but have little time for individual people. Judge Levinthal never lost the common touch, and he never lost his interest in individuals. His advice and example were instrumental in my choice of the law as a career. He directed me to Israel, where I found vital commitment and ideals during my residence on Kibbutz Daverat. I came from the Kibbutz to visit Judge Levinthal and Mrs. Levinthal in Jerusalem. The dinner I shared with them in Herzliya was most memorable with Judge Levinthal speaking with passion in support of his desire for peace in the Mid-East, in Ireland and throughout the world. I can still see his eyes dancing with delight in his love of Israel's social and economic growth.

Words are inadequate to capture the full and inspirational dimensions of my friend and mentor Judge Louis E. Levinthal. However, the spirit of this genuine, gentle and humble man of thought and action is captured in the enduring words of Philippians: 4:8

"Finally, brethren, Whatsoever things are true, Whatsoever things are honorable,

Whatsoever things are just, Whatsoever things are pure, Whatsoever things are lovely, Whatsoever things are of good report:

If there be any virtue, and if there by any praise, Think of these things."

Our world is better because Louis E. Levinthal passed through it.

REMARKS BY CLARENCE L. WALKER

May it please the Court.

In the midst of the depression of the thirties, I left my private practice as an attorney to accept the invitation of Curtis Bok, Gerald F. Flood and Louis E. Levinthal, the newly appointed judges of Common Pleas Court No. 6, to become the Clerk of the newly formed court.

For twenty-two long and arduous years it was my duty to serve Judge Levinthal until his voluntary retirement to resume private practice with the firm of Dilworth, Paxson, Kalish & Levy.

Others have spoken of the judge's legal honors and philantrophic attainments. Let me, I pray you, say something of Louis E. Levinthal the man. It was my honor to serve him in the Court throughout his long tenure. During those twenty-two years I saw him in my professional duties and as his close friend practically every working day he spent in the court, and in addition, we met socially and intimately in our respective homes.

Now, gentlemen, hear my summing up of this great man. Comparisons, they say, are always odious, but, in my personal judgment, he was best *nisi prius* judge I have ever known in my fifty-three years at the bar. Always attentive to that which was going on before him, ever courteous to the

witnesses and counsel, he delivered his rulings and judgments with the kindly smile which was his hall-mark.

He came of the strict, orthodox faith of his father and his father's father, I was and am a strict Presbyterian; yet the difference in our backgrounds was swallowed up in our love of God.

Louis E. Levinthal's body lies near to that of his beloved wife, Lena, and as close, I am sure, to the wailing wall in Jerusalem as it was possible for relatives and kind friends to give them rest. Jesus of Nazareth, of whom we often spoke, told of a beggar who lay outside the door of a certain rich man, desiring that he might eat the crumbs which fell from the rich man's table, and Jesus said in Luke 16:22—

"And it came to pass that the beggar died, and was carried by the angels into Abraham's bosom: the rich man also died, and was buried."

The phrase "Abraham's bosom" was and is Talmudic expression with which Judge Levinthal was acquainted.

This day he is in "Abraham's bosom" or, as the great David would have put it, "Surely goodness and mercy followed him all the days of his life and he shall dwell in the House of the Lord forever."

Farewell, my good and dear friend. "Shalom."

THE SPIRIT OF AMERICA'S YOUNG PEOPLE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. YATRON. Mr. Speaker. The valedictorians at the 1976 commencement program at the Wilson School District in West Lawn, Reading, Pa., have displayed the true and kindred spirit of American ideals.

In their addresses to faculty, fellow students, family and friends, Miss Lynette E. Davis and Miss Phyllis J. Heffner related their thoughts on the responsibilities of our citizens and of our Nation, as it begins its third century.

Because I feel that their words are a tribute to the understanding of basic issues by America's young people, I am making their commencement addresses available to my colleagues:

ENDURING VALUES

(By Lynette E. Davis)

Certain values have motivated men from 1776 to 1976. Integrity, faith, and courage. These are lofty words, but what do they mean to us, the graduating Class of 1976?

Abraham Lincoln, George Washington, Patrick Henry, the leaders of our infant and adolescent nation: these men's honesty has meant much to the future of their country.

Today, in this age of industrialization and scientific breakthrough, what does honesty mean? What does it mean to you? ? During a test, when the teacher turns away and the student in front has his paper uncovered, there is an inward struggle with your conscience against right and wrong. The urge to cheat is always there nagging you, "why be honest? no one will know". Do not believe the only honest man is the one who is not discovered: for what is integrity but a personal goal?

Honesty is also important when judging others. Your opinions should not be biased by gossip. Many great "tales" are started in idle minds, but do not let them affect your own judgment. It is possible to survive in this world dishonestly, but what would the achievement mean to you? You may be able to fool others, but you cannot hide anything from your own conscience. We lie loudest when we lie to ourselves!

A clear conscience is a result of faith: faith in God, faith in fellowmen, and faith in ourselves. If you have confidence in yourself, you will be able to accomplish anything, for faith is blind to impossibilities. According to the new testment, faith is the substance of things hoped for, the evidence of things not seen. How often do you doubt? Everyone has weak moments when his faith begins to waiver. But it only takes faith the size of a mustard seed, so do not give up! If you do not believe in yourself, who will?

It takes courage to stand up for what you believe in when you know you will be criticized for your actions. The American master of folk wisdom, Mark Twain, said, "courage is resistance to fear, mastery of fear, but not absence of fear." It is merely doing what you are afraid to do, for there can be no courage unless you are afraid.

Honesty, faith, and courage created the United States of America in 1776. Those values are what have enabled this class to graduate in 1976.

And now as we go on to face life's challenges, let us remember the Prayer of St. Francis of Assissi:

God grant me the serenity to accept the things I cannot change . . .

Courage to change the things I can . . .

and wisdom to know the difference!!

HONOR THE PAST THROUGH THE FUTURE

(By Phyllis J. Heffner)

Two hundred years ago the Declaration of Independence was written, which resulted in an almost free and independent nation—the United States of America. It is just and fitting that this feat should be honored, but how, in what manner? Should the nation lean back and prop up its feet and glorify the past achievements of its forefathers, revelling in a time which is forever gone and will never return?

This is certainly a part of this nation-wide "birthday party" and it serves an important function. However, the celebration should not, must not, end here. This is a time when the nation can look ahead and plan for the future, as did its forefathers.

