posing, through their investigations, the working of the Communist conspiracy within the United States; and

Whereas, The current expansion of activities on the part of the Communist Party, USA, recent revelations by the Director of the FBI, and the decisions of the Supreme Court, which emasculated the internal security legislation of the United States, have made even more clear the necessity for continued action on the part of these Congressional Committees; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Chicago, Illinois, August 22, 23, 24, 1972, that The American Legion again express its confidence in the work of the House Committee on Internal Security and the Senate Internal Security Subcommittee as important instruments for the exposure and eradication of the Communist menace within our borders; and, be it further

Resolved, That this organization does urge the said committees to continue vigorously in the work which they have so well undertaken in the years past; and, be it further

Resolved, That The American Legion petition the Congress to appropriate sufficient funds to enable these committees to extend and expand their activities.

RESOLUTION NO. 102 OF THE VETERANS OF FOREIGN WARS

THE DOMESTIC THREAT

Whereas, there exists in these United States multiple groups of either a permanent or *ad hoc* character ranging from the Communist Party, USA (CPUSA), with the clear and avowed mission of overthrowing our free institutions, to groupings of a more fleeting, single-issue-oriented nature which seek to embarrass and discredit the United States; and

Whereas, far too many persons in the communications media have failed to report violent dissidence and treason "as it is," but have extended inordinately respectful coverage to those who have consistently displayed hatred and contempt for our country, our flag and institutions; and

Whereas, eternal vigilance is the price of liberty; now, therefore be it

Resolved, by the 74th National Convention of the Veterans of foreign Wars of the United States, that

(a) The Federal Bureau of Investigation continue and intensify its program of surveillance and reporting upon parties, groups, and individuals whose actions are inimicable to the domsetic tranquility of the United States; and

(b) Since the Subversive Activities Control Board (SACB) was not fully used by the Attorney General and has been permitted to decay and perish, full support must now be extended to H.R. 6241 (Constitutional Oath Support Act) which revises and strengthens America's Federal Civilian Employee Loyalty-Security Program; and

(c) Subversive elements attacking the Armed Forces from within or without be identified and prosecuted with energy and dedication; and

(d) All of those so-called groups and peace activists who by their actions undermined our war effort in Southeast Asia and contributed to their deterioration of the peace agreements which were established with the communists, be publicly spotlighted for what they are and subjected to vigorous legal prosecution as they seek to disappear into the wide American Society in the post-Vietnam era; and

(e) Our Commander-in-Chief commends the painstaking efforts of the great majority of the House Committee on Internal Security (the Ichord Committee) for its fair-minded and comprehensive efforts to enhance our internal security without any valid "witch hunting" charges being brought against them.

SENATE—*Friday, March 22, 1974*

The Senate met at 9 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

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

O Lord God of this new day, as the dawn has grown into the fullness of the morning, so let Thy light banish all doubt and fear that we may find and follow Thy purpose throughout this day. Help us to use its precious hours in a manner Thou canst bless and hallow with Thy presence. May we be strong to do things worth doing and strong in turning away from the unworthy, the base, and the trivial. In these times requiring greatness, may our dedication to Thee be complete. And, finally, in our work give us the joy of those who are workers together with Thee for a world redeemed and made ready for Thy coming kingdom.

In the Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, March 21, 1974, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

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

CONGRESSIONAL BUDGET ACT OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business S. 1541, which the clerk will state.

The legislative clerk read as follows:

S. 1541, to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The Senate resumed consideration of the bill.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the Nelson-Mondale amendment No. 1046 which the clerk will state.

The second assistant legislative clerk read as follows:

On page 107, on line 6, beginning with the word "The", strike everything through the word "completed." on line 19, and insert the following: "Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) The Committee on the Budget shall consist of fifteen members.

"(b) For purposes of paragraph 6, service of a Senator as a member of the Committee on the Budget shall not be taken into account.

"(c)(1) Membership on the Committee on the Budget shall be divided into three classes with five seats in each class. The members first elected to the committee shall, by lot, determine the class to which their seats are assigned. Thereafter, members elected to the committee shall be elected to a seat in one of the three classes.

"(2) A member serving on the committee in a seat of the first class during the Ninety-fifth Congress, or during any third Congress following the Ninety-fifth Congress, shall not be eligible to serve on the committee during the Congress following such Ninety-fifth Congress or following any such third Congress, as the case may be.

"(3) A member serving on the committee in a seat of the second class during the Ninety-sixth Congress, or during any third Congress following the Ninety-sixth Congress, shall not be eligible to serve on the committee during the Congress following such Ninety-sixth Congress or following any such third Congress, as the case may be.

"(4) A member serving on the committee in a seat of the third class during the Ninety-seventh Congress, or during any third Congress following the Ninety-seventh Congress, shall not be eligible to serve on the committee during the Congress following such Ninety-seventh Congress or following any such third Congress, as the case may be.".

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, separate and apart from the unanimous-consent agreement, there be a brief period for the transaction of routine morning business, with statements therein limited to 3 minutes each.

The ACTING PRESIDENT pro tempore. For how long a period?

Mr. MANSFIELD. I said a brief period. Fifteen minutes.

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

Is there any morning business?

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

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

The second assistant legislative clerk proceeded to call the roll.

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

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday next.

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

REPORTS OF COMPTROLLER GENERAL OF THE UNITED STATES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office issued or released in February (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on complications incurred because of delays in transferring patients to the VA spinal cord injury treatment centers, Veterans' Administration, dated March 20, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on problems affecting mail service and improvements being taken, U.S. Postal Service (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the difficulties of assessing results of law enforcement assistance administration projects to reduce crime, Department of Justice, dated March 19, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED LEGISLATION FROM PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

A letter from the Chairman, Pennsylvania Avenue Development Corporation, Washington, D.C., transmitting a draft of proposed legislation to amend the act of October 27, 1972 (Public Law 92-578) (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION BY ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend the Federal Employees' Compensation Acts, as amended, title 5, United States Code, by adding a new section providing for work injury coverage of Federal petit and grand jurors in the performance of their duties (with an additional paper). Referred to the Committee on Labor and Public Welfare.

FINANCIAL STATEMENTS FOR URANIUM ENRICHMENT ACTIVITY

A letter from the Assistant General Manager, Controller, Atomic Energy Commission, transmitting, for the information of the Senate, copies of the 1973 Financial Statements for the Uranium Enrichment Activity (with accompanying papers). Referred to the Joint Committee on Atomic Energy.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. METCALF):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION No. 67

"Urges the President and Congress of the United States and the Secretary General of the United Nations to expand the international fishing treaty to include all nations and encourage recalcitrant nations to sign the treaty

"Encourage the Federal Maritime Administration to prevent the transfer of registration to other sovereign nations by American vessels.

"Whereas, The tuna industry is vitally important to the economic well-being of San Diego and San Pedro, as well as the State of California; and

"Whereas, A treaty between the United States and other countries exists which attempts to limit the fishing in certain areas in order to protect and insure the future of tuna fish; and

"Whereas, The practice of overfishing and out-of-season fishing will do irreparable harm to the environment, the tuna industry, and the economy of the State of California; and

"Whereas, Some nations are not enforcing the provisions of the treaty which limits overfishing and out-of-season fishing; and

Whereas, Some countries have not agreed to the treaty and thus encourage change of registration of the fishing boats in order to circumvent the requirements of the treaty; now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to expand the treaty to include all nations taking fish from this area; and be it further

"Resolved, That the Federal Maritime Administration, which is part of the Department of Commerce, should also be encouraged to prevent the transfer of registration to other sovereign nations by American vessels; and be it further

"Resolved, That the United Nations should encourage recalcitrant nations to sign the treaty; 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 the Secretary General of the United Nations."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Veterans' Affairs:

"ASSEMBLY JOINT RESOLUTION No. 40

"Petitions of the President and Congress to increase educational benefits for Vietnam veterans.

"Whereas, After World War II, the veterans of the United States military were eligible for educational benefits of $75 monthly allowance and an additional $500 a year for tuition and books; and

"Whereas, Currently, veterans are allowed only $220 total per month with which to pursue their education; now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully petitions the President and the Congress of the United States to increase educational benefits for Vietnam veterans; 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 joint memorial and a concurrent resolution of the Legislature of the State of Washington. Referred to the Committee on Foreign Relations:

"SENATE JOINT MEMORIAL No. 131

"To the Honorable Richard M. Nixon, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives and to the Senate and House of Representatives of the United States, in Congress assembled, and to the International Joint Commission

"We, your Memorialists, the Senate and House of Representatives of the state of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The International Joint Commission, established by the treaty of 1909 between the United States and Great Britain to adjust disputes involving the use, obstruction, or division of the boundary waters between the United States and Canada and to adjust other disputes arising along the boundary between the United States and Canada, has been conducting a study of the Point Roberts area, a portion of the state of Washington contiguous to the Province of British Columbia, through a body it has created known as the International Point Roberts Board; and

"Whereas, The Washington state legislature commends the attention of the United States Government to Senate Joint Memorial 69-7 transmitted to the President and Congress in April 1969 requesting formation of a commission to discuss the problems of Point Roberts; however, the specific concerns expressed in that memorial have not been addressed, nor has the continuing participation of all affected and interested parties been realized; and

"Whereas, The Washington state legislature has not been formally invited to participate in the International Point Roberts Board study; and

"Whereas, No political subdivision of the state of Washington or local government thereof has been formally invited to participate in said study, and

"Whereas, The Washington state legislature is now engaged in a formal study of the Point Roberts area, as evidenced by the attached Senate Concurrent Resolution; and

"Whereas, The Washington state legislature is concerned whether the International Joint Commission is acting properly within the scope of its treaty powers by considering a proposal to create an International Park of three thousand square miles which will significantly affect the people of the state of Washington;

"Now, therefore, Your Memorialists respectfully ask that the International Joint Commission discontinue its study of the future of Point Roberts until the authorized county and state agencies complete the land use plan actions now in process and the Washington State legislature submits any recommendations that may then be deemed appropriate.

"Be it resolved, That copies of this Memorial and its attached Senate Concurrent Resolution be immediately transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of

United States, to each member of Congress from the state of Washington and to each member of the International Joint Commission.

"And be it further resolved, That copies of this Memorial and Concurrent Resolution be transmitted to the Prime Minister of Canada and the Canadian Federal Parliament, and to the Premier and the Provincial Parliament of British Columbia."

"SENATE CONCURRENT RESOLUTION NO. 144

"Whereas, The International Joint Commission, established by treaty to handle affairs between the United States and Canada, has been conducting a study of the Point Roberts area, a portion of the state of Washington; and

"Whereas, The Washington state legislature was not formally included in the International Joint Commission study; and

"Whereas, Many counties, disrticts, and communities were not formally contacted at the consideration stage of the Point Roberts study; and

"Whereas, The advisory board to the International Joint Commission recommended an international recreational area of three thousand square miles, including Point Roberts, and designating Point Roberts as the administrative headquarters; and

"Whereas, Problems of dual governmental administration should be carefully considered; and

"Whereas, There may be many interjurisdictional problems, such as the limitations on governmental health insurance with regard to Canadian citizens living in Point Roberts; and

"Whereas, Various agencies are currently considering plans for private development of the Point Roberts area which may not be compatible with the International Point Roberts Board plan; and

"Whereas, There is the possibility that the International Joint Commission's proposals might impede private development in the Point Roberts area; and

"Whereas, A proposed private development in the Point Roberts area to create a community of twenty thousand people would mean an increased amount of traffic to the Point; and

"Whereas, At the present time the only land access to Point Roberts is by way of two lane road through British Columbia; and

"Whereas, There exists a problem with transportation of goods through Canada enroute to Point Roberts; and

"Whereas, The Province of British Columbia has indicated that it is not in favor of increased traffic by Americans to Point Roberts on Canadian roads; and

"Whereas, Free movement of tradesmen, their tools, and their supplies through Canada may be questioned; and

"Whereas, There exist problems with the supply of electrical power, telephone lines, sewage, and other necessities to the Point; and

"Whereas, There exists a problem with regard to law enforcement in Point Roberts; and

"Whereas, Air traffic patterns on two naval air bases on Whidbey Island have not been taken into consideration in the International Joint Commission's plan; and

"Whereas, The commission report has not directed itself to the problems of the Lummi Indian Tribe; and

"Whereas, The existing rights of the fishermen may be adversely affected and are not guaranteed under the proposal;

"Now, therefore, be it resolved, By the Senate, the House of Representatives concurring, that the Washington state legislature establish a select committee to develop suggested policies which would be in the best interest of the state of Washington, relating to the future of the Point Roberts area; and

"Be it further resolved, That the select committee shall be composed of eight members, four appointed by the Lieutenant Governor and four by the Speaker of the House of Representatives, two to be from the respective majority caucuses and two from the respective minority caucuses.

"Be it further resolved, That the select committee shall incorporate in the suggested policies the findings, data, and opinions developed from adequate participation by all affected state and local agencies and citizen groups and to this end may hold such hearings as may be necessary; and

"Be it further resolved, That the Office of the Attorney General is requested to provide such legal assistance as may be required to examine the state, local, and international legal implications of the suggested policies; and

"Be it further resolved, That such suggested policies shall be presented not later than January 1, 1975, to the Washington state legislature for the purpose of considering the proposals for formal recommendation to the International Joint Commission."

A resolution adopted by the Sacramento (California) City Council relating to passenger service to the City of Sacramento. Referred to the Committee on Commerce.

A resolution adopted by the Utah State Bar, Ogden, Utah, praying for a repeal of the "grandfather" clause of Section 3, Public Law 85-593. Referred to the Committee on the Judiciary.

Resolutions adopted by the Association of the Bar of the City of New York, New York, N.Y., praying for the enactment of legislation to increase the compensation of judges of the Federal courts. Referred to the Committee on Post Office and Civil Service.

PRESENTATION OF A PETITION

By Mr. PASTORE (for himself and Mr. PELL):

A resolution of the House of the State of Rhode Island and Providence Plantations. Referred to the Committee on Interior and Insular Affairs:

HOUSE RESOLUTION 74-H 7401

Memorializing Congress to Ration Oil and Gas Among the States on a Per Capita Basis

Resolved, That the house of representatives of Rhode Island and Providence Plantations memorializes congress to ration oil and gas among the states on a per capita basis; and be it further

Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment:

S. 2446. A bill for the relief of Charles William Thomas (Rept. No. 93-741).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 3052. A bill to amend the act of October 13, 1972 (Rept. No. 93-742);

H.R. 6274. An act to grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositaries of the United States by extending the availability of the check forgery insurance funds, and for other purposes (Rept. No. 93-743).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2844. A bill to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes (Rept. No. 93-745).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with amendments:

S. 939. A bill to amend the Admission Act for the State of Idaho to permit that State to exchange public lands and to use the proceeds derived from public lands for maintenance of those lands (Rept. No. 93-744).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 296. Resolution authorizing the printing of additional copies of the committee print entitled "The Federal Mine Safety and Health Amendments of 1973 (S. 2117)" (Rept. No. 93-746);

S. Con. Res. 73. Concurrent resolution authorizing the printing of additional copies of a committee print of the Senate Select Committee on Nutrition and Human Needs (Rept. No. 748);

H. Con. Res. 78. Concurrent resolution to authorize the printing of a Veterans' Benefits Calculator (Rept. No. 93-749); and

H. Con. Res. 397. Concurrent resolution providing for the printing of additional copies of hearings before the Subcommittee on Foreign Economic Policy entitled "Foreign Policy Implications of the Energy Crisis" (Rept. No. 93-750).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Banking, Housing and Urban Affairs:

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. NUNN, from the Committee on Armed Services:

Col. Edward B. Burdett, Regular Air Force, to be brigadier general.

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. HRUSKA:

S. 3216. A bill to make Level IV of the Executive Schedule applicable to the U.S. attorney for the central district of California and to the U.S. attorney for the northern district of Illinois. Referred to the Committee on Post Office and Civil Service.

By Mr. NELSON (for himself, Mr. HART, Mr. HATHAWAY, and Mr. MONDALE):

S. 3217. A bill to amend the Small Business Act to provide assistance to small business concerns adversely affected by shortages of energy and energy-related and other raw materials and shortages. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. GOLDWATER:

S. 3218. A bill for the relief of Linda Thomas Bannon. Referred to the Committee on the Judiciary.

By Mr. STEVENSON:

S. 3219. A bill to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes. Referred to the Committee on Finance.

By Mr. HARTKE:

S. 3220. A bill to establish a Joint Committee on National Growth and Development Policy. Referred to the Committee on Government Operations.

By Mr. JACKSON (for himself and Mr. METCALF):

S. 3221. A bill to increase the supply of energy in the United States from the Outer Continental Shelf; to amend the Outer Continental Shelf Lands Act; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. GRAVEL:

S. 3222. A bill to authorize the Secretary of the Interior to convey certain lands in the State of Alaska. Referred to the Committee on Interior and Insular Affairs.

By Mr. McGEE (for himself and Mr. HANSEN):

S. 3223. A bill to expand the Glendo unit of the Pick-Sloan Missouri Basin program to provide for the rehabilitation of a road relocated by the Bureau of Reclamation in the vincinity of Glendo Dam and Reservoir, Platte County, Wyo. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 3224. A bill to provide for the chartering of Federal stock savings and loan associations, and for other purposes. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GURNEY:

S. 3225. A bill to amend the Export Administration Act of 1969 to curtail exports of petrochemical feedstocks. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McINTYRE:

S. 3226. A bill to authorize the payment of travel expenses of the widow, children, and parents of certain deceased members of the Armed Forces whose remains are returned to the United States after March 1, 1974, so as to permit such persons to attend the burial services of such deceased members. Referred to the Committee on Armed Services.

By Mr. MONDALE (for himself, Mr. BROOKE, Mr. EAGLETON, Mr. STAFFORD, Mr. McGEE, Mr. HART, Mr. GRAVEL, and Mr. MATHIAS):

S. 3227. A bill to provide assistance to encourage States and localities to undertake comprehensive criminal justice reform in order to strengthen police protection, improve the prosecution of offenders, expedite overcrowded court criminal calendars, and strengthen correctional systems, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. STENNIS, Mr. TOWER, Mr. MATHIAS, Mr. GRIFFIN, and Mr. DOMENICI):

S. 3228. A bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes. Considered and passed.

By Mr. SCHWEIKER:

S. 3229. A bill to prohibit Soviet energy investments. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MONTOYA (for himself Mr. DOMENICI, and Mr. MOSS):

S. 3230. A bill to provide for the efficient development of the natural resources of the Navajo and Hopi Reservations for the benefit of its residents to assist the members of the Navajo and Hopi Tribes in becoming economically fully self-supporting, to resolve a land dispute between the Navajo and Hopi Tribes, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. GOLDWATER:

S.J. Res. 197. Joint resolution to authorize the designation of the 7-day period beginning June 17, 1974, and ending June 23, 1974, as National Amateur Radio Week. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HRUSKA:

S. 3216. A bill to make level IV of the Executive Schedule applicable to the U.S. attorney for the Central District of California and to the U.S. attorney for the Northern District of Illinois. Referred to the Committee on Post Office and Civil Service.

Mr. HRUSKA. Mr. President, I am today introducing a bill, at the request of the Department of Justice, to raise the pay levels of the U.S. attorneys for the Central Division of California—which includes Los Angeles—and the Northern District of Illinois—which includes Chicago.

Both of these positions are now at a level V in the Executive Schedule. This bill would place these positions at level IV, the level now applicable to the U.S. attorneys for the Southern District of New York and the District of Columbia. The workloads of the four U.S. attorneys' offices is comparable, and the pay level applicable to them should also be comparable. In fiscal 1973, there were 3,766 cases filed in the Central District of California, 2,216 in the Northern District of California, and 2,612 in the Southern District of New York. Attorneys in the U.S. attorney's office in the Central District of California spent 17,536 man-hours in court, while attorneys in the U.S. attorney's office in the Northern District of Illinois spent 16,742 man-hours in court and those in the Southern District of New York spent 19,565 hours in court. Statistics from the District of Columbia cannot usefully be compared to those for other districts because of the role which the U.S. attorney for the District of Columbia plays as local district attorney as well as U.S. attorney.

Because the Central District of California and the Northern District of Illinois consist of two of the great metropolitan centers of the United States, the workload of the U.S. attorneys' offices is not only heavy but also often involves extremely complex cases.

The facts indicate that both the size of the workload and the complexity of the cases handled by the two U.S. Attorney's offices is comparable to those of the offices of the two U.S. attorneys to whom level IV of the Executive Schedule now applies. Accordingly, I introduce this bill to provide a vehicle for congressional discussion and consideration of the equalization of the pay levels applicable to these U.S. Attorneys.

Mr. President, I ask unanimous consent that a table outlining the workloads of the pertinent U.S. attorneys' offices, together with a copy of the bill and the Attorney General's letter of transmittal be printed in the RECORD at this point.

There being no objection, the table, letter and bill were ordered to be printed in the RECORD, as follows:

WORKLOAD OF SELECTED U.S. ATTORNEYS' OFFICES

	California central	Illinois northern	New York southern
Cases filed	3,766	2,216	2,612
Cases terminated	3,523	2,162	2,302
Cases pending	2,764	1,858	3,871
Grand Jury proceedings	1,611	711	1,056
Matters received	10,048	7,427	5,266
Size of workforce	178	145	220
Manhours in court	17,536	16,742	19,565

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C.

The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: There is attached for your consideration and appropriate reference a draft bill "To make Level IV of the Executive Schedule applicable to the United States Attorney for the Central District of California and to the United States Attorney for the Northern District of Illinois."

The Department of Justice believes that the present pay levels for the two positions affected by this legislation are lower than is warranted by the level of responsibility of the jobs. Both positions are now Level V positions. Level IV applies under existing law to two United States Attorneys, the one for the Southern District of New York and the one for the District of Columbia.

However, the workload of the United States Attorney for the Central District of California and of the United States Attorney for the Northern District of Illinois is approximately the same as that of the United States Attorney for the Southern District of New York. In the Southern District of New York, there were 1,748 criminal filings and 897 civil filings during fiscal 1972, while there were 2,545 criminal filings and 1,227 civil filings in the Central District of California in the same period and 1,041 criminal filings and 1,098 civil filings in the Northern District of Illinois during that time. Attorneys in the United States Attorney's office in the Southern District of New York spent 20,252 man hours in court during that time, while attorneys in the United States Attorney's office in the Central District of California spent 12,908 man hours in court and attorneys in the United States Attorney's office in the Northern District of Illinois spent 19,254 man hours in court. Each of the offices also has a high number of Assistant United States Attorneys. The average number during fiscal 1972 in the Central District of California was 66.7, in the Northern District of Illinois 53.7, and in the Southern District of New York 86.0.

Accordingly, The Department of Justice recommends that Level IV of the Executive Schedule be made applicable to the United States Attorney for the Central District of California and to the United States Attorney for the Northern District of Illinois, just as that level is now applicable to the United States Attorney for the Southern District of New York.

I urge early and favorable consideration of this legislation by the Congress.

The Office of Management and Budget has advised that there is no objection to the submission of this proposal to the Congress.

Sincerely,

_____,
Attorney General.

S. 3216

A bill to make Level IV of the Executive Schedule applicable to the United States

Attorney for the Central District of California and to the United States Attorney for the Northern District of Illinois

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 5 of the United States Code is amended:

(a) by adding at the end of section 5315 the following new subsections:

"(95) United States Attorney for the Central District of California.

"(96) United States Attorney for the Northern District of Illinois.";

and

(b) by repealing subsections (115) and (116) of section 5316.

By Mr. NELSON (for himself, Mr. HART, Mr. HATHAWAY, and Mr. MONDALE):

S. 3217. A bill to amend the Small Business Act to provide assistance to small business concerns adversely affected by shortages of energy and energy-related and other raw materials and shortages. Referred to the Committee on Banking, Housing and Urban Affairs.

SMALL BUSINESS ASSISTANCE ACT OF 1974

Mr. NELSON. Mr. President, the small businessman is caught today in an ever-tightening economic vise squeezed on one side by unfair competition from monopolistic corporations and on the other side by bureaucratic redtape and regulations by the Federal Government.

This squeeze has become especially severe for many small businessmen as a result of a long winter of crisis, marked on the one hand by shortages of oil and other key resources; marked on the other by grave economic uncertainties brought on by truck strikes, massive layoffs in many communities by large corporations, tight money, questionable foreign trade policies and unfairly administered wage and price controls. No one seems to think of the independent businessman or the self-employed entrepreneur in times like this, even though 97½ percent of the 12 million enterprises in the United States could be defined as "small business," a figure that includes almost 3 million family farms and 1 million independent professions. The Internal Revenue Service tells us that there are about 9.2 million sole proprietorships, nearly 1 million partnerships, and 1.7 million corporations. Every year, some 50,000 new businesses are launched, of which half can be expected to survive beyond the first 2 years.

But despite the large number of American businesses, true economic power, and the resultant influence on governmental policies, seems to lie with a tiny handful of corporate giants. Just 200 large manufacturing corporations share well over three-fifths of the total manufacturing assets in America. And in 1970 the top 102 corporations—the billion dollar asset corporations—controlled nearly half of all U.S. manufacturing assets—48 percent—and took more than half of all manufacturing profits—53 percent.

Yet, concentrated as the power of big business is, Government leaders today forget only at their peril that the small business community accounts for nearly 44 percent of total employment in the economy and 37 percent of the entire gross national product.

If we are to keep the American economy healthy, therefore, it is clear we must insure that the current crisis does not drag the small businessman into ruin.

To that end, I have today introduced the Small Business Assistance Act of 1974, which amends the Small Business Act to authorize emergency loans, or emergency relief from outstanding loans, to small businessmen who have been adversely affected by the energy crisis. This amendment will be aimed not only at protecting the economic stability of small businessmen, whose failure could insure a long, bitter recession for this country, but of safeguarding the job security of their employees as well. My bill would require the Small Business Administration to give special consideration for these loans to small businesses located in areas of high unemployment or in areas in which the effects of the crisis would be especially severe, such as areas in which small businesses rely heavily on tourism for their economic well-being. Among other things, the provisions of this bill would:

First, authorize the Small Business Administration to add $100 million to the $4.3 billion disaster loan fund to provide loans to assist small businesses "to adjust to adverse economic effects that are determined by the administration to be the direct or indirect result of national or regional shortages of energy, energy related raw materials, or other raw materials or resources" if substantial economic injury to the small business has or is likely to occur without such assistance;

Second, authorize the Small Business Administration to give special consideration for these loans to small businesses in areas in which unemployment is significantly higher or shortages or the effects of those shortages on small businesses are more severe than in the country as a whole; and

Third, require the Small Business Administration to transmit to Congress within 90 days "a comprehensive report on the direct and indirect effects on small business concerns of current and future shortages of energy, energy-related raw materials or other raw materials or resources."

I ask unanimous consent to have the bill printed at this point in the RECORD.

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

S. 3217

A bill to amend the Small Business Act to provide assistance to small business concerns adversely affected by shortages of energy and energy-related and other raw materials and shortages.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Business Assistance Act of 1974".

SECTION 1. Section 7 of the Small Business Act is amended by inserting at the end of section 7(g) the following new section:

"(h)(1) The Administration is also empowered to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance the existing indebtedness of, any small business concern to permit such concern to adjust to adverse economic effects that are determined by the Administration to be the direct or indirect result of national or regional shortages of energy, energy-related raw materials, or other raw materials or resources, if the Administration determines that such concern has experienced or is likely to experience substantial economic injury in the absence of such assistance.

"(2) For purposes of this subsection, the Administration shall give special consideration to concerns doing a majority of their business or intending to locate or relocate in areas in which—

"(A) the level of unemployment meets the definition of 'persistent unemployment' promulgated by the Secretary of Labor;

"(B) a significant increase in the level of unemployment or a significant decrease in the patronage of small businesses has occurred or can be expected to occur as a direct or indirect result of the shortages described under paragraph (1) of this subsection;

"(C) a shortage in any specific type of energy, material, or resource is substantially greater than in the country as a whole; or

"(D) the incidence of failure among small businesses as a result of the shortages described under paragraph (1) of this subsection is subtantially higher than in the country as a whole.

"(3)(A) No loan made pursuant to the provisions of this subsection, including renewals and extension therefore, may be made for a period or periods exceeding 30 years;

"(B) the interest rate on the Administration's share of any loan made under this subsection shall not exceed 3 percent per annum;

"(C) the Administration may defer repayment of the principal of any loan made pursuant to this subsection for a period not to exceed 2 years after the date of the loan if he determines that such action is necessary to avoid severe financial hardships.

"(4) There is authorized to be appropriated to the disaster loan fund established pursuant to section 4(c) of this title not to exceed $100,000,000 solely for the purpose of carrying out this subsection."

SEC. 2. (a) Clause (A) of paragraph (1) of Section 4(c) of the Small Business Act is amended by striking the word "and" from between "7 (c)(2)," and "7 (g)" and inserting ", and 7(h)" immediately following "7 (g)".

(b) Clause (A) of paragraph (2) of Section 4(c) of the Small Business Act is amended by striking the word "and" from between "7 (b)(7)," and "7 (c)(2)" and inserting ", and 7(h)" immediately following "7(g)".

(c) Clause (A) of paragraph (4) of section 4(c) of the Small Business Act is amended by inserting "7(h)," immediately following "7(g),".

SEC. 3. The Small Business Act is further amended by adding immediately after subsection (e) of section 8 the following new subsection:

"(f) Within ninety days after the enactment of this subsection, the Administration shall transmit to the Congress a comprehensive report on the direct and indirect effects on small business concerns of current and future shortages of energy, energy-related raw materials, or other raw materials or resources."

By Mr. STEVENSON:

S. 3219. A bill to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other

purposes. Referred to the Committee on Finance.

Mr. STEVENSON. Mr. President, I am today introducing legislation to amend the tariff schedules to suspend the current duty on feathers and downs.

The purpose of this legislation is to suspend to zero the duty on feathers and downs used primarily in the manufacture of finished products, such as sleeping bags, parkas, and ski jackets. About 72 percent of the U.S. demand for feathers and downs is met by imports.

The traditional principle in establishing tariff schedules has been to assess a higher rate of duty on finished articles than on the raw materials used in their production. Under the current tariff schedules, however, imported feathers and downs are subject to a 15 percent ad valorem rate duty, while finished goods made primarily of feathers are subject to only a 7-percent rate of duty. This 8-percent difference has created a tariff disparity which has made foreign production of articles like sleeping bags and parkas more competitive in the U.S. market. As a result, foreign imports of these finished articles have increased their share of the U.S. market from 2 percent in 1970 to 18 percent in 1973. Eliminating this anomaly will permit our domestic industry to compete more fairly and effectively with imports that are currently subject to a duty rate that is less than half the rate domestic users must pay on crude feathers and downs.