The founders of this nation had a great ideal for the future. They wanted to leave to their descendants the freedoms which they were long denied: freedoms of religion, speech, and thought. These freedoms allow us to claim that we live in the best nation in the world today. But now we must rise above our past and move toward the future. We must become not only citizens of this nation, but also citizens of the entire world. Our forefathers were concerned with fostering the political environment of freedom and responsibility. So are we today. However, we must also focus our attention on the physical environment, without which it will be impossible to perpetuate their vision of freedom.

The environment of this nation and that of the world—a much larger "nation" to which we also belong—are interdependent. The warning has been made. We have done much to begin—the environmental protective agency programs, new automobile standards, the attempt to not waste food, the planting of trees and plants, and the expansion of mass transit—but this is still not enough.

If we are to truly honor the past, we must not be concerned with the cost of the necessary changes or be selfishly motivated by thinking only of our own conveniences. We, as individuals, all have a role to play, no matter how small. Making this effort is the true meaning of this Two-Hundredth Birthday, looking to the future and trying to improve the future's present. Our forefathers have done this for us; now, it is our turn.

H.R. 14143

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. ROBERTS. Mr. Speaker, the Democratic Caucus is scheduled to meet on Wednesday, July 21, 1976. I have been notified by the chairman that he has placed on the agenda a motion signed by eight Members of the House that would instruct the Democratic members of the Committee on Veterans' Affairs to "take whatever action may be necessary to complete consideration of H.R. 14143 and report said measure to the House not later than August 13, 1976."

H.R. 14143 is one of several measures pending before the Subcommittee on Education and Training that would, under certain circumstances, provide for a second extension of time for eligible veterans discharged since January 31, 1955, to go to school under the current GI bill.

Veterans' organizations representing over 6 million veterans throughout the country are opposed to another extension and in view of various conflicting statements that have come to my attention, I want my Democratic colleagues to know the correct position of these organizations on this issue.

There follows various excerpts from communications received by the committee from these organizations.

From a letter dated May 26, 1976, the American Legion states:

Our appraisal of the responsibilities to the broader constituency of the veteran population leads us to urge that the Congress address itself to priority legislation before any extension of the delimiting date with its attendant cost factor is enacted. The Legion believes the most important legislative needs for veterans are readjustment of the rates of compensation for service disabled veterans, pension reform, adjustment of the monetary allowance for veterans now pursuing education and training under the GI bill and adequate funding for the Veterans Administration medical care program.

In testimony before the Subcommittee on Education and Training on May 30, 1976, the Disabled American Veterans took the following position:

We appear here today, Mr. Chairman, not as an Organization unsympathetic to the educational needs of the veterans of this country. However, in view of recent budgetary restrictions that have been placed on veterans benefit programs, it is necessary that we voice our opposition to any proposed extension of the delimiting date for GI Bill educational benefits, which we believe will adversely effect funding necessary for the continuance and improvement of programs for the nation's disabled veterans and their families . . . As you know, Mr. Chairman, veterans' benefit programs have become highly competitive for the budget dollar. It is our feeling that priorities must be established to provide adequate funding

for disability compensation payments, for high quality medical care and for greatly needed improvements within the VA Hospital system. We feel that any extension of the present educational benefits would result in an expenditure of a substantial amount of funds which would be better utilized for other VA programs which serve America's wartime disabled veteran, his dependents and survivors.

In testimony before the Subcommittee on Education and Training on May 19, 1976, the VFW spokesman said:

Our objective has always been, and continues to be, the seeking of equal benefits for the veterans of all wars, their dependents and survivors . . . The current GI Bill is by far the most generous of any to date . . . In short, in our opinion, there is no tenable justification for further extension of the present delimiting period for completion of educational benefits under the current GI Bill.

In a letter dated June 3, 1976, to the chairman of the Subcommittee on Education and Training, the Paralyzed Veterans of America said:

We stand with you and do not support an extension of the delimiting date. This is a difficult position to take. We all wish we could stand strongly behind every proposal which would help any and all veterans. This is particularly true with reference to educational and readjustment benefits. We as catastrophically disabled veterans know very well the importance of readjustments and an opportunity to find a new career. However, with the confines of the amounts targeted in the First Concurrent Resolution on the Budget, we cannot support every proposal. There is simply not enough money to do everything. The Veterans Committee, and ultimately Congress, must now make some very difficult spending priority decisions.

Letters from the VFW and the DAV follow:

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
July 15, 1976.

To: All Democratic Members, U.S. House of Representatives.
From: Thomas C. "Pete" Walker, Commander-in-Chief.
Subject: Further extension of time limitations for completion of education under the current GI Bill.

It has come to my attention the Democratic Caucus has been petitioned to instruct the Committee on Veterans' Affairs to take whatever action necessary to complete consideration of H.R. 14143 and report said measure to the House not later than August 13, 1976.

The bill in question, H.R. 14143, introduced by the Honorable Robert W. Edgar, with approximately 140 cosponsors, would, *again*, extend the delimiting period for educational benefits under the Post-Korean GI Bill, this time for an additional year. Although the pursuit of this legislation may appear politically astute during an election year, as the Veterans of Foreign Wars testified when this and similar legislation was considered this past May ". . . in our opinion, there is no tenable justification for further extension of the present delimiting period for completion of educational benefits under the current GI Bill."

The V.F.W. helped shape the current GI Bill, which was enacted into law March 3, 1966, and pressed the Congress of the United States for its passage. We fought for the two-year extension of the delimiting period, from 8 to 10 years, in 1974 and supported the increase from 36 to 45 months entitlement. We fought for and supported the concept of tutorial assistance and for the remedial education program, whereby veterans under the current bill who had not completed high school could return to school, draw their VA checks and not have that amount count against their entitlement for college training. We fought for the placement of veterans representatives on college campuses and for needed increases in benefits for those attending school and their dependents. We have staunchly opposed the Administration's attempt to reduce the delimiting period from 10 years to 8 years. We believe, all things considered, the current GI Bill is the most generous of all three GI Bills and, again, there is no tenable justification for a further extension of the delimiting period.