In commenting on this legislation, the relevant executive agencies unanimously agreed that there was sufficient economic justification to remove the duty on crude feathers and downs at this time. The Special Trade Representative's endorsement of this bill pointed out that it would in no way jeopardize any U.S. negotiating position in the upcoming trade talks since the proposed legislation would preserve U.S. bargaining power on this particular tariff item.

Finally, duty-free treatment of imported feathers and downs would not adversely affect domestic producers of waterfowl feathers and downs. According to the Department of Commerce, such growers do not expect the elimination of duty to reduce sales since the demand for down-filled sleeping bags and garments is strong and expanding rapidly.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 3219

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately before item 903.90 the following new items:

"Feathers and downs, whether or not on the skin, crude, sorted (including feathers simply strung for convenience in handling or transportation), treated, or both sorted and treated, but not otherwise processed (provided for in item 186.15, part 15D, schedule 1):

"903.70	Not cleaned for manufacture.	Free	Free	On or before Dec. 31, 1979.
903.80	Cleaned for manufacture.	Free	No change.	On or before Dec. 31, 1979."

SEC. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the 180th day after the date of the enactment of this Act.

(b) For purposes of any authority that may be delegated to the President to proclaim such continuance of existing duty-free treatment as he determines to be required or appropriate to carry out a trade agreement with foreign countries or instrumentalities thereof, the duty-free treatment provided by items 903.70 and 903.80 of the Appendix to the Tariff Schedules of the United States shall be considered as existing duty-free treatment.

By Mr. HARTKE:

S. 3220. A bill to establish a Joint Committee on National Growth and Development Policy. Referred to the Committee on Government Operations.

JOINT COMMITTEE ON NATIONAL GROWTH AND DEVELOPMENT

Mr. HARTKE. Mr. President, today I introduce a proposal to form a Joint Committee in Congress on National Growth and Development Policy.

One of the liabilities of the American political system is our inability to follow the progress of Federal programs. Every 4 or 8 years, a new executive enters the White House. Every 2 years, new Members of the Congress are elected. Only in the appointment of Federal judges and certain independent agency appointments is there the continuity of leadership that provides the opportunity for understanding the long-term consequences of governmental actions.

Today, as progress and events move faster than our ability to comprehend them, there is a need for an entity within our National Government which can evaluate the spectrum of events that shape our lives and plan for our future on a rational basis.

The distinguished majority leader (Mr. MANSFIELD) seemed to say so himself in his recent remarks before the Democratic Conference:

> It would be my hope, therefore, that we will go beyond the energy crisis in the coming session of Congress. The need is to take a careful look not only at the immediate flashing of this or that danger signal but at the whole integrated switchboard of our national existence. It may be that it is time to consider setting up some organization for coordinating our thinking as to what is more important and what is less important to the nation and its future, for delineating the durable needs of a decent national survival.

There is a need to give direction to the Nation's domestic policy, to plan for future long-term energy needs, long-term land use needs and, indeed, for all long-term needs of the American people. At the present time, there is no such mechanism to guide the Nation's plans for future growth.

In the 92d Congress, I introduced the National Growth Policy Planning Act, S. 3600. In the 93d Congress, I introduced a more comprehensive growth policy measure, S. 1286. During that same session I also introduced legislation to insure that the priorities of any effort to control domestic growth would include a full-employment and land banking program (S. 1857).

The proposal I introduce today is another step in my efforts to develop a National Growth Policy. The creation of a Joint Committee on National Growth and Development Policy will enable Congress to regain its role in formulating domestic policy. Similar efforts have been offered by Congressman THOMAS ASHLEY of Ohio as an amendment to land use legislation and by the distinguished Senator from Minnesota (Mr. HUMPHREY) as part of his proposal on national growth and development. My bill combines and refines these two proposals.

A Joint Committee on National Growth and Development Policy would help Congress guide and coordinate the Nation's domestic program and give us the means to develop domestic policy alternatives. I am, of course, aware of current proposals to increase congressional responsibility over the budget on a year-to-year or 3-year basis. But the proposal I make today would go beyond budget planning: to develop social policy, to provide long-range planning, to coordinate congressional initiatives and to place an emphasis on those aspects of our domestic problems which cannot be solved by money alone. Such a committee would also provide an interdisciplinary approach not feasible under present congressional committee jurisdictions.

My bill would place three major responsibilities in the proposed joint committee. First, the committee would file with the House of Representatives and the Senate, beginning with the second year of its existence, an annual report containing its findings and recommendations with respect to the actions of executive agencies, States and local governments that will have a significant impact on national growth and development. Second, the committee will provide broad oversight for all major, federally financed programs having a significant effect on national growth and development. To assist this oversight, the Council on Environmental Quality will report to the joint committee each year on the extent to which executive policy and actions have been harmonized toward the development of policies for future national growth. The joint committee could call other witnesses from executive agencies and from the general public as it deems appropriate to obtain the information it requires for its report to the Congress. Third, the committee will undertake special studies to assist the standing committees of Congress in determining means for improving and harmonizing national policies and programs to achieve more desirable patterns and practices of national growth and development.

Mr. President, I ask unanimous con-

sent that the text of my bill be printed in the RECORD at this point.

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

S. 3220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Joint Committee on National Growth and Development Act".

Sec. 2. (a) There is established a Joint Committee on National Growth and Development Policy (hereinafter referred to as the "Joint Committee").

(b) The Joint Committee shall be composed of twenty-two members appointed as follows:

(1) eleven members of the Senate appointed by the President pro tempore of the Senate; and

(2) eleven members of the House of Representatives appointed by the Speaker of the House.

Of the members appointed by the President pro tempore of the Senate, seven shall be appointed from among the members of the majority party in the Senate and four shall be appointed from among the members of the minority party of the Senate. Of the members appointed by the Speaker of the House of Representatives, seven shall be appointed from among the members of the majority party in the House and four shall be appointed from among the members of the minority party in the House.

(b) (1) The Joint Committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress in accordance with paragraph (2). The vice chairman shall act as chairman in the absence of the chairman.

(2) The chairman of the Joint Committee during each odd numbered Congress shall be selected by the members of the House of Representatives on the Joint Committee from among their number and the chairman be selected by the members of the Senate on the Joint Committee from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a member.

(c) A majority of the members of the Joint Committee shall constitute a quorum for the transaction of business, except that the Joint Committee may fix a lesser number as a quorum for the purpose of taking testimony. Vacancies in the membership of the Joint Committee shall not affect the authority of the remaining members to execute the functions of the Joint Committee and shall be filled in the same manner as the original selection.

(d) The Committee may formulate and refer to the appropriate legislative committees of the Congress for their consideration such proposals or recommendations as will promote the purposes this Act.

(e) No legislative measure shall be referred to the Joint Committee, and it shall have no authority to report any such measure to the Senate or the House.

(f) Each committee of the Congress to which the Joint Committee refers a proposal or recommendation shall endeavor to assure that such proposal or recommendation receives prompt consideration.

DUTIES

SEC. 3. (a) It shall be the duty of the Joint Committee—

(1) to make a continuing study of matters relating to the biennial report on uses of land and current and emerging problems of land use required under section 404 of the Land Use Policy Planning Act and the biennial report on urban growth as required by section 103(a) of the Urban Growth and New Community Development Act of 1970 (42 U.S.C. 4501);

(2) to study means of coordinating programs in order to further the policy of this Act and part A of the Urban Growth and New Community Development Act (42 U.S.C. 4502);

(3) to act as a guide to the several committees of the Congress dealing with legislation affecting land use, national development and growth, and the conservation of our natural resources, by submitting not later than April 30, 1975, and each year thereafter, a report to the Senate and the House of Representatives containing the findings and recommendations of the Joint Committee with respect to policies, programs, and actions of the Federal executive agencies, States, regional, and local governments that have had and will have a significant impact on land use, national development and growth, and the conservation of our natural resources;

(4) to provide continuing oversight on behalf of the Congress for all Federal and federally financed programs which have significant impact on land use and national development and growth, and the conservation of our natural resources; and

(5) to conduct special studies to assist the standing committees of the Congress in developing means for improving the coordination and harmonizing of national policies and programs to achieve improved land use planning, to secure the proper allocation of natural resources, to provide for the protection and enhancement of the environment and to assure the achievement of sound, desirable and balanced patterns of national growth and development, consistent with the Nation's economic and social objectives.

(b) To assist the Joint Committee in exercising its oversight responsibilities, the Council on Environmental Quality, and that unit of the Domestic Council or such other office designated by the President as responsible for the development of the biennial report on urban growth shall, either separately or jointly, report to the Joint Committee each year on the extent to which the policies, programs, and actions of the executive departments, independent agencies, and commissions have been coordinated and harmonized toward the development of a comprehensive policy to guide land use, national development and growth, and the conservation of our national resources.

ADMINISTRATIVE POWERS

SEC. 4. (a) (1) The Joint Committee, or any subcommittee thereof, is authorized, in its discretion (A) to make expenditures, (B) to employ personnel, (C) to adopt rules respecting its organization and procedures, (D) to hold hearings, (E) to sit and act at any time or place, (F) to subpoena witnesses and documents, (G) with the prior consent of the Federal department or agency concerned, to use on a reimbursable basis the services of personnel, information, and facilities of any such department or agency, (H) to procure printing and binding, (I) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under subsections (i) and (j), respectively, of section 202 of the Legislative Reorganization Act of 1946, and (J) to take depositions and other testimony.

(2) Subpoenas may be issued over the signature of the chairman of the Joint Committee or by any member designated by him or the Joint Committee, and may be served by such person as may be designated by such chairman or member. The chairman of the Joint Committee or any member thereof may administer oaths to witnesses. The provisions of sections 102–104 of the Revised Statutes (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under auhority of this subsection.

(b) With the consent of any standing, select, or special committee of the Senate or the House of Representatives, or any subcommittee thereof, the Joint Committee may utilize the services of any staff member of such House or Senate committee or subcommittee whenever the chairman of the Joint Committee determines that such services are necessary and appropriate.

(c) The expenses of the Joint Committee shall be paid from the contingent fund of the Senate from funds appropriated for the Joint Committee, upon vouchers signed by the chairman of the Joint Committee or by any member of the Joint Committee authorized by the chairman.

(d) Members of the Joint Committee, and its personnel, experts, and consultants, while traveling on official business for the Joint Committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses if an itemized statement of such expenses is attached to the voucher.

By Mr. JACKSON (for himself and Mr. METCALF):

S. 3221. A bill to increase the supply of energy in the United States from the Outer Continental Shelf; to amend the Outer Continental Shelf Lands Act; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

ENERGY SUPPLY ACT OF 1974

Mr. JACKSON. Mr. President, it is clear that the United States can no longer afford to rely on foreign sources of energy. The Senate acted to help relieve dependence on foreign resources when it passed the National Energy Research and Development Policy Act (S. 1283) last December. In that act we established as a national objective, "development within 10 years of the option and the capability for the United States to become energy self-sufficient through the use of domestic energy resources by socially and environmentally acceptable means." The research and development program authorized by S. 1283 is designed to help meet that goal in the long run. However, in the shorter term, we must develop our domestic energy resources, particularly fossil fuels, more rapidly. Fortunately, the United States is blessed with vast energy resources, many of which are in the Outer Continental Shelf.

CRITICAL ROLE OF OUTER CONTINENTAL SHELF

During the next decade, development of conventional oil and gas from the U.S. Outer Continental Shelf can be expected to provide the largest single source of increased domestic energy; to supply this energy at a lower average cost to the U.S. economy than any alternative; and to supply it with substantially less harm to the environment than almost any other source.

In 1971 the Interior Department estimated that the economic cost—cost ex-

clusive of land acquisition charges and royalties, but including a normal return on capital—for future OCS production would average $1.61 per barrel.

The environmental risks of OCS production are substantial but the probable impact per barrel of oil or MCF of gas produced is certainly orders of magnitude less than that of coal or oil shale mining, conversion and combustion, or operation of onshore stripper wells.

OCS oil and gas and the policy issues associated with them have been relatively neglected during the recent crisis in favor of much less promising concerns such as price incentives for stripper wells and other marginal onshore production—whose aggregate potential contribution to increased output is quite small—or research and development for coal and oil shale conversion—which are high cost sources, have long payout times, and pose very serious environmental problems. Our effort to improve the short- and medium-term supply of domestic primary fuels should be directed first of all toward increasing the rate of exploration and development on the OCS.

The major policy issues concerning the OCS are the rate and location of leasing, environmental safeguards, impacts on coastal States and the bidding system.

OCS OIL AND GAS RESERVES

The U.S. Geological Survey estimates that there are proved reserves of 2.2 billion barrels of oil and 2.0 trillion cubic feet of gas in the OCS off southern California, and 3.5 billion barrels of oil and 36.8 trillion cubic feet of gas in the OCS in the Gulf of Mexico off Louisiana and Texas. This is a total of 5.7 billion barrels of oil and 38.8 trillion cubic feet of gas.

In addition to the proved, discovered reserves known to exist on the OCS, the continental margin of the United States is believed to contain very large amounts of undiscovered oil and gas resources. The presence of these resources has not actually been demonstrated, nor can it be determined what portion may prove to be economically recoverable even if they are discovered. The figures given represent those arrived at by geological inference from indirect evidence. The distinction between potential resources and proved reserves is an important one, because many billions of dollars of investment and much effort separate the one from the other.

Subject to the caveat just given, the U.S. Geological Survey estimates that the potential recoverable petroleum resources remaining on the OCS of the United States out to a water depth of 200 meters are 200 billion barrels of crude oil and natural gas liquids and about 850 trillion cubic feet of natural gas. For purposes of comparison, the United States consumed 6 billion barrels of oil and 23 trillion cubic feet of gas in 1973.

WHY UPDATE THE OCS ACT?

Because the OSC represents such a large and promising area for oil and gas exploration, it is becoming increasingly clear that the Congress must review the OCS Act of 1953—which has never been amended—to determine if it provides adequate authority and guidelines for the kind of development activity that probably will take place in the next few years.

Despite Santa Barbara and the intense and justified concern of many people over the potential damage to the environment from oil and gas development on the OCS, there is an increasing feeling that OCS development may well be more acceptable environmentally than other potential domestic energy resources such as massive strip mining for coal and oil shale.

There are a variety of obstacles to OSC oil and gas development today. These include technological, economic, environmental, legal, and administrative problems.

I believe that increasing recognition of the need for rapid and responsible—as opposed to quick and dirty—development of the OCS requires revision of the Outer Continental Shelf Lands Act of 1953.

The National Fuels and Energy Policy Study already has an excellent hearing record and valuable documentation on these issues in Outer Continental Shelf Policy Issues (92–27, parts I–III); Federal Leasing and Disposal Issues (92–32); and Trends in Oil and Gas Exploration (92–33, parts I and II).

BRIEF DESCRIPTION OF ENERGY SUPPLY ACT

There are two basic thrusts to my bill. First, it reasserts Congress' special constitutional responsibility to "make all needful rules and regulations respecting the territory or other property belonging to the United States." (U.S. Const. art. IV sec. 3 cl. 2). The 1953 act is essentially a carte blanche delegation of authority to the Secretary of the Interior. The increased importance of OCS resources, the increased consideration of environmental impacts and emphasis on comprehensive planning, require Congress to put some "flesh on the bones" in the form of standards and criteria for the Secretary to follow in the exercise of his authority.

Second, the bill gives the Secretary new authority needed to manage the programs anticipated in the last third of the 20th century.