In addition to the foregoing, and most germane to the issue, there are not adequate funds in the First Concurrent Budget Resolution to finance the extension proposed by Mr. Edgar and his cosponsors, which, we are advised by the VA, would entail a one-year cost of some $662 million and, if an 8 percent cost-of-living increase is granted in the F.Y. 1977, as contemplated, the cost would be increased to approximately $716 million. Therefore, beyond other considerations, there is the question of finding the money. Would you do so by not granting an 8 percent cost-of-living increase to those in receipt of compensation for their service-connected disabilities, to their survivors receiving dependency and indemnity compensation, to those presently entitled to educational benefits, or an increase to the veterans and widows in receipt of pension? I scarcely think so. If you entertain the possibility of increasing the ceiling in the Second Concurrent Budget Resolution, it should be borne in mind the President has requested additional funding in the amount of $268.3 million for design funds for eight new VA hospitals and construction of two of those hospitals in the next fiscal year. The President's request, coupled with the funding needed for Mr. Edgar's bill, would exceed the target for VA outlays by nearly $1 billion, or some $984.3 million.

In conclusion, and let me make this quite clear—the Veterans of Foreign Wars has for 77 years fought for equal benefits for the veterans of all wars, insofar as practicable, and covering the entire spectrum of veterans benefits—not merely one facet thereof.

With best wishes and kind personal regards, I am

Sincerely,
THOMAS C. "PETE" WALKER,
Commander-in-Chief.

DISABLED AMERICAN VETERANS,
July 16, 1976.

Hon. ———
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: This letter is written to you as a member of the Democratic Caucus who will be asked on July 21, 1976, to vote on a motion to force the Committee on Veterans' Affairs to report H.R. 14143 to the House not later than August 14, 1976.

This bill proposes to extend veterans educational benefits for 1 year for those able bodied peace-time veterans who served between the years 1955–1965 and who have already been afforded ten years to acquire maximum use of these benefits.

The Veterans' Affairs Committees have allocated a total of $454.9 million for the Subcommittee on Education and Training for FY77. These funds will provide for an 8% cost of living increase for those bonafide Vietnam Era Veterans presently enrolled in school and who on the most part have sufficient time remaining to complete their education within the prescribed 10 year period. It will also provide $1.5 million to extend the period of time during which seriously service connected disabled veterans may be afforded vocational rehabilitation training.

Efforts were made to provide the required $662 million for the 1 year extension in the First Concurrent Budget Resolution. These efforts failed and it is a simple fact that there are no funds allocated for an extension.

A vote in favor of H.R. 14143 will make it impossible for the Congress to pass legislation of a much higher priority within the limits of the budget for Veterans' Benefits and Services.

Funding has been provided in the budget and by the Veterans' Affairs Committee for:

(1) Cost of living increase in disability compensation paid to 2.2 million disabled veterans and 366,188 surviving widows and orphans.

(2) Cost of living increase for veterans in receipt of non-service connected pensions.

(3) Adequate medical treatment so desperately needed by this nation's disabled veterans.

We believe there is no justification to reduce funding for these programs in favor of an extension of educational benefits.

The 517,141 members of the Disabled American Veterans urge your vote against any motion that would extend the present 10 year eligibility period for educational benefits.

Sincerely,
CHARLES H. HUBER,
National Director of Legislation.

MUHAMMAD ALI VISITS THE REPUBLIC OF KOREA

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. MURPHY of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article which appeared in the July 3, 1976, edition of the Korea Newsreview, an international publication of the Korea Herald. The article summarizes the recent trip to the Republic of Korea by the world heavyweight champion, Muhammad Ali, and demonstrates once again that the American and Korean people have much in common:

[From the Korean Newsreview, July 3, 1976]

SEOUL SHOWERS WELCOME ON ALI

World heavyweight boxing champion Muhammad Ali has highly praised the progress the people of Korea have made since the Korean War (1950–53) and the great leadership of President Park Chung Hee.

Ali, who came to Seoul on June 27, amid a hero's welcome from hundreds of thousands of Korean fans, said, ". . . what a great leader, the people of Korea have . . . So much progress has been made since the end of the war here." He was referring to the leadership of President Park Chung Hee under which this progress has been made.

At a news conference held at the Chosun Hotel three hours after his arrival Sunday, Ali said:

"I never knew that Korea is such a beautifully laid-out country. The streets are clean. The building structures are beautiful. This place is so nice I could live here myself." Ali said when he returns to America, he will tell people how nice Korea is.

He regretted that his visit was so short this time and promised he will come back soon and give some exhibition boxing matches to

entertain the people. "This is what surprised me so much," he said, "seeing so many people, young people, old people, men, ladies—well over one million. I didn't know I was so loved in Korea," Ali said.

Ali told the newsmen that the United States was the greatest country on earth because it has people who believe in freedom and justice and believe in fighting, and we will fight, if necessary.

VISIT WITH GI'S

"This is why I am visiting the soldiers who protect me and my family," Ali replied when he was asked about his visit to the soldiers of the 2nd U.S. Infantry Division deployed north of Seoul.

"I have many American brothers over here, black and white, who fight for the freedom of the world and against the aggression of communism and are doing a job we can't pay them for," he said.

Asked about his future plans, Ali said with his voice full of confidence: "My plan for Ken Norton is an early knockout. I plan to beat him like Joe Frazier and George Foreman. Which means I shall destroy him," he said.

He said, after destroying him, he will fight George Foreman one more time and he'd like to fight with more "rasslers" if they don't lie down. The "rasslers" referred to were wrestlers.

"Then, I will retire. I am getting old," the master of ring said with a sincere look. Talking about the possibility of fighting Korean wrestler Kim Il, "Not if he lies on the floor all through fight like Inoki and fights like a crab."

Asked why his fight with Inoki was so lackluster, Ali said Inoki had acted like a crab lying on his back most of the time. "This is why the fight was dull," he said.

Ali said his best fight, the most exciting, was the third fight with Joe Frazier (in Manila last year), and the next toughest fight he has ever had was his first wife.

During his three-day stay in Korea, Ali paid tribute to the soldiers buried at the National Cemetery and the tomb of the late First Lady.

He also went to the Central Mosque in downtown Seoul to meet his Muslim brothers. Ali had a special prayer session with the Korean Muslims held for him.

Later on the following day, Ali, who is a disciple of taekwondo himself, visited Kukkiwon, the world taekwondo center on the southern outskirts of Seoul.

Ali, who has been taught the Korean-born martial arts by Korean instructor Jhoon Rhee, received the supreme black belt from Kim Un-yong, president of the World Taekwondo Federation.

Before a capacity crowd of 3,000, the ceremony got under way with the strains of national anthems of both countries provided by a high school band.

Ali was also presented with a white taekwondo robe and a replica of golden crown worn by the kings in the Silla Dynasty (B.C. 57–935).

After the ceremony, Ali watched the taekwondo demonstrations by primary school students and adult black belters.

A pint-sized primary schoolgirl amazed Ali as she racked a dozen of roof tiles with hands. Ali abruptly stood up and was motionless for a while in a gesture of incredibility.

Ali said he was very happy to have come to the home of taekwondo, especially here at the headquarters of taekwondo. Ali said in his eloquence. "God blessed me with natural speed. I am a great athlete. After I learn taekwondo, I am going to spread it all over the world."

Referring to his forthcoming fight with Ken Norton at Yankee Stadium for the world championship, Ali said he will learn a few more taekwondo punches to knock him out quickly. "I am very proud so many young boys and girls are learning the arts of taekwondo. This means making them strong and better citizens." He left Seoul on June 29.

MONONGAHELA-TYPE LAWSUIT HITS TEXAS TIMBER SALES

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. CHARLES WILSON of Texas. Mr. Speaker, on July 2, 1976, in the U.S. District Court for the Eastern District of Texas a suit was filed by a citizens group called the Texas Committee on Natural Resources which, on July 13, resulted in a temporary restraining order shutting down current and pending timber sales on the Sam Houston National Forest. This suit, Civil Action No. TY76–268–CA, brings home to the State of Texas the severe impact of the type of lawsuits which began with a decision affecting the Monongahela National Forest in West Virginia 3 years ago and which now have blocked timber sales on national forests in Alaska and in the Appalachian States of the Fourth Judicial Circuit.

Mr. Speaker, I believe that this latest suit in Texas underlines the importance of the forest management legislation now under consideration by the Subcommittee on Forests of the Committee on Agriculture. The effect of this suit in my part of Texas is set forth clearly by a news release issued July 7, 1976, by the Texas Forestry Association. I am inserting below the text of this release which I urge my colleagues to study carefully.

A hearing is now scheduled for July 21 on whether the court will grant a preliminary injunction to replace the restraining order which expires July 20. There are 21 current timber sale contracts impacted by the court's order, but the complaint covers timber sale activities on all four national forests in Texas. The order prevents felling and selling of timber and enjoins the Forest Service from any actions that would impair natural growth of vegetation. Obviously, Mr. Speaker, this is a very serious situation which I certainly hope Congress will remedy during this session.

The letter follows:

TEXAS FORESTRY ASSOCIATION,
Lufkin, Tex.

LUFKIN, TEX.—The Texas Forestry Association said today a lawsuit seeking to halt timber sales on the four national forests in Texas would wipe out hundreds of jobs and severely cripple the wood-oriented economy of East Texas.

The lawsuit—the latest of several filed nationwide by preservationist groups seeking to change forest management practices on national forest lands—was filed last week in the Fifth Circuit Court at Tyler by Dallas attorney Edward Fritz, chairman of the Texas Committee on National Resources.

Fritz' lawsuit, while seeking to halt timber sales on all Texas national forests, specifically asked Judge William Wayne Justice to cancel a harvesting contract on the Four Notch compartment in the Sam Houston National Forest near Huntsville.

Oliver Bass, Jr. of Kennard, chairman of the Texas Forestry Association's federal timber purchasers committee, said the halting of national forest timber sales would cost the East Texas economy more than $100 million annually.

"The immediate effect will be hundreds, maybe thousands, of lost jobs in the industry; the loss of $500,000 to $1 million to counties and school districts who depend on federal timber sales in lieu of taxes; and uncertainty and confusion in the timber industry," said Bass.

"The long range effect would result in increased prices for building materials and, consequently, a slowdown in housing starts and more unemployment."

"This nation is about as dependent on national forest timber as it was on Arab oil in 1973," said Bass. "If timber sales on national forests are stopped nationwide, you can expect increases on virtually everything that is wood based, from two-by-fours to newspapers," said Bass.

The national forest controversy started in West Virginia's Monongahela National Forest when a preservationist group, using a little-known organic act passed by Congress in 1897, succeeded in stopping timber sales in several states.

A number of small wood-using companies in that area have curtailed operations or gone out of business since the Monongahela decision.

Bass said similar circumstances are feared in East Texas. "As a sawmill operation, I buy most of my timber from national forests. If I cant' get that timber, I'll have to severely curtail operations."

Shutting down for Bass Lumber Company in Kennard, Texas, would cripple the town of 300 persons. Bass' mill has the largest payroll in town, about 70 men and women.

Since many sawmills in East Texas also supply wood chips to larger companies, such as paper mills, the halting of federal timber sales would also affect wood supplies for larger manufacturers.

Fritz' lawsuit revolves around an 1800-acre area being studied by the Texas National Forests' supervisor's office as a proposed wilderness area. No timber harvesting is being done in the area.

Fritz seeks to stop timber harvesting on 4100 acres of surrounding federal land he wants to include in the proposed wilderness area, along with 900 acres of private land.

Bass said professional foresters are questioning the designation of the additional 5000 acres as a wilderness area because the land has been subject to forest management for many years and is laced with trails, improved roads, railroads and oilwells.

"By no stretch of the imagination can the 5000 acres be called wilderness," said Bass.

Texas has four national forests, the Sam Houston, the Angelina, the Sabine and the Davy Crockett.

TRIBUTE TO ELMER HOFFMAN

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 2, 1976

Mr. FINDLEY. Mr. Speaker, Elmer Hoffman was a good friend and colleague, whose passing is a great loss to me personally. He served his country in many capacities, and the one which I observed most closely was his service in this Chamber.

He was undoubtedly one of the most consistent and persistent conservatives ever to serve in the House of Representa-

tives. He held a strong conviction that the Federal Government should restrict its activities in every possible way so as to ease the tax burden on the citizens. While he was very diligent in his work in this Chamber, it was apparent to me that his first love was service in State and local government, and it therefore did not surprise me to see him reenter this activity. He leaves many friends throughout the country, and he also leaves a worthy record of devoted public service.

ISRAEL COMMENDED FOR UGANDAN RAID

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. RINALDO. Mr. Speaker, today I introduced a resolution commending the State of Israel for its heroic rescue mission into Uganda on July 4. As far as I am concerned, our country could not have received a better 200th birthday present.

Over 100 passengers and crew, a majority Israeli, were held hostage at gunpoint for 1 week while a band of terrorists attempted to use the safety of Uganda and the fear of the world to their advantage. Remarkably, Israel refused to comply.