SIGNIFICANT PROVISIONS

The following is a brief summary of the more significant changes which the Energy Supply Act would make in the OCS Act.

1. POLICY

The act declares that the OCS is a vital national resource reserve held in trust for all the people, which should be made available for orderly development subject to environmental safeguards, when necessary to meet national needs.

2. LEASING PROGRAM

The Secretary is directed to prepare a comprehensive leasing program designed to carry out the objective of making available for leasing by 1985 all OCS lands geologically favorable for oil and gas development without environmental damage. This program would indicate the size, timing, and location of leasing activity which the Secretary believes would meet national energy needs over the next 10 years. The leasing program must be consistent with the following principles:

First, management of the Outer Continental Shelf in a manner which considers all its resource values and the potential impact of oil and gas development on other resource values and the marine environment;

Second, timing and location of leasing so as to distribute and decentralize exploration, development, and production of oil and gas among various areas of the Outer Continental Shelf considering: Existing information concerning their geographical, geological, and ecological characteristics; their location with respect to, and relative needs, of regional energy markets; interest by potential oil and gas producers in exploration and development as indicated by tract nominations and other representations; an equitable sharing of developmental benefits and environmental risks among various regions of the United States; and

Third, receipt of fair market value for public resources.

The program would include estimates of appropriations and staffing required to prepare the necessary environmental impact statements, obtain resource data and any other information needed to decide whether to issue any lease and to supervise operations under every lease in the manner necessary to assure compliance with the requirements of the law, the regulations, and the lease.

The environmental impact statement on the leasing program would include an assessment by the Secretary of the relative significance of the OCS energy resources toward meeting national demands, the capability of industry to develop those resources, and the relative environmental hazard of each area proposed to be leased.

There are provisions for public participation in the development of the program and coordination with the States which may be impacted by leasing and with management programs established pursuant to the Coastal Zone Management Act of 1972.

The leasing program would have to be revised and reapproved periodically. Once the program has been approved, no leases would be issued unless they are for areas included in the program. The Secretary would be authorized to obtain from private sources any data and reports which he needed to prepare the program.

3. FEDERAL OIL AND GAS SURVEY PROGRAM

The Secretary would be directed to conduct a survey of oil and gas resources of the OCS. This program would be designed to provide information about the probable location, extent and characteristics of these resources. It would provide a basis for development and revision of the leasing program and more informed decisions about fair market value of resources. As part of this program the Secretary would be authorized to purchase data and conduct drilling on the OCS. The Secretary would prepare and publish maps and reports on the OCS.

4. RESEARCH AND DEVELOPMENT

To improve technology used in OCS development, the Secretary would be directed to carry out a research and de-

velopment program. This would include consideration of first, downhole safety devices; second, methods for reestablishing control of blowing out or burning wells; third, methods for containing and cleaning up oil spills; fourth, improved drilling bits; fifth, improved flaw detection systems for undersea pipelines; sixth, new or improved methods of development in water depths over 600 meters; and seventh, subsea production systems.

5. ENFORCEMENT OF SAFETY REGULATIONS

To assure that increased OCS development proceeds in as safe a manner as possible, the Secretary would be directed to conduct regular inspections and strictly enforce safety regulations. The inspections must take place at every stage of operations which means that Congress must provide funding and manpower needed. Penalties for violation of the regulations would be increased and lessees would be required to give the Secretary any information he needs to assure a safe operation.

6. LIABILITY FOR OIL SPILLS

Strict liability for damage from oil spills would be imposed on all lessees.

7. ASSISTANCE TO THE COASTAL STATES

Since the coastal States are the ones directly impacted by OCS development, a portion of the revenues from the OCS would be made available for grants to those states to assist them in meeting the environmental, economic, and social impacts of OCS development.

8. DEVELOPMENT AND PRODUCTION REQUIREMENTS

The Secretary would be directed to include a development plan in each lease which would spell out the work to be performed and a time schedule for performance. These plans could, of course, be revised in light of changed circumstances. Unitization or other agreements would be encouraged to achieve full development and maximum production from leases.

9. REVISED BIDDING SYSTEMS

There has been considerable public discussion and debate about the need for revised bidding systems for OCS leases. The Department of Interior has announced that it intends to experiment with royalty bidding. Others have advocated work program bidding such as has been used in the North Sea. My bill would substitute net profit sharing of 55 percent for the Federal royalty of not less than 12½ percent. Royalty bidding would not be permitted.

Cash bonus bidding is in most cases the best system of—placing acreage in the hands of responsible, capable and diligent operators—encouraging early exploration and development of OCS leases—maximizing ultimate recovery—assuring fair market value for the Government.

Royalty bidding—now permitted under the law as an alternative to bonus bidding, but never used—will result in very high bids because an operator risks little with such a bid. At high royalty rates only the lowest cost oil and gas will be developed and produced. With a cash bonus and the present OCS royalty rate of 16⅔ percent, an operator would develop any property for which the cost of production less royalty was less than 83⅓ percent of the wellhead price. With a royalty rate of 75 percent, no oil that cost more than 25 percent of the wellhead price would be developed. Perhaps only half as much oil and gas would be produced under royalty bidding as under the present system.

Net profit sharing is a preferable alternative and should be tried on an experimental basis.

In addition to changes to the OCS Act, the Energy Supply Act contains a number of miscellaneous provisions dealing with a variety of subjects related to more rapid development of domestic energy supply.

Mr. President, I intend to hold hearings on the Energy Supply Act of 1974 and other bills dealing with the OCS in the very near future. These include S. 2672, introduced by Senator CHILES, S. 2858, introduced by Senator TUNNEY, S. 2922, introduced by Senator HATHAWAY, and S. 2389, introduced by Senator STEVENS.

In order to make the text of my bill available to Senators and other interested parties, I ask unanimous consent that a brief summary of the bill and its full text be printed in the RECORD following my remarks.

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

SECTION-BY-SECTION DESCRIPTION OF ENERGY SUPPLY ACT OF 1974

Section 1 contains the short title and table of contents.

TITLE I. FINDINGS AND PURPOSES

Section 101 sets out a number of findings about the current and future energy supply situation, and the potential role of the oil and gas resources of the Outer Continental Shelf (OCS).

Section 102 states the purposes of the Act. These include increasing production of oil and gas from the Outer Continental Shelf in a manner which assures orderly resource development, protection of the environment, and receipt of fair market value for public resources and encouraging development of new technology to increase human safety and eliminate or reduce environmental damage.

TITLE II. INCREASED PRODUCTION OF OUTER CONTINENTAL SHELF ENERGY RESOURCES

This title contains a series of amendments to the Outer Continental Shelf Lands Act of 1953 (43 U.S.C. 1331–43) (OCS Act).

Section 201 amends Section 3 of the OCS Act to add a policy statement that OCS is held in trust for all the people, and its resources should be made available for orderly development.

Section 202 adds 11 new sections to the OCS Act. These are:

(1) Sec. 18 establishes a policy of making available for leasing by 1985 all OCS lands determined to be both geologically favorable for oil and gas and capable of supporting development without undue environmental hazard. It also directs the Secretary to prepare a 10-year leasing program. It sets out policies to be followed in preparing the program including orderly development of energy resources, environmental protection, receipt of fair market value, public participation, and intergovernmental coordination. All leasing activity must follow the program after January 1, 1976.

(2) Sec. 19 directs the Secretary to conduct a survey of the oil and gas resources of the OCS. This will be done by the Geological Survey. It requires publication of topographic, geological and geophysical maps of and reports about the OCS.

(3) Sec. 20 mandates a research and development program for improved technology for production, safety, and environmental protection.

(4) Sec. 21 imposes more stringent requirements for environmental protection in regulations and inspections of OCS operations.

(5) Sec. 22 establishes unlimited strict liability for damages from oil spills.

(6) Sec. 23 directs negotiation of interim agreements with coastal states to permit oil and gas development pending resolution of jurisdictional disputes.

(7) Sec. 24 directs the President to establish procedures to settle boundary disputes with the States, Mexico and Canada.

(8) Sec. 25 establishes a Coastal States Fund to assist the coastal states to ameliorate the adverse impacts of OCS oil and gas development. The Secretary would make grants to coastal states for planning, construction of public facilities and provision of public services. The Fund would come from OCS revenues.

(9) Sec. 26 authorizes citizen suits to enforce the OCS Act.

(10) Sec. 27 directs the Secretary of the Interior to recommend ways of promoting competition and maximize production and revenues from the OCS.

(11) Sec. 28 establishes criminal and civil penalties for violations of the Act.

Section 203 amends Section 8 of the OCS Act to provide for competitive leasing on basis of cash bonus and fixed royalty (present system) or cash bonus with payment of 55% of net profits to the United States. Royalty bidding, permitted but never tried under existing law, would be prohibited.

Section 204 amends Section 8 of the OCS Act to require competitive sale of all Federal royalty oil from future leases.

Section 205 amends Section 15 of the OCS Act to require a more comprehensive annual report of OCS activity.

Section 206 amends Section 5 of the OCS Act by adding limitations on extension of non-producing leases, requirements for development plans which must be adhered to, and a prohibition against flaring of gas from wells on the OCS.

Section 207 amends Section 11 of the OCS Act to require permits for geological or geophysical exploration on the OCS.

Section 208 amends Section 5 of the OCS Act to delete provisions made unnecessary by the new enforcement provisions.

TITLE III. MISCELLANEOUS PROVISIONS

Section 301 directs the Secretary of Transportation to review appropriations and staffing needed to monitor adequately pipelines to assure that they meet safety standards and to identify needs for new legislation. It also directs the Interstate Commerce Commission and the Secretary of Transportation to report on the adequacy for transportation facilities for OCS oil and gas.

Section 302 authorizes the Federal Energy Administration to allocate materials necessary for exploration, development, production, or transportation of OCS oil and gas resources.

Section 303 directs the Secretary of Commerce to study the need for and availability of capital to finance exploration, development, production, and transportation of domestic energy resources. The study will assess the need for Federal loans, loan guarantees, or other forms of assistance.

Section 304 directs a study of water reservoir projects to identify additional hydropower capability and a study of the need for a national power grid.

Section 305 directs a study of means to maximize resource recovery and minimize en-

vironmental impact in development of energy resources.

Section 306 requests the President to negotiate with foreign countries which have limited exports of energy development equipment to the United States.

Section 307 calls for identification of potential sites for energy production (refinery, generating plants) and transmission on Federal lands.

Section 308 directs the Secretary to study methods for expediting Federal energy-related actions.

Section 309 is a standard severability clause.

Section 310 defines certain terms used in the Act.

S. 3221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Supply Act of 1974".

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TITLE I—FINDINGS AND PURPOSES

FINDINGS

SEC. 101. The Congress finds and declares that—

(1) the demand for energy in the United States is increasing and will continue to increase for the foreseeable future;

(2) domestic production of oil and gas has declined in recent years;

(3) the United States has become increasingly dependent upon imports of oil from foreign nations to meet domestic energy demand;

(4) increasing reliance on imported oil is not inevitable, but is rather subject to significant reduction by wise choices in policy;

(5) consumption of natural gas in the United States has greatly exceeded additions to domestic reserves in recent years, so that currently available supplies are less than demand;

(6) technology is or can be made available which will allow sufficient production and consumption of domestic energy supply to meet demands consistent with national environmental policies;

(7) the Outer Continental Shelf contains significant quantities of petroleum and natural gas, which are a vital national reserve that must be carefully managed in the public interest; and

(8) there presently exists a variety of technological, economic, environmental, administrative, and legal problems which tend to retard the development of the oil and natural gas resources of the Outer Continental Shelf.

PURPOSES

SEC. 102. The purposes of this Act are to—

(1) increase domestic production of oil and natural gas in order to assure material prosperity and national security, reduce dependence on unreliable foreign sources, and assist in maintaining a favorable balance of payments;

(2) make oil and natural gas resources in the Outer Continental Shelf available as rapidly as possible consistent with the need for orderly resource development, protection of the environment, and receipt by the Government of fair market value for private use of public resources.

(3) assist in development of other energy resources; and

(4) encourage development of new and improved technology for energy resource production that will increase human safety and eliminate or reduce risk of damage to the environment.

TITLE II—INCREASED PRODUCTION OF OUTER CONTINENTAL SHELF ENERGY RESOURCES

NATIONAL POLICY FOR OUTER CONTINENTAL SHELF

SEC. 201. Section 3 of the Outer Continental Shelf Lands Act is revised by adding the following new subsection (c):

"(c) It is hereby declared that the Outer Continental Shelf is a vital national resource reserve held in trust by the Federal Government for all the people, which should be made available for orderly development, subject to environmental safeguards, consistent with and when necessary to meet national needs.".

NEW SECTIONS OF OUTER CONTINENTAL SHELF LANDS ACT

SEC. 202. The Outer Continental Shelf Lands Act is hereby amended by adding the following new sections:

"DEVELOPMENT OF OUTER CONTINENTAL SHELF LEASING PROGRAM

"SEC. 18. (a) Congress declares that it is the policy of the United States that prior to 1985 all Outer Continental Shelf lands determined to be both geologically favorable for the accumulation of oil and gas and capable of supporting oil and gas development without undue environmental hazard or damage should be made available for leasing as soon as practicable after that determination is made.

"(b) The Secretary is authorized and directed to prepare and maintain a leasing program to implement the policy set forth in subsection (a). The leasing program shall indicate the size, timing, and location of leasing activity that will best meet national energy needs for the ten-year period following its approval or reapproval in a manner consistent with subsection (a) above and with the following principles:

"(1) management of the Outer Continental Shelf in a manner which considers all its resource values and the potential impact of oil and gas exploration and development on other resource values of the Outer Continental Shelf and the marine environment;

"(2) timing and location of leasing so as to distribute and decentralize exploration, development, and production of oil and gas among various areas of the Outer Continental Shelf, considering:

"(A) existing information concerning their geographical, geological, and ecological characteristics;

"(B) their location with respect to, and relative needs of, regional energy markets;

"(C) interest by potential oil and gas producers in exploration and development as indicated by tract nominations and other representations;

"(D) an equitable sharing of developmental benefits and environmental risks among various regions of the United States; and

"(3) receipt of fair market value for public resources.

"(c) The program shall include estimates of the appropriations and staffing required to prepare the necessary environmental impact statements, obtain resource data and any other information needed to decide the order in which areas are to be scheduled for lease, to make the analyses required prior to offering tracts for lease, and to supervise operations under every lease in the manner necessary to assure compliance with the requirements of the law, the regulations, and the lease.

"(d) The environmental impact statement on the leasing program prepared in accordance with section 102(2)(C) of the National Environmental Policy Act of 1969, shall include, but shall not be limited to, an assessment by the Secretary of the relative significance of the probable oil and gas resources of each area proposed to be offered for lease in meeting national demands, the most likely rate of exploration and development that is expected to occur if the areas are leased, and the relative environmental hazard of each area. Such environmental impact statement shall be based on consideration of the following factors, without being limited thereto: geological and geophysical conditions, biological data on existing animal, marine, and plant life, and commercial and recreational uses of nearby land and water areas.

"(e) The Secretary shall, by regulation, establish procedures for receipt and consideration of nominations for areas to be offered for lease or to be excluded from leasing, for public notice of and participation in development of the leasing program, for review by State and local governments which may be impacted by the proposed leasing, and for coordination of the program with management programs established pursuant to the Coastal Zone Management Act of 1972. These procedures will be applicable to any revision or reapproval of the leasing program.

"(f) The Secretary shall publish a proposed leasing program in the Federal Register and submit it to the Congress within one year after enactment of this section.

"(g) After the leasing program has been approved by the Secretary or after January 1, 1976, whichever comes first, no leases under this Act may be issued unless they are for areas included in the approved leasing program.

"(h) The Secretary may revise and reapprove the leasing program at any time and he must review and reapprove the leasing program at least once each year.

"(i) The Secretary is authorized to obtain from public or private sources, any surveys, data, reports, or other information (including, but not limited to, data about the location of potential oil and gas reserves) which may be necessary to assist him in preparing environment impact statements and making other evaluations required by this Act.

"(j) The heads of all Federal departments or agencies are authorized and directed to provide the Secretary with any information he requests to assist him in preparing the leasing program.

"FEDERAL OUTER CONTINENTAL SHELF OIL AND GAS SURVEY PROGRAM

"SEC. 19. (a) The Secretary is authorized and directed to conduct a survey program regarding oil and gas resources of the Outer

Continental Shelf. This program shall be designed to provide information about the probable location, extent, and characteristics of such resources in order to provide a basis for (1) development and revision of the leasing program required by section 18 of this Act, (2) greater and better informed competitive interest by potential producers in the oil and gas resources of the Outer Continental Shelf, (3) more informed decisions regarding the value of public resources and revenues to be expected from leasing them, and (4) the mapping program required by subsection (c) of this section.

"(b) The Secretary is authorized to conduct, contract for, or purchase the results of seismic, geomagnetic, gravitational, geophysical, or geochemical investigations or drilling, needed to implement the provisions of this section.

"(c) The Secretary is directed to prepare and publish and keep current a series of detailed topographic, geological, and geophysical maps of and reports about the Outer Continental Shelf which shall include, but not necessarily be limited to, the results of seismic, gravitational, and magnetic surveys on a grid spacing no greater than two kilometers. Such maps shall be prepared and published—

"(1) no later than July 1, 1976, for any areas of the Outer Continental Shelf under oil and gas lease on the date of enactment of this section or scheduled for lease on or before June 30, 1977;

"(2) no later than six months prior to the last day for submission of bids for any areas of the Outer Continental Shelf scheduled for least on or after July 1, 1977; and

"(3) in no case later than ten years after the date of enactment of this section.

"(d) Within six months after enactment of this section, the Secretary shall develop and submit to Congress a plan for conducting the survey and mapping programs required by this section. This plan shall include an identification of the areas to be surveyed and mapped during the first five years of the programs and estimates of the appropriations and staffing required to implement them.

"(e) On or before the expiration of the twenty-month period following the effective date of this title, the Secretary shall submit a report to the Congress concerning the carrying out of his duties under this section, together with a summary of the initial data compiled, and shall thereafter, on not less than an annual basis, submit a report to the Congress concerning the carrying out of such duties and shall include as a part of each such report a summary of the current data for the period covered by the report.

"(f) No action taken to implement this section except the drilling of exploratory wells for oil and gas shall be considered a major Federal action for the purposes of section 102(2)(C) of the National Environmental Policy Act of 1969.

"(g) There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this section during fiscal years 1975 and 1976.

"(h) The Secretary shall, by regulation, require that any person holding a lease or permit for oil or gas exploration or development on the Outer Continental Shelf shall provide the Secretary with any data or information about the oil or gas resources in the area subject to the lease or permit.

"RESEARCH AND DEVELOPMENT

"SEC. 20. (a) The Secretary is authorized and directed to carry out a research and development program designed to improve technology related to development of the oil and gas resources of the Outer Continental Shelf including but not limited to—

"(1) downhole safety devices,

"(2) methods for reestablishing control of blowing out or burning wells,

"(3) methods for containing and cleaning up oil spills,

"(4) improved drilling bits,

"(5) improved flaw detection systems for undersea pipelines,

"(6) new or improved methods of development in water depths over six hundred meters, and

"(7) subsea production systems.

"(b) The Secretary is authorized and directed, after review and comment by the Administrator of the Environmental Protection Agency, to establish safety and environmental standards for all pieces of equipment used in exploration, development, and production of oil and gas from the Outer Continental Shelf.

"(c) The Secretary shall establish equipment and performance standards for oil spill cleanup plans and operations. Such standards shall be coordinated with the National Oil and Hazardous Substances Pollution Contingency Plan, and reviewed by the Administrator of the Environmental Protection Agency, the Administrator of the National Oceanic and Atmospheric Administration, and the Commandant of the Coast Guard.

"(d) The Secretary, in cooperation with the Secretary of the Navy and the Director of the National Institutes of Health, shall conduct studies of underwater diving techniques and equipment suitable for protection of human safety at depths greater than those where such diving now takes place.

"ENFORCEMENT OF SAFETY REGULATIONS; INSPECTIONS

"SEC. 21. (a)(1) The Secretary shall regularly inspect all operations authorized pursuant to this Act and strictly enforce safety regulations promulgated pursuant to this Act and other applicable laws and regulations relating to public health, safety, and environmental protection. All holders of leases under this Act shall allow promptly access at the site of any operations subject to safety regulations to any inspector, and provide such documents and records as the Secretary or his designee may request.

"(2) The Secretary shall promulgate regulations within ninety days of the enactment of this section to provide for—

"(A) physical observation by an inspector of the installation and testing at least once each year of all safety equipment designed to prevent or ameliorate blowouts, fires, spillages, or other major accidents; and

"(B) onsite inspection to assure compliance with safety regulations for at least some period of time during each important phase of operations, including but not limited to—

"(i) exploratory drilling;

"(ii) production drilling;

"(iii) well completion and normal production of oil and gas;

"(iv) capping or plugging of wells;

"(v) major servicing or repairs of equipment; and

"(vi) laying of pipelines or installation of storage facilities.

"(3) The Secretary shall make an investigation and public report on all fires and major oil spillages occurring as a result of operations pursuant to this Act. For the purposes of this subsection, a major oil spillage is any spillage in one instance of more than two hundred barrels of oil over a period of thirty days: *Provided*, That the Secretary may, in his discretion, make an investigation and report of lesser oil spillages. All holders of leases under this Act shall cooperate with the Secretary in the course of such investigations.

"(4) For the purposes of carrying out his responsibilities under this section, the Secretary may by agreement utilize with or without reimbursement the services, personnel, or facilities of any Federal agency.

"(b) The Secretary shall make a report to the Congress within thirty days of the end of each fiscal year detailing enforcement activities under this Act for the previous year, and giving any recommendations for increasing safety of operations in the Outer Continental Shelf or increasing the effectiveness of enforcement of safety regulations. Such report shall state the number of violations of safety regulations found, the names of the violators, and the action taken thereon.

"(c) The issuance and continuation in effect of any lease, or of any extension, renewal, or replacement of any lease under the provision of this Act, shall be conditioned upon compliance with the safety regulations issued under this Act.

"(d) The Secretary shall consider any petition from any person alleging the existence of a violation of any safety regulations issued under this Act. The Secretary shall answer such petition no later than ninety days after receipt thereof, stating whether or not such alleged violations exist and, if so, what action has been taken.

"LIABILITY FOR OIL SPILLS

"SEC. 22. (a) Any person in charge of any operations or facilities in the Outer Continental Shelf, as soon as he has knowledge of a discharge or spillage of oil from an operation, shall immediately notify the appropriate agency of the United States Government of such discharge.

"(b)(1) Except when the holder of a lease issued or maintained under this Act can prove the damages in connection with or resulting from the discharge or spillage of oil from an operation in the Outer Continental Shelf, were caused by an act of war, or the damaged party, such holder shall be strictly liable to all damaged parties, public or private, without regard to fault for such damages, and without regard to ownership of any affected lands, structures, fish, wildlife, or biotic or other natural resources relied upon by any damaged party for subsistence or economic purposes.

"(2) In any case where liability without fault is imposed pursuant to this subsection and the damages involved were caused by the negligence of a third party, the rules of subrogation shall apply in accordance with the law of the jurisdiction where the damage occurred.

"(c) If any area within or without a lease granted or maintained under this Act is polluted by any discharge or spillage of oil from operations conducted by or on behalf of the holder of such lease, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and total removal of the pollutant shall be at the expense of such holder, including administrative and other costs incurred by the Secretary or any other Federal officer or agency. Upon failure of such holder to adequately control and remove such pollutant, the Secretary in cooperation with other Federal, State, or local agencies, or in cooperation with such holder, or both, shall have the right to accomplish the control and removal at the expense of the holder.

"(d) The Secretary shall establish requirements that all holders of leases issued or maintained under this Act shall carry insurance in an amount sufficient to provide for cleanup of and adequate compensation for damages which may result from any discharge or spillage of oil resulting from operations in the Outer Continental Shelf.

"(e) The provisions of this section shall not be interpreted to supersede section 311 of the Federal Water Pollution Control Act Amendments of 1972 or preempt the field of strict liability or to preclude any State from imposing additional requirements.

"NEGOTIATIONS WITH STATES

"SEC. 23. The Secretary is authorized and directed to negotiate with those coastal States which are asserting jurisdiction over the Outer Continental Shelf with a view to developing interim agreements which will allow energy resource development prior to final judicial resolution of the dispute.

"DETERMINATION OF BOUNDARIES

"SEC. 24. Within one year following the date of enactment of this section, the President shall establish procedures for settling any outstanding boundary disputes, including international boundaries between the United States and Canada and between the United States and Mexico, and establish boundaries between adjacent States, as directed in section 4 of this Act.

"COASTAL STATE FUND

"SEC. 25. (a) There is hereby established in the Treasury of the United States the Coastal States Fund (hereinafter referred to as the 'fund'). The Secretary is authorized to make grants from the fund to the coastal States to assist them to ameliorate adverse environmental effects and control secondary social and economic impacts associated with the development of Federal energy resources in, or on the Outer Continental Shelf adjacent to the submerged lands of, such States. Such grants may be used for planning, construction of public facilities, and provision of public services, and such other activities as the Secretary may prescribe by regulations. Such regulations shall, at a minimum, (1) provide that such activities be directly related to such environmental effects and social and economic impacts; and (2) require each coastal State, as a requirement of eligibility for grants from the fund, to establish pollution containment and cleanup systems for pollution from energy resource development activities on the submerged lands, and the Outer Continental Shelf adjacent to such lands, of each such State.

"(b) The Secretary, in accordance with the provisions of subsection (a), shall, by regulation, establish requirements for grant eligibility: *Provided*, That no grant shall be for more than 90 per centum of the activity or activities to be conducted under such grant. The Secretary shall coordinate all grants with management programs established pursuant to the Coastal Zone Management Act of 1972.

"(c) Notwithstanding any other provision of law, 5 per centum of the Federal revenues from the Outer Continental Shelf Lands Act, as amended by this Act, shall be paid into the fund: *Provided*, That the total amount paid into the fund shall not exceed $200,000,000 per year.

"(d) For the purpose of this section, 'coastal State' means a State of the United States in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, or Long Island Sound.

"CITIZEN SUITS

"SEC. 26. (a) Except as provided in subsection (b) of this section, any person having an interest which is or may be adversely affected may commence a civil action on his own behalf—

"(1) against any person including—

"(A) the United States, and

"(B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution who is alleged to be in violation of the provisions of this Act or the regulation promulgated thereunder, or any permit or lease issued by the Secretary; or

"(2) against the Secretary where there is alleged a failure of the Secretary to perform any act or duty under this Act which is not discretionary with the Secretary.

"(b) No action may be commenced—

"(1) under subsection (a)(1) of this section—

"(A) prior to sixty days after the plaintiff has given notice in writing under oath of the violation (i) to the Secretary, and (ii) to any alleged violator of the provisions of this Act or any regulations promulgated thereunder, or any permit or lease issued thereunder;

"(B) if the Secretary has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with the provisions of this Act or the regulations thereunder, or the lease, but in any such action in a court of the United States any person may intervene as a matter of right; or

"(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice in writing under oath of such action to the Secretary, in such manner as the Secretary shall by regulation prescribe, except that such action may be brought immediately after such notification in the case where the violation complained of, constitutes an imminent threat to the health or safety of the plaintiff or would immediately affect a legal interest of the plaintiff.

"(c) In any action under this section, the Secretary if not a party, may intervene as a matter of right.

"(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation to any party, whenever the court determines such award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under this or any statute or common law to seek enforcement of any of the provisions of this Act and the regulations thereunder, or to seek any other relief, including relief against the Secretary.

"PROMOTION OF COMPETITION

"SEC. 27. Within one year after the date of enactment of this section, the Secretary shall prepare and publish a report with recommendations for promoting competition and maximizing production and revenues from the leasing of Outer Continental Shelf lands, and shall include a plan for implementing recommended administrative changes and drafts of any proposed legislation. Such report shall include consideration of the following—

"(1) other competitive bidding systems permitted under present law as compared to the bonus bidding system;

"(2) evaluation of alternative bidding systems not permitted under present law;

"(3) measures to ease entry of new competitors; and

"(4) measures to increase supply to independent refiners and distributors.

"ENFORCEMENT AND PENALTIES

"SEC. 28. (a) At the request of the Secretary, the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located for a restraining order or injunction or other appropriate remedy to enforce any provision of this Act or any regulation or order issued under the authority of this Act.

"(b) If any person shall fail to comply with any provision of this Act, or any regulation or order issued under the authority of this Act, after notice of such failure and expiration of any period allowed for corrective action, such person shall be liable for a civil penalty of not more than $5,000 for each and every day of the continuance of such failure. The Secretary or the Administrator may assess and collect any such penalty.

"(c) Any person who knowingly and willfully violates any provision of this Act, or any regulation or order issued under the authority of this Act, or makes any false statement, representation, or certification in any application, record, report, plan or other document filed or required to be maintained under this Act or who knowingly and willfully falsifies, tampers with, or knowingly and willfully renders inaccurate any monitoring device or method or record required to be maintained under this Act, shall, upon conviction, be punished by a fine of not more than $100,000, or by imprisonment for not more than one year, or both. Each day that a violation continues shall constitute a separate offense.

"(d) Whenever a corporation or other entity violates any provision of this Act, or any regulation or order issued under the authority of this Act, any director, officer, or agent of such corporation or entity who authorized, ordered, or carried out such violation shall be subject to the same fines or imprisonment as provided for under subsection (c) of this section.

"(e) The remedies prescribed in this section shall be concurrent and cumulative and the exercise of one does not preclude the exercise of the others. Further, the remedies prescribed in this section shall be in addition to any other remedies afforded by any law or regulation.".

REVISION OF LEASE TERMS

SEC. 203. Section 8 of the Outer Continental Shelf Lands Act is amended by revising subsections (a) and (b) to read as follows:

"(a) The Secretary is authorized to grant to the highest responsible qualified bidder by competitive bidding under regulations promulgated in advance, oil and leases on submerged lands of the Outer Continental Shelf which are not covered by leases meeting the requirements of subsection (a) of section 6 of this Act. The bidding shall be (1) by sealed bids, and (2) at the discretion of the Secretary on the basis of a cash bonus with a royalty fixed by the Secretary at not less than 12½ per centum in amount or value of the production saved, removed, or sold, or on the basis of a cash bonus with a 55 per centum share of the net profits derived from operation of the tract reserved to the United States. The United States' net profit share shall be calculated on the basis of the value of the production saved, removed, or sold, less those capital and operating costs directly assignable to the development and operation of all oil and gas leases issued under this Act to the lessee under a net profitsharing arrangement. No capital or operating charges for materials or labor services not actually used on an area leased for oil or gas under this Act under a net profitsharing arrangement, or allocation of income taxes shall be permitted as a deduction in the calculation of net income. The Secretary shall by regulation establish accounting procedures and standards to govern the calculation of net profits. In the event of any dispute between the United States and a lessee concerning the calculation of the net profits the burden of proof shall be on the lessee.