In an unprecedented military operation, the best of Israel's defense forces traveled 2,300 miles and in less than an hour they had successfully saved the lives of innocent tourists while providing a ray of hope in the effort to break the psychological chains of terrorism. Since 1968 international hijackings have become an almost commonplace event; resisting terrorism has not. Over the past 8 years, however, Israel has steadfastly refused to negotiate with international murderers and kidnappers. Instead, Israel has retained its self-respect while proving that there are no safe havens for hijackers. They have also showed the desire to use their overwhelming military superiority in the Middle East for humane purposes—not aggression.

The American Revolution was born from a fever of pride and self-respect that convinced our forefathers freedom and justice were far more desirable than tyranny and inequality. On the 200th anniversary of that revolution Israel, an infant among the nations of the world, has given us a unique lesson in moral and humanitarian leadership. It is now our turn to set an example for the world; to commend Israel officially for their courage and dignity, and further, to pledge a reevaluation of our ties with countries which condone and support an activity which we steadfastly oppose.

I urge all my colleagues to support this position. Following is the text of my resolution:

RESOLUTION

Expressing the sense of the House of Representatives that Israel be commended for its rescue operation in Uganda

Whereas on June 27, 1976, 256 passengers and crew aboard an Air France jetliner en route from Tel Aviv to Paris were hijacked by members of the Popular Front for the Liberation of Palestine and taken to Uganda's Entebbe Airport;

Whereas over 100 passengers, a majority Israeli, were detained as hostages for one week while the hijackers demanded the release of 53 terrorists held prisoner in jails in Israel, West Germany, Switzerland, France, and Kenya;

Whereas the Ugandan Government, a signatory to the 1970 Convention for the Suppression of Unlawful Seizure by Hijacking, had made little progress in negotiating with the hijackers and appeared to be in collusion with the terrorists;

Whereas Israeli defense forces, through courage, sophistication, and resourcefulness, successfully rescued the hostages and crew;

Whereas more than 800 persons have been killed and 1,700 injured, many of them innocent private citizens, in international terrorist incidents since 1968;

Whereas certain foreign countries provide economic, military, and moral support to terrorist groups, as well as offering them sanctuary during international hijackings;

Whereas Israel, in freeing these hostages, demonstrated moral and humanitarian leadership in protecting the rights of innocent people; and

Whereas the American people have steadfastly opposed terrorism: Now, therefore, be it

Resolved, That (a) it is the sense of the House of Representatives that Israel be commended for its rescue operation in Uganda where over 100 hostages were returned home safely, setting an example for the world in the struggle against international terrorism.

(b) It is further the sense of the House of Representatives that the President should reevaluate the policies and programs of the United States in order to strengthen its stand against international terrorists and countries affording aid and support to terrorist organizations.

OIL MAVERICKS LOOK AT DIVESTITURE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mrs. SCHROEDER. Mr. Speaker, the Colorado Democrat, a Colorado weekly newspaper, is in the midst of a lively discussion of oil divestiture. The second installment in the three part series is an interview with a feisty, maverick oil independent, Caswell Silver, the President of Sundance Oil, along with comments from several other Rocky Mountain oil entrepeneurs.

The article follows:

THE INDEPENDENTS: PART II OF THE OIL DIVESTITURE STORY—SILVER. "THE INDUSTRY IS BEING USED AS A WHIPPING BOY"

(By Timothy Lange)

Caswell Silver's thinning hair is a color to match his name, and with his tough-looking, scarcely paunchy body, big hands and flashing eyes, he looks like a lot of people's idea of what a maverick oil man should be. He's what's known in oil as a small independent.

In a business where even words like gigantic don't convey much, "small independent" should be clarified. Sundance Oil had sales of more than $17 million in 1975, and earnings per share were $3.69.

Sundance is a very successful small independent. Silver, who's been in the oil business for 30 years, is a maverick in another way as well. He is, he says, a Democrat, "one of the few in the business."

With plenty of jabs at individuals and special interests in his own party, he explains why he's not a Republican: "I have a strong sense of social responsibility. The day we don't have unions and the right to strike—as in Russia—we'll lose our freedom. I feel that employment is the responsibility of government, and no Republican feels that way. The government should be the employer of last resort, though." The constant cycle of inflation he believes is caused by unions is an unfortunate but necessary cost of union freedom.

As a "fiscally conservative" Democrat, Silver sees himself in a unique position to criticize his party's congressional activities. He does so acerbically and with a profane humor that is wholly expected and enjoyable whatever one's political views.

"Congress," he says, "doesn't know that much. Essentially, they're ignoramuses. The quality is better than it's ever been; they've got brains but no knowledge. It's evident in all the things they do." Like most other oil producers—major and independent—Silver is greatly displeased with Senate Bill 2387—the Birch Bayh—Philip Hart oil divestiture bill.

On Silver's newsclipping sprinkled desk is the June 11th Christian Science Monitor's essay-debate about divestiture between Bayh and the American Petroleum Institute's president Frank Ikard.

BLASTING BAYH

Paragraph by paragraph through both men's arguments, Silver has lambasted Bayh as "ignorant" and not being able to tell "——— from Shinola" about the oil business, and has agreed with every word of Ikard's comments.

Going through the beginning of Bayh's essay, Silver erupts, "I deny that production is being held down anywhere in the industry," he says, scribbling a big "F" for false next to the senator's assertion that production is being held down.

"True" is written next to Bayh's statement that free enterprise would thrive under divestiture, but Silver adds out loud, "Free enterprise is thriving NOW except for excessive government regulations."

"Not true," he replies to Bayh's statement that vertical divestiture will not increase the pressure from the OPEC countries. "This would definitely increase the power of the OPEC nations," he says. "Birch Bayh is a brilliant man, but he doesn't know anything about the oil business. We need muscles to deal with OPEC." Without the super-huge international oil companies, Silver believes the OPEC countries would be encouraged to raise imported oil prices.

DIVESTITURE MEANS HIGHER PRICES

With the companies broken up, there also would be the difficulty of getting together enough capital to find oil, he says, and the cost to the public would be large. He echoes a remark being made often these days in oil company press releases, university studies and at least one federal report, "Break them up and (domestic) oil prices will go up."

The price rise, it is reasoned would occur because the industry's low-profit refining and marketing divisions are now "carried" by the higher-profit production operations, but after divestiture, these low-profit divisions would have to make more profit to stay in business.