"(b) An oil and gas lease issued by the Secretary pursuant to this section shall (1) cover a compact area not exceeding five thousand seven hundred and sixty acres, as the Secretary may determine, (2) be for a period of five years and as long thereafter as oil or gas may be produced from the area in paying quantities, or drilling or well reworking operations as approved by the Secretary are conducted thereon, and (3) contain such rental provisions and such other terms and provisions as the Secretary may prescribe at the time of offering the area for lease."

DISPOSITION OF FEDERAL ROYALTY OIL

SEC. 204. Section 8 of the Outer Continental Shelf Lands Act as amended by this Act is further amended by adding a new subsection (k) to read as follows:

"(k) Upon commencement of production of oil and gas from any lease, issued after

the effective date of this subsection, the Secretary shall offer to the public and sell by competitive bidding for not less than its value, in such amounts and for such terms as he determines, that proportion of the oil and gas produced from said lease which is due to the United States as royalty. The lessee shall take any such royalty oil or gas for which no acceptable bids are received and shall pay to the United States a cash royalty equal to its value, but in no less than the highest bid.".

ANNUAL REPORT

SEC. 205. Section 15 of the Outer Continental Shelf Lands Act is amended to read as follows:

"ANNUAL REPORT BY SECRETARY TO CONGRESS

"SEC. 15. Within six months after the end of each fiscal year, the Secretary shall submit to the President of the Senate and the Speaker of the House of Representatives a report on the leasing and production program in the Outer Continental Shelf during such fiscal year, including a detailing of all moneys received and expended, and of all leasing, development, and production activities; a summary of management, supervision, and enforcement activities; and recommendations to the Congress for improvements in management, safety and amount of production in leasing and operations in the Outer Continental Shelf and for resolution of jurisdictional conflicts or ambiguities.".

INSURING MAXIMUM PRODUCTION FROM OIL AND GAS LEASES

SEC. 206. Section 5 of the Outer Continental Shelf Lands Act is amended by adding the following new subsections:

"Insuring Maximum Production From Oil and Gas Leases

"(d) The Secretary shall not extend any outstanding oil and gas lease or grant a waiver or extension of any development requirements of such lease unless the Secretary determines that such extension or waiver is reasonably certain to result in production of oil or gas within the period of the extension and until sixty days (not counting days on which the House of Representatives or the Senate has adjourned for more than three days) after notice that such action is proposed has been published in the Federal Register and submitted to the Congress.

"(e) Within twelve months after enactment of this section, the Comptroller General shall audit all shut-in wells on the Outer Continental Shelf and report his findings to the Congress. His report shall indicate why each well is shut in.

"(f) Within six months after enactment of this section the Secretary shall review all outstanding oil and gas leases issued pursuant to this Act and require such unitization or cooperative or pooling agreements as he determines are necessary to achieve full development of and maximum production from such leases.

"(g) (1) After enactment of this section no oil and gas lease may be issued pursuant to this Act unless the lease requires that development be carried out in accordance with a development plan which has been approved by the Secretary, and provides that failure to comply with such development plan will terminate the lease.

"(2) The development plan will set forth, in the degree of detail established in regulations issued by the Secretary, specific work to be performed, environmental protection and health and safety standards to be met, and a time schedule for performance.

"(3) With respect to permits and leases outstanding on the date of enactment of this section, a proposed development plan must be submitted to the Secretary within six months after the date of enactment of this section. Failure to submit a development plan or to comply with an approved development plan shall terminate the permit or lease.

"(4) The Secretary may approve revisions of development plans if he determines that revision will lead to greater recovery of the oil and gas, improve the efficiency of the recovery operation, or is the only means available to avoid severe economic hardship on the lessee or permittee.

"(h) After the date of enactment of this section, holders of oil and gas leases issued pursuant to this Act shall not be permitted to flare natural gas from any well unless the Secretary finds that the only practicable way to prevent flaring would be to shut-in the well."

GEOLOGICAL AND GEOPHYSICAL EXPLORATION

SEC. 207. Section 11 of the Outer Continental Shelf Lands Act is hereby amended to read as follows:

"SEC. 11. No person shall conduct any type of geological or geophysical explorations in the Outer Continental Shelf without a permit issued by the Secretary. Each such permit shall contain terms and conditions designed to (1) prevent interference with actual operations under any lease maintained or granted pursuant to this Act; (2) prevent or minimize environmental damage; and (3) require the permittee to furnish the Secretary with copies of all data (including geological, geophysical, and geochemical data, well logs, and drill cores) obtained during such exploration.".

ENFORCEMENT

SEC. 208. Subsection 5(a)(2) of the Outer Continental Shelf Lands Act is hereby amended by deleting the first sentence.

TITLE III—MISCELLANEOUS PROVISIONS

PIPELINE SAFETY AND OPERATION

SEC. 301. (a) The Secretary of Transportation, in cooperation with the Secretary, is authorized and directed to report to the Congress within sixty days after enactment of this Act on appropriations and staffing needed to monitor pipelines on Federal lands and the Outer Continental Shelf so as to assure that they meet all applicable standards for construction, operation, and maintenance.

(b) The Secretary of Transportation, in cooperation with the Secretary, is authorized and directed to review all laws and regulations relating to the construction, operation, and maintenance of pipelines on Federal lands and the Outer Continental Shelf and report to Congress within six months after enactment of this Act on administrative changes needed and recommendations for new legislation.

(c) One year after the date of enactment of this Act, the Interstate Commerce Commission and the Secretary of Transportation shall submit to the President and the Congress a report on the adequacy of existing transport facilities and regulations to facilitate distribution of oil and gas resources of the Outer Continental Shelf. The report shall include recommendations for changes in existing legislation or regulations to facilitate such distribution.

MATERIALS ALLOCATION

SEC. 302. The Administrator of the Federal Energy Office shall, within sixty days after the date of enactment of this Act, propose and promulgate a contingency plan, including appropriate regulations, for allocation of supplies of materials and equipment necessary for exploration, development, production, and required transportation of oil and gas resources of the Outer Continental Shelf.

STUDY OF NEED FOR ENERGY DEVELOPMENT FINANCING

SEC. 303. (a) The Secretary of Commerce is authorized and directed to conduct a study of the need for and availability of capital to finance exploration, development, production, and transportation of energy resources in the United States. This study shall include, but need not be limited to, an assessment of the desirability of Federal loans, loan guarantees, or other forms of Federal assistance in obtaining investment capital.

(b) The study required by subsection (a) of this section shall be submitted to the President and the Congress no later than one year after the date of enactment of this Act.

(c) There are hereby authorized to be appropriated for the purposes of this section $500,000.

FULL UTILIZATION OF HYDROPOWER CAPABILITY

SEC. 304. (a) The Secretary, in cooperation with the Federal Power Commission, the Secretary of the Army, and any other Federal or State officials, is authorized and directed to review all existing water reservoir projects and identify any additional hydropower capability. The Secretary shall identify potential additional capability of each reservoir, the estimated costs of modifications needed to utilize that capability, and the effect of any additional capability on future water allocations to various reservoir project purposes, and on the environment.

(b) The Federal Power Commission, in cooperation with the Secretary, shall study the need for establishment of a national power grid, consisting of large electric power generating facilities, and a system of very high voltage transmission lines which, to the extent practicable, shall interconnect generating facilities and transmission systems in the various regions of the United States.

(c) The Secretary and the Federal Power Commission shall submit reports of the results of their studies to the Congress within two years after the enactment of the Act.

(d) There are hereby authorized to be appropriated $2,000,000 for the purposes of subsection (a) and $1,000,000 for the purposes of subsection (b) of this section.

A STUDY OF MEANS TO MAXIMIZE RESOURCE RECOVERY AND MINIMIZE ENVIRONMENTAL IMPACTS IN DEVELOPMENT OF ENERGY RESOURCES

SEC. 305. (a) The Secretary is directed to contract with the National Academy of Sciences-National Academy of Engineering for an in-depth study of technologies for increasing the availability of energy resources through improved efficiencies in exploration, development, production, and recycling of such resources in order to reduce the adverse economic, social and environmental impacts of resource utilization.

(b) The study shall, at a minimum—

(1) examine improved exploration, development, and production techniques including the development of new techniques, new applications of known techniques, and the differential impacts of these techniques when practiced in different climates and terrains, when used to recover different types of minerals, and in the context of a range of adjacent and subsequent planned land uses;

(2) in each instance, describe the duration and reversibility of the anticipated adverse impacts, and discuss ways in which exploration, development, and production techniques can be adjusted during and after extraction to minimize the adverse impacts described; or where alternatives to these techniques can be used;

(3) identify alternative geographic sources and exploration, development, and production technologies for various specific energy resources, which make possible resource recovery, with the minimum adverse economic, social, and environmental impacts. The study shall also describe the costs and benefits associated with shifting an industry's supply to such sources or technologies; and

(4) describe the specific measures necessary to fully integrate exploration, development, and production activities, both in the short and long term, with land use manage-

ment plans and programs on the State and Federal levels.

(c) After studying the technologies and impacts set forth in subsection (b) above, the study shall also examine and research the development of new exploration, development, and production technologies, or other technological means of increasing substantially the efficacy of exploration, development, production, and reclamation. This study shall also include the best estimate of the authors as to the earliest date expected for industrial application of each new technique discussed and the net costs and benefits of implementation compared to present practices.

(d) The study shall examine, for major commodity classes, a range of alternatives to primary resource extraction, including the potential for recycling, salvage, reprocessing, byproduct recovery, material substitution, the potential for Federal policy actions to encourage such actions, and the impact such practices would have on the need for primary extraction and the reduction of consequent environmental impacts.

(e) For all of the above, the study will assess the likely impact of altering present exploration, development, and production practices on the supply and demand of various energy resources, on labor and capital requirements for the various energy exploration, production, and transportation industries, and for various classes of producers within those industries.

(f) The study, together with specific recommendations for Federal and State policy needs and for action by the energy industries, shall be submitted to the President and to Congress no later than three years from the date of enactment of this Act. Interim reports shall be submitted at the end of the first and second years.

(g) There are hereby authorized to be appropriated for the purposes of this section, $5,000,000.

RELAXATION OF IMPORT CONTROLS ON CERTAIN STEEL DRILLING AND MINING EQUIPMENT

SEC. 306. The President is requested to enter into negotiations with those foreign countries which have voluntarily limited the quantity of steel products which may be exported to the United States so as to permit the importation of increased quantities of steel pipe, drilling equipment, casing, and other steel products which the Secretary certifies are in short supply in the United States and are used in the extraction, production, or transportation of energy resources.

ENERGY FACILITIES ON FEDERAL LANDS

SEC. 307. (a) The Secretary, in cooperation with other Federal agencies, is authorized and directed to identify potential sites and corridors on Federal lands for energy production and transmission facilities, including petroleum refineries, and electric generating plants (including nuclear generating plants).

(b) No later than eighteen months after the enactment of this Act, the Secretary shall report his findings to Congress together with recommendations as to whether and under what conditions any such sites or corridors should be made available for such facilities.

EXPEDITING FEDERAL ENERGY-RELATED ACTIONS

SEC. 308. (a) The Secretary is authorized and directed to study methods of expediting action by the Federal Government on matters, including applications for Federal energy resource permits or leases, relating to increasing the domestic supply of energy.

(b) No later than six months after the date of enactment of this Act, the Secretary shall report to the Congress the results of his study together with administrative action taken to expedite such actions and recommendations for legislation.

SEVERABILITY

SEC. 309. If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

DEFINITIONS

SEC. 310. As used in this Act the term—

(a) "Federal lands" means any lands owned by the United States, including mineral deposits owned by the United States in lands the surface of which is in other ownership, except (1) lands in the national park system which on the date of enactment of this Act are not open to mineral leasing, (2) lands held by the United States for the use of Indians or Indian tribes, (3) lands on the Outer Continental Shelf, and (4) lands in the national wilderness preservation system except as otherwise provided in the Wilderness Act; and

(b) "Federal energy resource" means oil, gas, coal, oil shale, uranium, and geothermal energy on Federal lands or the Outer Continental Shelf subject to permit or lease under applicable Federal law.

(c) "Secretary" means the Secretary of the Interior.

By Mr. PROXMIRE:

S. 3224. A bill to provide for the chartering of Federal stock savings and loan associations, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

CONVERSION OF SAVINGS AND LOAN ASSOCIATIONS

Mr. PROXMIRE. Mr. President, I am offering a bill to provide for the orderly conversion of mutual savings and loan associations into stock associations. This bill is introduced as an alternative to S. 3132 which was recommended by the Federal Home Loan Bank Board. Both my bill and the Bank Board's bill would authorize de novo stock charters for Federal savings and loan associations and would permit existing mutual associations to convert to stock associations.

The main difference between my bill and the Bank Board's bill is over what happens to the proceeds of any stock sale made by a converting association. Under the Bank Board's bill, all proceeds would be deposited directly in the converting association. Under my bill, proceeds equal to the net worth of the association would be deposited in a special trust fund under the control of the Federal Home Loan Bank Board. Moneys in the trust fund would ultimately be used to further our national housing goals for low- and moderate-income families as outlined in the 1968 Housing Act.

The Bank Board would be required to report its recommendations to Congress as to precisely how these funds can be used to improve housing conditions for low- and moderate-income families. This report would be due within 1 year. In the meantime, any funds in the trust fund would be invested in obligations of the U.S. Government.

Under my bill, depositors in the association would still be entitled to their proportionate share of the association's net worth as of the date the conversion plan was announced should the association be liquidated at a later date. Any such claims would be reduced proportionately to the extent a depositor reduced the amount of funds he had on deposit as of the cutoff date.

In order to protect the interests of stockholders in the converted association, my bill also provides that any association would be reimbursed from the trust fund for any payments it might make to depositors upon liquidation.

The effect of my proposal is to eliminate any possibility of windfall gain accruing to the stockholders of a converted association. Under the Bank Board's proposal, the benefits of a converting association's existing equity would accrue to the buyers of the newly issued stock. While it may be theoretically possible to price the new stock high enough to eliminate any windfalls, in practice it would be exceedingly difficult for the Board to arrive at a fair value. Under my proposal, there would be no guesswork. The new stockholders would simply agree to replace the existing equity in an association by depositing an equivalent amount into the Housing Trust Fund.

By eliminating the possibility of windfall gain, my proposal will remove any artificial incentive for mutuals to convert into stock associations simply in order to recapture a portion of the association's equity. It also minimizes the possibility of speculative deposit flows between stock associations and mutual associations in anticipation of a conversion. Since any windfall profit element is taken out of the conversion process, there would be no reason for depositors to shift their money from stock associations into mutual associations. Under the Bank Board's proposal, the entire structure of the savings and loan industry could be radically transformed through speculative conversions.

While the windfall element of conversions is eliminated by my proposal, the bill I have introduced still makes it possible for mutual associations to convert into stock associations whenever the management of the association feels the long-term benefits of the stock form of organization outweigh the advantages of the mutual form of organization. These benefits include the ability to raise more capital, and the ability to offer stock options to employees as an incentive for attracting better management.

In addition to eliminating the windfall element of S. & L. conversions, my proposal will also provide a source of funds for low- and moderate-income housing. Thus, instead of windfall profits accruing to private investors, such profits would be diverted to serving a public purpose.

Mr. President, the Subcommittee on Financial Institutions of the Senate Committee on Banking, Housing and Urban Affairs is holding hearings on the conversion issue on April 8, 9, and 10. I look forward to these hearings and to a full discussion of all the alternatives facing the Congress and the Bank Board with respect to S. & L. conversions. It may be that there are some difficulties with the proposal I have introduced. Nonetheless, I believe it is an interesting alternative to the Board's proposal and that it warrants full discussion by those

who are interested in the conversion problem.

By Mr. GURNEY:

S. 3225. A bill to amend the Export Act of 1969 to curtail exports of petrochemical feedstocks. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. GURNEY. Mr. President, today I am introducing legislation which would require the President under section 204 of the Export Administration Act of 1969, to establish rules and regulations to limit the exportation of petrochemical feedstocks to an amount which equals an average of the amount of such materials that was exported during 1970 and 1971.

On December 18, 1973, I sponsored an amendment to S. 2776, the Federal Energy Administration Act, which requires the Adminstrator of the FEA, in cooperation with other appropriate agencies, to within 30 days after its enactment inform the Congress as to exactly what economic fate the administration is predicting for our Nation's vital petrochemical industry and how that industry is affected by the rules and regulations established by the FEA. At this point, I request that my remarks at the introduction of this amendment be printed in the RECORD.

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

STATEMENT BY SENATOR EDWARD J. GURNEY: AN AMENDMENT TO S. 2776, THE FEDERAL ENERGY ADMINISTRATION ACT

Mr. President, I am introducing an amendment to S. 2776, the Federal Energy Administration Act, which requires the Administrator of the FEA, in cooperation with other appropriate agencies, to rapidly inform the Congress as to exactly what economic fate the administration is predicting for our Nation's vital petrochemical industry under which the rules and regulations of our current energy crisis.

There is one point on which all of us can agree—no one put the right information together fast enough to permit our Nation to avoid our energy crisis. And I will add that action, when it has come at all, has been too little, too late. The amendment I introduce today will make sure that Congress itself will be able to make some assessment of where the administration is leading the petrochemical industry with price controls, surging exports, and shrinking imports.

Here is what my amendment will do. It requires the Administrator of the FEA, with the assistance of the Cost of Living Council, the Department of Commerce, and the U.S. Tariff Commission, to tell Congress, in 15 days, the following information about the petrochemical industry today and in 1974:

1. The effects of price ceilings on export levels.

2. The effects of those export levels on domestic supplies.

3. What imports contribute to domestic supplies.

4. Taking everything into consideration, what the economic effects of expected levels of supply will be on the petrochemical industry.

Furthermore, I ask for a detailed accounting of data available to the Government on the petrochemical industry. I think Congress should know how the administration arrives at its conclusions about this industry.

Mr. President, the plastics industry feedstocks make up less than one and a half percent of the total domestic oil and natural gas usage. The entire petrochemical industry consumes between five and six percent of the U.S. supply of natural gas and petroleum products. But the sales of the petrochemical industry, which are almost as large as those of the petroleum refining industry, are vitally dependent upon these petroleum and natural gas raw materials.

Petrochemical industry sales have increased at an average annual growth rate of 7.3%. This growth which is more rapid than that of the entire chemical industry, contributes to the extension of the U.S. natural resources base in the production of synthetic plastics, fibers and rubbers. These products make major reductions in our dependence on foreign sources of natural products other than petroleum and natural gas.

Mr. President, as pleased as I am that we are finally going to have centralized Federal decision-making during our energy crisis, I feel that as of today, too little attention is being given to the economic consequences of the petroleum shortage. Most of the attention seems to be focused upon fuel needs. I am fearful that in the rush to make major shifts in refinery output, we may unintentionally cut short raw material supplies to the petrochemical industry. Many of our nation's businesses, small and large, seem to be being made victims of a classic case of the Government's right hand not knowing what the left hand is doing.

For instance, price controls have been imposed upon the petrochemical industry since August 15, 1971. Meanwhile, with worldwide shortages and rising demand, the world prices for petrochemicals have soared. Domestic producers understandably have moved to export markets.

Comparing January through August of 1972 with the same time period for 1973, exports of polyester resins increased from 27,881,471 pounds to 34,939,857 pounds; and exports of polypropylene resins (except for protective coatings) increased from 102,572,734 pounds to 196,356,789 pounds. Toluene exports increased from 14,402,878 pounds to 50,151,441 pounds.

On December 13, Secretary of Commerce, Frederick Dent, moved to curb petroleum exports by requiring exporters, starting the next day, to get licenses to ship oil and other petroleum products out of the country. But the products included do not impact significantly upon petrochemical exports.

On the other hand, the price controls on domestic petrochemical sales remain in effect. Do we really know what is going to happen to domestic supplies? If we impose export controls, what will happen then—will producers start hoarding, will black markets develop? How will the government make sure that supplies will be available to meet the new mandatory allocations for petrochemicals, which are now suggested as 120% of 1972 supplies? Exactly what do those in control of our economy during this energy crisis expect is going to happen? Based on the record to date, I think Congress itself should have the answer to that question as quickly as possible.

Mr. President, I am talking about an industry which is vital on its own terms as well as for the economy as a whole. It is an industry which faces a double threat from the petroleum shortage because it uses petroleum and natural gas hydrocarbons both as a fuel and as the primary raw material or feedstock for its plants. It includes such major areas as automobile parts, packaging, textiles, organic chemicals, furniture, construction, pharmaceuticals, agriculture, phonograph records, toys, plumbing fixtures and materials and sail and power boats, just to name a few. And if the petrochemical industry is defined to include just the production of basic and intermediate organic chemicals and the plants which produce synthetic fibers, synthetic rubbers and plastic resins, and to exclude all downstream fabricating steps, the industry represents sales of more than $20 billion, and employment of some 320,000 people in 1900 plants in the United States.

One industry expert recently testifying before the Senate Joint Economic Committee, a Mr. George B. Hegeman of Arthur D. Little, Inc., concluded that the petrochemical industry is so closely related to the economy as a whole, that a sustained 15% reduction in the output of the organic chemicals industry could result in a loss of 1.6 to 1.8 million jobs in consuming industries and a loss of domestic production value of $65–$70 billion annually.

Mr. President, with experts making predictions like that, Congress should immediately ask the administration for its best estimate of the fate of petrochemical industry.

I ask unanimous consent that my proposed amendment be inserted in the CONGRESSIONAL RECORD following these remarks.

Mr. GURNEY. As I pointed out in December, the petrochemical industry is vital to the total economy of this Nation. Shortages in petrochemical feedstocks do not only adversely affect the petrochemical producers but also such major industries as textiles, construction, pharmaceuticals, automobile parts—and the list continues. Unfortunately, the petrochemical situation in this country has not improved since December. Neither placing petrochemical feedstocks under mandatory allocation nor removing the price controls from them has resulted in the hope for increases in feedstock supplies. Instead, supplies are still short, resulting in an external industry cutback, continuing "black market" trading in feedstocks and increased unemployment in "downstream" industries which are dependent upon petrochemicals for production of their products.

Mr. President, as these shortages continue it is apparent that mandatory allocation of petrochemicals is not enough to solve the problem. In looking deeper into this problem of petrochemical feedstocks, we see the phenomenon of increased exports of these vital materials from the country at a time when hundreds of small businesses are closing because of the lack of this material being supplied to them.

Mr. President, an example of this is an industry in Fort Lauderdale, Fla., which relies upon resins to produce a plastic which resembles glass. These products are used in homes and industries largely because of their safety features.

This company, up until last week, employed 293 persons. Because of the prices and the lack of supplies of this commodity, they have had to cut their overhead by 50 percent. The president of this company has informed me that he can possibly hold out 1 month more, but not much longer, and that he must be able to find somebody that will be able to give him some kind of answers to his problems or at least be able to go to an agency that can help keep his doors open. Mr. President, this is a sad situation for a small businessman to be facing and it is one which we cannot allow to continue.

Therefore, I feel that it is necessary for the passage of this legislation to give

the President the authority to reduce exports of petrochemical feedstocks in order to increase the domestic supply of these materials to our small businesses. This bill hopefully will roll back the export of petrochemical feedstocks to a reasonable level—one that will redirect necessary feedstocks back into our small businesses and at the same time allow the exporters to maintain a profitable exporting business.

Mr. President, I believe that the legislation I am proposing today, in conjunction with the legislation which has recently been offered to mandatorily allocate plastic feedstocks, will enable the petrochemical processors to resume full production and thereby alleviate the current shortage.

Mr. President, at the conclusion of my remarks, I request that this bill be printed in the RECORD.

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

S. 3225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 204 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(f) Notwithstanding any other provision of this Act, the President shall prescribe such rules and regulations as may be necessary to prohibit the exportation from the United States, its territories, or its possessions of an amount of petrochemical feedstocks during the twelve-month period which begins on the first day of the first month beginning after the date of enactment of this subsection, and during each succeeding twelve-month period, which exceeds the average annual amount of such materials which was exported during calendar years 1970 and 1971."

By Mr. McINTYRE:

S. 3226. A bill to authorize the payment of travel expenses of the widow, children, and parents of certain deceased members of the Armed Forces whose remains are returned to the United States after March 1, 1974, so as to permit such persons to attend the burial services of such deceased members. Referred to the Committee on Armed Services.

Mr. McINTYRE. Mr. President, an article in today's Washington Post brings to light another tragic facet of the aftermath of the Vietnam War.

In the last 2 weeks, the North Vietnamese have released the remains of 23 American POW's who died while imprisoned. Under existing law, the Government will pay funeral benefits to the next-of-kin, or provide burial without charge in military cemeteries. However, there is no provision for transportation of the immediate family to the burial site.

This may seem a small matter, but consider the plight of Cecile Abbott, widow of Navy Capt. John Abbott. Her husband's body will be interred in Arlington Cemetery. Since she lives in Sacramento, Calif., she will have to pay a considerable sum for transportation for herself and her son to the funeral.

Transportation expenses have not been provided to families of deceased servicemen in the past, but this is not the usual situation. Many of these POW families spent years of uncertainty and mental agony, not knowing whether their loved one was dead or alive. Mrs. Abbott, for example, had no word of her husband's fate from 1966, when she received notification he had been shot down, until 1973, when the Paris peace accords were signed. Under circumstances like this, we should do everything in our power to lessen the suffering of these families.

According to the Post article, negotiations are still being conducted for the release of the bodies of 32 other American servicemen who had been imprisoned in South Vietnam.

Mr. President, at a small cost to the taxpayer, we can take a giant step toward honoring the memories of those brave men who made the supreme sacrifice. Further, we will honor the courage and strength of the families who exhibited such emotional stamina during a most difficult period. It is the least we can do for them.

Therefore, I am introducing for appropriate reference legislation to correct the existing situation and provide for payment of transportation for the widows, children, and parents of these POW's to attend their funerals. I hope and expect that we can get wide support and prompt consideration of this measure.

Mr. President, I ask unanimous consent that the bill, and the article, entitled "Widow Must Pay Way to POW Burial", by Ron Shaffer, in the March 22, 1974, Washington Post, be printed in the RECORD at this point.

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

S. 3226

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Defense is authorized and directed to pay, in the case of the widow and children and parents of any deceased member of the Armed Forces of the United States who died in Southeast Asia during the Vietnam era and whose remains are returned to the United States after March 1, 1974, the reasonable transportation expenses incident to attending the burial services for such deceased member.

(b) Travel expenses authorized under this Act shall include travel to and return from the place where the remains of the deceased member are to be buried. The Secretary of Defense is authorized to furnish Government transportation service in lieu of travel expenses if he determines such action to be in the best interests of the United States.

(c) In carrying out the provisions of this Act, the Secretary of Defense is authorized to use any funds available to the Department of Defense for the payment of travel expenses.

(d) As used in this Act the term "Vietnam era" shall have the same meaning as prescribed in section 101 (29) of title 38, United States Code.

WIDOW MUST PAY WAY TO POW BURIAL

(By Ron Shaffer)

If Cecile Abbott of Sacramento, Calif. and her 12-year-old son make it to the Arlington Cemetery graveside for the burial of her POW husband, U.S. Navy Capt. John Abbott, whose body was recently released by North Vietnam, it will only be because she paid the cost of getting there.

Mrs. Abbott thinks that's unfair, since the government spent so much money 14 months ago to bring relatives of 556 returning live POWs to stateside hospitals for reunions. And later the government spent more to bring over 500 POWs and relatives to the White House for a Presidential reception.

"I got to thinking about it," Mrs. Abbott said yesterday, "and it seemed inequitable that President Nixon could fly POWs and their wives to Washington for a big wing-ding at the White House, but someone at the top could not provide travel for 23 families of (dead) men returning from Vietnam."

Capt. Abbott died in captivity in North Vietnam, and in the last two weeks Hanoi released his remains along with those of 22 other imprisoned American servicemen who died there.

"Just because men come home in a coffin does not make them any less heroes than the ones who came back alive," said Mrs. Abbott.

A Navy spokesman who refused to be identified because of what he termed the sensitive nature of the problem, explained that the law does not allow the military to provide transportation for the families of men who died while in the service. "The law didn't allow us to do it for 55,000 men who died in Vietnam and we can't do it now."

The spokesman said he sympathized with the relatives of these 23 families—"I know what they're faced with and we would like to make it as easy as possible for them, but we're kind of tied down in this."

Mrs. Abbott, he said, would have been accorded the same treatment as the other families if her husband had come back alive.

Although the law is specific about what can be provided for relatives of men who die in the service, no one should begrudge the special treatment accorded to the POWs who returned safely, the Navy spokesman said. "After all," he said, "those POWs were something special to all of us."

Mrs. Abbott, 43, had just celebrated her 10th wedding anniversary when she received word that her husband had been shot down while flying his A-4 jet attack aircraft over North Vietnam. The military told her that a parachute had been sighted, but that a search and rescue team sent to the area reported no signs of the pilot.

That was April, 1966.

She heard nothing more until Jan. 27, 1973, the day the peace accord was signed in Paris. Then the North Vietnamese informed her that her husband had died after seven days in captivity.

Last week she received word from the military that the North Vietnamese said they were releasing the remains of her husband. There have been no other details about his death.

Capt. Abbott had enlisted in the Navy just before the end of World War II, Mrs. Abbott said. "He was a test pilot at one point, and he flew in Korea, and he had a chestful of medals."

Now, she says, with the latest message about her husband it's as if she is going through his death for the third time. "But I'm greatly relieved that finally we can bury his body on home soil."

The remains of the 23, all officers, according to the Pentagon, were taken to an American base in Thailand for identification after Hanoi released 12 bodies on March 6 and 11 on March 13. Negotiations are still under way for the 32 other Americans who Hanoi said died in captivity in South Vietnam.

The remains of six of the 23 released this month arrived at Travis Air Base in California yesterday. A Defense Department spokesman said their identities could not be divulged pending final identification work at the Oakland Army Terminal mortuary.

No timetable has been set for burial of any of the 23, or the return of the other 17 bodies from Thailand, according to a Defense Department spokesman.

Relatives of deceased servicemen are entitled to government transportation of the remains to a burial site selected by the next of kin, and up to $625 for interment costs in a private ceremony, depending on the type of funeral. A military ceremony is provided without charge upon request.

The next of kin of all men who die during military service receive a death gratuity of from $800 to $3,000, depending upon rank. This money can be used any way the family sees fit, including for funeral travel expenses, according to a Pentagon spokesman.