Not everybody who favors divestiture believes that reasoning is true, but Sen. Gary Hart admits it might mean higher prices. It'd still be worth it, the Senator says, because of the competition it would engender.

Bayh doesn't think prices will rise, but he does think the bill would create more competition. Silver sighs, "There's all kinds of competition in the oil industry. It's intense. He doesn't know what's going on."

And, when Silver gets to where Bayh has written, "Vertical divestiture is not punitive," he is quietly angry. "Well,' he says, "that's horsecock. It is punitive. They don't go after automobiles or steel, do they?"

By the time we reach Bayh's statement that Big Oil undercuts the independents, Silver is happily fuming, and writing all over the Senator's comments. He says and writes about undercutting. "That's what he'd like to believe, but it isn't true." Silver says he's never had a problem getting his oil through the major-company-owned pipelines, and they haven't tried to undercut him.

"I deny there is a problem. The problem is with Congress," Silver says. After 20 minutes, we've come full circle.

I SAY TAKE OFF THE PRICE CONTROLS

What is the problem with Congress?

Silver only has to ponder briefly. "If I were to solve the energy crisis of the United States, I would take off the price controls. I would remove tax restraints which penalize American companies competing abroad because the energy problems of this country, insofar as oil and gas are concerned, are dependent on the strong position of American companies in international oil."

Congress, he says, is pushing jobs overseas and making it unprofitable to look for gas. "These guys are so consumer-conscious that they lose the long-term interests of the consumer—which revolves around full employment. The best interest of the consumer is a strong economy and full employment. You can't subsidize the consumer and do that."

Ralph Nader's error is in mixing two kinds of consumerism, Silver argues, the "justified" kind that protects people from bad products, and the "mistaken" kind that subsidizes consumers by keeping prices artificially low.

"If you're of the opinion,' Silver half-jokes, "that we have to throw a sop to people to run government, then horizontal divestiture would be the way to go." He has "no objections" to horizontal divestiture—the kind that would make the oil companies give up their coal and other holdings—but, "I think it would be a mistake."

Caswell Silver isn't the only Democrat oil man who doesn't like Senate Bill 2387.

MAJORS AREN'T COMPETITIVE

Jack Grynberg, president of Oceanic Exploration and a string of other very small exploration and production companies, thinks divestiture might be a good idea, but not the kind the Senate is considering.

In his view, the government is taking the wrong approach in solving a real problem. He says, "There's no doubt about it. The majors aren't competitive." But the proposed breakup may have exactly the result the companies claim, he says, higher prices.

Congress has made repeated mistakes, according to Grynberg, mistakes such as taking off the oil depletion allowance, fiddling with foreign tax credits and overregulating the price of oil and gas.

Though he admits he has no clearcut answer, he is willing to put forth a tentative suggestion. "As far as breaking up the industry into smaller companies, it should be like the original break-up of Standard Oil (in 1911)." That year, Standard, which controlled 85 per cent of the market, was broken into several smaller companies, each of them integrated.

Integration from wellhead to gas pump creates efficiency, Grynberg believes, and several fully integrated smaller companies would have an incentive to grow bigger. "Let them grow by finding more oil."

Secondly, he says the government should get rid of price controls, but hit too-high profits by establishing progressively stiffer tax levels. "That's the only answer to generating enough capital to look for oil," he says.

Finally, the government "should prevent the oil companies from spending money in areas other than oil. I feel strongly that money made from oil and gas should be spent to find more, and I feel that the oil companies have a duty to the country to find all the oil and gas they can." Profits shouldn't be used to acquire other non-oil or non-gas holdings.

HALF THE RIGS IN THE ROCKY MOUNTAINS ARE SHUT DOWN

"But," Grynberg says, "the government has created an atmosphere to do the opposite." Now, he adds, the major oil companies are teaching the government a lesson. "Half the rigs in the Rocky Mountains are shut down." This pressure method worked in Canada two years ago, he says. Under price controls, companies simply refused to drill until the Canadian government changed policies, allowing prices to go up sharply.

Bob Nichols of the three-year-old Keba Oil and Gas Co. heads a very, very small independent exploration and production business. There are four employes.

Splitting up the oil companies isn't going to do anybody any good, he says. "I think what would probably happen is that it'd be more a burden on the consumer."

The industry is being used as a whipping boy, he says. "It is capital-intensive, not labor-intensive, so senators won't lose many votes by breaking it up, and they can say 'Look what we did to the big, bad oil companies.' You can bet they wouldn't do that to the auto companies," Nichols says, alluding to that industry's thousands of employe-voters.

The major companies, according to Nichols, are good because they have the capital to help independents like himself get wells drilled. "When they say this breakup'll help the independents, I don't see how."

Like the others, Nichols' solution is directly and unapologetically from Adam Smith: "The best thing they could do is remove the controls. Get the damn government out of the business and let the supply and demand balance."

NOT EVEN ENOUGH GAS TO HEAT THE HOUSE . . . AND SENATE?

Prices under a decontrolled system would go up, he says, but the cost would be worth it to get the oil and gas out of the ground. "One of these winters," he warns, "we'll get cold and the gas won't be there" if controls aren't soon abondoned.

Headed by Lewis McCann, Pinon Petroleum is very, very, very small exploration and production company in Boulder. It's a two-man operation, making Pinon about as opposite from Exxon as you can get in the oil business. McCann opposes the breakup.

"I think it's a ridiculous thing to do. You just upset the apple cart in every manner. You destroy what the big companies can do," McCann says.

Competition is already fierce, he says, and "I don't think (the breakup) will help us or hurt us a bit. I just don't think it would have much effect."

Then why does he think so many people favor it?

"The thrust," says McCann, "is there because they're big companies. It's political, just political."

ANNOUNCEMENT OF HEARING

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary will conduct a hearing on July 29, 1976, at 9:30 a.m. relative to the allocation of resources by the Federal Bureau of Investigation. Of particular concern to the subcommittee is the effect of the demands of the Freedom of Information Act and the Privacy Act on the FBI's accomplishment of its total responsibilities. The subcommittee will hear from FBI representatives regarding alternatives available to reduce the backlog of requests under the aforementioned acts while not unduly jeopardizing other Bureau activities.

TEXAS FARMERS AND RANCHERS FAVOR LESS GOVERNMENT INTERFERENCE

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. KRUEGER. Mr. Speaker, the agriculture business is one of the most important segments of the American economy. All too often, however, the Congress seems anxious to act or react without considering the full consequences and without consulting directly those who are most affected.

The farmers and ranchers of my congressional district recently responded to a questionnaire which I sent them, and the message they are sending back to Washington is loud and clear.

The results speak for themselves, and I would now like to insert the results into the RECORD for the benefit of my colleagues, who I am sure will find them very informative and revealing:

RESULTS OF KRUEGER AGRICULTURAL POLL, MAY 1976

[Figures in percent]

1) The Ford Administration and Secretary of Agriculture Earl Butz favor a return to the market concept in national farm policy. What do you think of this proposal?

It would be in the best interests of American farmers, 64.

It would harm American farmers, 15.

No opinion, 16.

No response, 5.

2) Some people fear that a return to the market concept in agriculture will create a situation in which farmers experience no market stability, since they could receive very high prices for their products one year and very low ones the next. Do you think that American agriculture will experience less stability than is desirable if we return to the market concept?

Yes, 13.

No, 65.

Uncertain, 19.

No response, 3.

3) How much say does the average farmer or rancher have in deciding how he runs his business?

More than other businessmen, 16.

As much as other businessmen, 28.

Less than other businessmen, 52.

No response, 4.

4) I am a cosponsor of Congressman Burleson's Estate Tax Bill. Do you think that this bill should be passed? (It would increase the estate tax deduction and provide for tax valuation of land based on its use as a farm or ranch).

Yes, and I and my heirs might benefit from such a change, 96.

Yes, but I have no personal interest, 3.
No, 0.
No response, 1.

5) Last year I met with the President in an effort to gain more federal understanding of our need for our predator control. How serious do you think the need for *increased* predator control is?

Serious, 88.
Not serious, 8.
No opinion, 3.
No response, 1.

6) Some Texas farmers and ranchers have trouble attracting laborers to assist in their operations. To what do you attribute this difficulty? (check more than one, if necessary.)

Labor costs are too high, 63.
Government restrictions on hiring of workers are too severe, 47.
No one wants to do some types of work any more, 83.
I have no such problems, 3.
No response, 3.

7) Should the United States sell agricultural products to Russia?

Yes, 37.
Yes, but only if American consumers do not face shortages as a result, 52.
No, 8.
No response, 3.

NOTE.—A large percentage of those responding yes (both the first response and the second) mentioned that we should sell to Russia only if they pay cash.

8) American meat producers are facing stiff competition from foreign imports. What would you do about this?

Nothing, they must face the natural competition of the market, 3.
Imports should be outlawed, 5.
Import quotas should be established, 47.
Imports should be allowed as at present, but inspection standards should be increased, 43.
No response, 3.

9) Could economic considerations force you out of the agriculture business in the next five years?

Yes, 68.
No, 16.
Uncertain, 13.
No response, 3.

10) Would you recommend that a young person today enter your business?

Yes, 39.
No, 43.
Not sure, 17.
No response, 1.

REGULATORY REFORM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1976

Mr. ROSENTHAL. Mr. Speaker, regulatory reform is an issue as old as the United States. Given our mixed economic system, it is natural that the proper blend of private and public participation should concern our citizenry.

But there are special reasons for the recent intensification of interest. Watergate, intelligence community abuses, illegal campaign contributions, and congressional scandals—these have undermined confidence in the Federal Government's ability and willingness to do a first-rate job of regulation. Technology, including computerization, has widened the gap between the average citizen and his Government.

Presidential contenders have sought political mileage by attacking the sheer size of the Federal Government. They have bandied about phrases such as "ever-expanding Federal bureaucracy" and "regulatory bondage" to tap public suspicion of big government. The facts, however, show a relative shrinking of the Federal payroll. In 1947, there were 14.4 Federal employees per 1,000 population; by next year it will be down to 12.9. Salaries account for only 8 cents of every Federal tax dollar.

Nevertheless, few people contest the value of some regulatory reform. The basic disagreement is over what should be reformed and how. A fundamental problem arises because there are two distinct types of regulations: first, those affecting health, safety and welfare—public protection—and second, those regulating competition in the marketplace—protection.

The public protection regulations are attacked by the business community and conservative politicians as restricting industry from operating free of concern for the environment, workers, and consumers. The profit protection regulations are opposed by the average citizen and more progressive lawmakers because they stifle competition and favor big business.

These divergent views are illustrated by criticism of the Interstate Commerce Commission, the oldest Federal regulatory agency. Established in 1887 to stop the railroads from abusing their monopoly positions, the ICC mandate now includes trucks, barges, and pipelines. Some ICC critics, such as myself, note it has done less to control than to encourage monopoly. It is a forum where industry representatives get together to fix prices and operating conditions. It would be as if Sears and Ward's met to decide what day to have a sale and how much to charge. The public could benefit from substantially lower prices if the ICC forced shippers and others to compete through efficient services and fairer rates.

Champions of the ICC, including most major "competitors" in the regulated industries, naturally defend this rate fixing which has awarded them monopoly prices. The chairman of the American Trucking Association, for example, characterizes this rate setting as "essential economic regulation of transportation." He and his industry colleagues reserve their criticism for what they call unnecessary, costly totalitarian-like overregulation in the social fields. By this they mean, in the ICC context, regulations such as those which limit the size of trucks so as to preserve public highways and make travel safer. They enjoy having the higher revenue guaranteed by Government price regulations but refuse to pay to keep their operations equitable and safe.

One agency which has come under especially strong attack from big business and its allies is the Food and Drug Administration. Pharmaceutical companies want to hasten the lengthy procedure required for clearance of drugs for human use. Yet the evidence is clear that we receive insufficient protection against dangerous and ineffective drugs. Adverse drug reactions kill an estimated 140,000 Americans annually. The FDA reports that fewer than 40 percent of all drug formulations have been proven effective. Improvements require better physician training, a more thorough policing of FDA conflicts of interest and stricter standards for drug advertising—more regulation, not less.

This analysis leads to the inescapable conclusion that regulatory reform is a slogan with little meaning apart from the values of the speaker, the intended audience and the issue involved.

What is essential is vigorous pursuit of regulatory review and revision. In this, the 94th Congress has a commendable record. In the first 11 months of the Congress, House oversight committees held an unprecedented 235 hearings, many lasting 3 and 4 days. Some occupied as many as 10 sessions. Thousands of recommendations were adopted to increase Government economy and efficiency. Moreover, legislative committees also instituted many statutory improvements, including more competitive railroad ratemaking, the abolition of fixed stock brokerage commissions and repeal of the fair trade laws. The last action will save consumers an estimated $2 billion annually through lower prices for drugs, appliances, and other products formerly subject to price dictation by the manufacturer.

The Congress is also exploring three related ideas to overhaul the entire system of regulatory review:

First. Sunset legislation which would require the termination of any Federal program which could not periodically justify its existence;

Second. Zero-based budgeting which would force each Government agency and department to defend every dollar in its proposed budget rather than only the increase over the preceding year's, and

Third. A congressional veto over all Federal regulations.

Each of these raises problems. Regular congressional reassessments of all Federal programs would require an enormous staff to administer and consume a disproportionate share of each legislator's time. There is the risk that lobbyists would play an overwhelming role in every review since industry could benefit greatly from even small changes in some programs and alone has the time, dollars, and resources to devote to the process. Finally, there is little assurance that any of these reforms will produce more effective change than the present approach.

The congressional veto idea is particularly objectionable in that it would add uncertainty and delay to the regulatory process, give big business lobbyists a second chance to defeat socially desirable regulations, and divert the Congress' attention from long-range solutions.

These proposals, however, may have virtue in preventing Government programs from mushrooming uncontrollably and in discouraging secret give-

aways of Federal funds. On balance, the sunset idea and zero-based budgeting deserve a cautious try.

One person's regulatory reform is another's regulatory destruction. Government programs should, however, be constantly reexamined to make certain they are continuing to promote legitimate ends and are doing so in the most effective and efficient manner. This has been one of my principal goals in Congress. It is also the official mission of the House Government Operations Committee, of which I am a member, and its Subcommittee on Commerce, Consumer, and Monetary Affairs, which I chair.

Thorough investigations and careful reassessments of performance and goals are the cornerstone of any governmental system. This, not political rhetoric, is the proper approach to regulatory reform.

SENATE—*Tuesday, July 20, 1976*

The Senate met at 9 a.m. and was called to order by Hon. DICK CLARK, a Senator from the State of Iowa.

PRAYER

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

Almighty God, who in former times didst lead our fathers, grant Thy grace to us, their children, at this turning point in history. May the inner life of the spirit match in power the outer might of our industry, our science, our commerce, and our weapons.

Let Thy spirit dwell in each of us here to light up our days, to guide us in all legislative, diplomatic, and business judgments. Give us courage to correct what is wrong and to uphold what is right.

As we take up our tasks may we labor in accord with Thy commandments. Keep us steadfast in the pursuit of "whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report * * * think on these things."

In the Redeemer's name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 20, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DICK CLARK, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CLARK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of proceedings of Monday, July 19, 1976, be dispensed with.

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

BUREAU OF INDIAN AFFAIRS REVISED RETIREMENT BENEFITS AMENDMENTS OF 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 971, H.R. 5465.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5465) to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H.R. 5465) which had been reported from the Committee on Post Office and Civil Service with an amendment to strike all after the enacting clause and insert the following:

That section 8336 of title 5, United States Code, is amended by redesignating subsection (h) as subsection (i) and inserting the following new subsection:

"(h) An employee is entitled to an annuity if he (1) is separated from the service after completing 25 years of service before December 31, 1985, or after becoming 50 years of age and completing 20 years of service before December 31, 1985, (2) was employed in the Bureau of Indian Affairs or the Indian Health Service continuously from June 17, 1974, to the date of his separation, (3) is not otherwise entitled to full retirement benefits, (4) is not an Indian entitled to a preference under section 12 of the Act of June 18, 1934 (48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions, and (5) can demonstrate that he has been passed over on at least two occasions for promotion, transfer, or reassignment to a position representing career advancement because of section 12 of the Act of June 18, 1934 (48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions.".

SEC. 2. Section 8339 of title 5, United States Code, is amended—

(1) by inserting in subsection (f), immediately after "subsections (a)-(e)", the following: "and (n)";

(2) by inserting in subsection (i), immediately after "subsections (a)-(h)", the following: "and (n)";

(3) by inserting in subsections (j) and (k)(1), immediately after "subsections (a)-(i)" each time it appears, the following: "and (n)";

(4) by inserting in subsection (l), immediately after "subsections (a)-(k)", the following: "and (n)";

(5) by inserting in subsection (n), immediately after "subsections (a)-(e)", the following: "and (n)"; and

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

"(n) The annuity of an employee retiring under section 8336(h) of this title is:

"(A) 2½ percent of his average pay multiplied by so much of his total service as does not exceed 20 years; plus

"(B) 2 percent of his average pay multiplied by so much of his total service as exceeds 20 years.".

SEC. 3. (a) Section 8341 of title 5, United States Code, is amended—

(1) by inserting in subsection (b)(1), immediately after "section 8339(a)-(i)", the following: "and (n)"; and

(2) by striking out of subsection (d) "section 8339 (a)-(f) and (i)" and inserting in lieu thereof the following "section 8339 (a)-(f), (i), and (n)".

(b) Section 8344(a)(A) of such title is amended by striking out "and (i)" and inserting in lieu thereof "(i), and (n)".

SEC. 4. The amendments made by this Act shall take effect on October 1, 1976, or on the date of enactment of this Act, whichever date is later, and shall only apply to employees separated from the service on and after June 17, 1974.

Mr. McGEE. Mr. President, H.R. 5465 is a bill intended to redress an inequity upon a relatively small number of career Government employees whose standing has been adversely affected through no fault of theirs.

The situation is unique. These people were employed in the Bureau of Indian Affairs and the Indian Health Service with the understanding that they enjoyed full competitive status in all subsequent personnel actions notwithstanding the provisions of the Wheeler-Howard Act of 1934 or other statutes which accord qualified Indian people preference for positions in those two agencies.

Indian preference laws were interpreted as giving native people an advantage over other applicants for initial appointment only until 1972, when the preference was extended to all personnel actions. That change gave rise to law suits, including the cases which resulted in the Supreme Court decision of June 1974 (*Morton* v. *Mancari*, 417 U.S. 535) and the U.S. district court decision of December 21, 1972 (Freeman against Morton).

Taken together, those decisions make it clear that the Indian preference law is constitutional and that it applies, not just to all initial hirings, but to promotions, lateral transfers, and reassignments, as well as any other personnel movement intended to fill vacancies.