A serviceman's government-sponsored insurance provides $15,000 to beneficiaries, and the next of kin of men killed in action continue to receive full medical, commissary and exchange privileges unless the widow remarries. The children continue to receive those benefits until they are 21, unless they are adopted.

By Mr. MONDALE (for himself, Mr. BROOKE, Mr. EAGLETON, Mr. STAFFORD, Mr. MCGEE, Mr. HART, Mr. GRAVEL, and Mr. MATHIAS):

S. 3227. A bill to provide assistance to encourage States and localities to undertake comprehensive criminal justice reform in order to strengthen police protection, improve the prosecution of offenders, expedite overcrowded court criminal calendars, and strengthen correctional systems, and for other purposes. Referred to the Committee on the Judiciary.

Mr. MONDALE. Mr. President, on behalf of myself, the Senator from Massachusetts (Mr. BROOKE), the Senator from Missouri (Mr. EAGLETON), the Senator from Vermont (Mr. STAFFORD), the Senator from Wyoming (Mr. MCGEE), the Senator from Michigan (Mr. HART), the Senator from Alaska (Mr. GRAVEL), and the Senator from Maryland (Mr. MATHIAS), I am pleased to introduce the Model Criminal Justice Reform Act of 1974.

It is clear that Americans regard street crime as one of the most pressing issues facing our country. It is an issue which keeps tens of million of Americans in daily fear for their lives and property. It is an issue which results in billions of dollars a year in property loss, and in tragic—though not similarly quantifiable—losses in human freedom and dignity.

Early in 1973, a Gallup poll revealed that more than one in every five people across the country had been victimized by crime in 1972. And over half of those questioned said they felt that there was more crime in their area than there had been a year ago.

In 1968, 31 percent of respondents to a Gallup poll said they were afraid to walk in their own neighborhood at night. By the end of 1972, the figure had risen to 42 percent. By 1972, Gallup found that one person in six did not feel safe in his own home at night.

The trend of public opinion is unmistakable.

And in our large cities, the public's concern is even clearer. A Gallup survey taken in early 1973 indicated that among residents of cities over 500,000 population, crime was regarded as far and away the top concern. Crime was named as their city's worst problem by 22 percent of those surveyed, twice the percentage of the next most important problem—transportation and traffic. This was a startling change from a similar survey of large cities in 1947, which showed that only 4 percent regarded crime as their city's worst problem.

In short, the fear of crime in the public mind is growing steadily. And the overwhelming probability is that it will continue to grow unless there is real evidence that State and local governments, where primary responsibility for fighting crime undoubtedly lies, mount more effective efforts against street crime. To do this, they will need more Federal help. And without a different type of Federal help—focusing more on the need for total criminal justice system reform—the likelihood of reducing crime, and the public fear of ever-increasing crime, is virtually nonexistent.

The public's belief in the increasing danger which crime poses to the average citizen is, unfortunately, very well founded. The long-term trend in the number of crimes reported to the police is on the rise, with no peak yet in sight. From 1960 to 1971, the rate of violent crimes rose by an astounding 168 percent. Robberies were up by almost 260 percent, rape by 146 percent, murder by over 95 percent, and aggravated assault by 139 percent.

In 1972, the FBI reported the first decrease—of 2 percent—in serious crime in 17 years and the administration hoped that the worst of the crime rise had been seen. In the first 6 months of 1973, however, the jump upward began again, with the violent crime rate up 4 percent in the first 6 months of the year, and with murder up by 9 percent. Significantly, the rates of increase for murder and rape were highest not in the large cities, but in cities under 10,000 and in rural areas. And in other areas of crime as well, a trend which seems to have been emerging within the past 2 years once again proved true, as crime increased more rapidly overall in suburban and rural areas than in the major urban centers of our Nation.

In short, the crime problem which millions of Americans once thought was primarily a problem of the central city, has truly become national, threatening the health and security of every American.

And significantly, studies sponsored by the Law Enforcement Assistance Administration reveal that even the astronomical rates of reported crimes, as published by the FBI's Uniform Crime Reports, may reveal only the tip of the iceberg. This preliminary study, undertaken to gage the true measure of crime in America, indicates that the number of crimes actually committed could run as high as five times the number officially reported by victims. For rapes and robberies, the number actually experienced was approximately twice the number reported, and for aggravated assaults the ratio of crimes committed to crimes reported was 5 to 1. This type of study, which will become a regular quarterly report in the near future, provides us with the first glimpse behind the facade of official statistics and into the real world of crime's impact on the citizen. It reveals that even the more than 3 million violent crimes and burglaries reported to the police in 1971 vastly underestimates the seriousness of the problem confronting us.

In this area, the Federal response must match the severity of the problem. The principle must remain that criminal justice is primarily the responsibility of State and local governments; but the Federal Government can play a vital role in encouraging and financing reform.

The need for a new attack on crime is clear.

In 1967, the President's Commission on Law Enforcement and Administration of justice made this gloomy assessment of crime in America:

There is much crime in America, more than ever is reported, far more than ever is solved, far too much for the health of the Nation. Every American knows that. Every American is, in a sense, a victim of crime. Violence and theft have not only injured, often irreparably, hundreds of thousands of citizens, but have directly affected everyone. Some people have been impelled to uproot themselves and find new homes. Some have been made afraid to use public streets and parks. Some have come to doubt the worth of a society in which so many people behave so badly. Some have become distrustful of the Government's ability, or even desire, to protect them.

The situation is no better today. Each year, crime in America takes its toll in lives, injury, and tension. It has been estimated that crime costs our country between $50 and $100 billion every year.

We have been aware of these frightening facts and statistics for some time. But despite our knowledge, the crime rate continues to spiral.

There are no quick and easy solutions. The causes of crime are complex, and no single proposal will eliminate crime.

Most authorities do agree, however, that crime could be substantially reduced with more well-trained and better-paid police, speedy and efficient disposition of criminal cases, and corrections programs which rehabilitate offenders. In short, fundamental improvements in the entire criminal justice system of our States and localities would have a direct and dramatic impact on the crime rate in this country.

But the failures and inadequacies of the criminal justice system in most States have been well documented.

The report of the President's Commission on Law Enforcement and Administration of Justice noted this failure:

The increasing volume of crime in America establishes conclusively that many of the old ways are not good enough. Innovation and experimentation in all parts of the criminal justice system are clearly imperative. They are imperative with respect both to entire agencies and to specific procedures. Court systems need reorganization and case-docketing methods need improvement; police-community relations program are needed and so are ways of relieving detectives from the duty of typing their own reports; community-based correctional programs must be organized and the pay of prison guards must be raised. Recruitment and training organization and management research and development all require re-examination and reform.

A 1969 staff report to the National Commission on the Cause and Prevention of Violence contains the following critical—but I believe accurate—portrayal

of the criminal justice process in many States:

A system implies some unity of purpose and organized interrelationship among component parts. In the typical American city and state and under federal jurisdiction as well, no such relationship exists. There is instead, a reasonably well-defined criminal process, a continuum through which each accused offender may pass from the hands of the police, to the jurisdiction of the courts, behind the walls of a prison, then back into the street. The inefficiency, fallout, and failure of purpose during this process is notorious . . .

If any one part of the criminal justice system functions badly, the entire system will be adversely affected. An excellent police force is hampered in preventing crime if there are long delays in bringing a defendant to trial; speedy disposition of criminal cases will not prove effective if a convicted defendant is sent to a prison which is only a breeding place for more crime.

As a former State law enforcement official, I realize that most of the crime plaguing this country falls within the jurisdiction of State and local governments—and that the responsibility for law enforcement and the maintenance of an effective criminal justice system begins and ends with those State and local governments. I am firmly committed to the principle that law enforcement must remain a State and local responsibility.

It is difficult to carry out this responsibility, however, without adequate funds, and it is clear that most States and cities simply do not have the resources for meeting the increasingly complex demands being placed on them—from preventing crime to eliminating pollution. Consequently, Federal financial assistance to States and their cities is essential in combating crime. This principle was recognized with the passage of title I of the Omnibus Crime Control and Safe Streets Act of 1968.

Unfortunately, title I of the Safe Streets Act was not designed to remedy the basic defects of the criminal justice system as it exists in most States. The fractionalization and the strong tendencies to resist comprehensive reform have not been significantly aided by LEAA, largely stemming from the mandate and administrative structure which it was given.

Today, we are spending almost $10 billion on crime prevention at all levels of government. The Federal Government alone is spending almost $1 billion per year through LEAA as its share in this effort. Attempts have been made to improve the functioning of LEAA, and in certain areas improvements have already taken hold. But the present legislative directive to LEAA means that it will probably continue to be a relatively minor force in providing leadership and direction toward truly comprehensive criminal justice system reform.

Unless new legislation is enacted, which provides the type of focused and directed Federal incentives needed to break the hold of the present system, it is unlikely that true reform will occur. Without this type of incentive, basic reforms which most experts agree are essential may not be implemented in most States.

As the President's Crime Commission observed:

Many of the criminal justice system's difficulties stem from its reluctance to change old ways, or to put the same proposition in reverse, its reluctance to try new ones.

It is my belief that with a sufficient financial incentive for undertaking these reforms, some States and their localities would be willing and eager to overhaul their criminal justice system. That is why I have introduced this legislation.

The aim of this legislation is to establish model and experimental programs in more than six States to determine the effect of full-scale and comprehensive reform of the criminal justice system on the crime rate in those States. The program is, of course, completely voluntary and no State will be affected by this legislation if it does not choose to enter the program.

THE LEGISLATION

Central to the concept of improving the crime situation in America is the concept of total reform of the criminal justice system—attempting to relate each aspect of the system to the others and to arrive at a sound overall system which will aid the safety of the individual and improve the functioning of the criminal justice process.

The National Advisory Commission on Criminal Justice Standards and Goals, in its final report in 1973, noted the importance in its plan of a unified, systems-oriented approach to improving the criminal justice system.

The plan also emphasizes the need for all elements of the criminal justice system to plan and work together as a system and to plan and work together with the social service delivery system. The plan emphasizes the need for greater community support of the police and for the police patrolman to strengthen his ties to the community and to be given greater responsibility and authority for preventing and reducing crime in the community. The plan emphasizes the need for the prosecutor, defender, and judiciary to work toward insuring speedier trials while still protecting fundamental rights. The plan also emphasizes the need for corrections to develop effective programs and procedures for reintegrating offenders into the community as soon as possible consistent with the protection of the community.

The legislation I am introducing today attempts to bring this type of total system approach to the area of criminal justice reform. It uses the recommendations of the President's Commission on Law Enforcement and the Administration of Justice, the National Advisory Commission on Criminal Justice Standards and Goals, and a variety of other commissions and agencies as the basis for the comprehensive standards which form the heart of the bill.

These standards, of course, may not prove to be the total answer. But they represent the considered thinking and judgment of two separate commissions under two different national administrations. They encompass a wide variety of standards and goals which individual States and localities would be able to implement.

These standards are very broadly drawn—in such a way that the specifics of implementation must be left to the States. And different States can qualify under the bill's standards by implementing entirely different reforms—suited to the particular problems in those States.

For example, the standard for speedy disposition of criminal cases simply establishes a 60-day limit in which a trial must be commenced. To meet this standard some States may hire court administrators to make their court system more efficient; others might find it necessary in their plan to call for additional judges and court personnel. But whatever the actual reforms, they will be chosen by the State and they will be uniquely designed to solve that State's problems.

In short, most of these standards are goal-oriented and can be accomplished by individual States and localities in a variety of ways. But taken together, they represent the comprehensive approach without which real reform can probably not be achieved.

Under this legislation, a new program of grants and technical assistance to states and localities would be initiated for a period of 7 fiscal years, beginning with July 1, 1974.

A State or locality would be eligible to receive assistance under the act only if the Administrator of LEAA approves a comprehensive criminal justice system reform plan submitted to him pursuant to the act. In order to gain approval, this plan would have to establish the reasonable likelihood of substantial and fundamental change in the criminal justice system of a State or locality within 4 years after the enactment of the act.

In order to foster the goals and standards which two Presidential commissions have recommended over the past 7 years, the Administrator would be required to give priority consideration in approving plans to those States which, in submitting their comprehensive State plans, included a variety of provisions relating to every major element of the criminal justice system.

LAW ENFORCEMENT

In the law enforcement area, these provisions would set uniform standards throughout each State seeking to participate in the program. The need for such uniform standards was endorsed by the task force on the police of the President's Commission on Law Enforcement and Administration of Justice:

Many (police) departments provide little or no training, use ineffectual selection and screening techniques, and have no organized recruiting programs. This results in substantial variation in the quality of police service, not only in different areas of the country, but within the same State.

The bill also calls for appropriate educational requirements for advancement which are uniform throughout each State. Linking education with promotion will simultaneously encourage police officers to pursue advanced education and improve the quality of the upper ranks of the police service. The President's Commission on Law Enforcement and Administration of Justice recommended this approach to improving the quality of law enforcement personnel.

Another important standard would provide for beginning compensation and increases in compensation which are appropriate for a professional—considering the size of the community for law enforcement personnel and the cost of living in the community in which such individuals serve.

Other standards in the area of police and law enforcement personnel include a uniform, statewide retirement and pension system; to the extent possible, uniform promotional policies and standard operational procedures throughout the State; lateral entry between law enforcement agencies within the State and between Federal, State, and local law enforcement agencies located within the State; facilities offering short-term mandatory training for all police personnel; programs to increased use of civilian personnel; volunteer neighborhood security programs, where feasible, and community crime prevention units; and policing programs to insure stability of assignment in given geographic areas for individual patrol officers.

For most of these standards, significant changes will be needed in the police practices and standards now in place in most jurisdictions within the country. This is the intent of this legislation—to act as a Federal incentive to undertake the type of systemic changes which will help bring about more effective law enforcement in the States participating in the demonstration program established by this legislation.

DISPOSITION OF CRIMINAL CASES

The bill contains one basic standard designed to accomplish the speedy disposition of criminal cases in those States participating in the program. This standard calls on a State—and its localities—to implement whatever reforms necessary to insure that the trial of all criminal cases will be commenced no later than 60 days from the date of a defendant's arrest or the initiation of prosecution whichever occurs first. Failure to meet this standard will result in dismissal with prejudice of the charges against the defendant.

The administrator of this program will specify those periods of delay to be excluded in computing the time for commencement of a trial. For example, delays due to the absence or unavailability of a defendant or hearings on defense motions would probably be excluded from this 60-day limitation.

Underlying this basic standard is the need for States and localities to reform their judicial system in whatever way they deem appropriate to meet the 60-day deadline. Some States might have to increase the number of judges and clerks, and build more courthouses; other States might be able to reach this goal by streamlining their judicial system through the use of professional court administrators and more efficient court procedures. Increasing personnel engaged in prosecuting criminal cases and defending indigents may be another means of reaching this goal.

In any event, the administrator of this act would simply determine whether a State's reform proposals were adequate to insure a speedy trial; the Federal Government would not be dictating a particular scheme for reform.

The speedy disposition of criminal cases is one of the most vital reforms in this bill.

A speedy trial eliminates the unfairness inherent in the lengthy pretrial detention of a defendant—presumed innocent under our system—who cannot raise bail or who is denied bail. Pretrial detention often hampers a defendant in adequately preparing his defense, and while awaiting trial he will usually be confined in an overcrowded institution.

But far more than unfairness to individual defendants results from long delays in disposing of criminal cases. It is clear that such delays are a major cause of our increasing crime rate.

Long delays in bringing a defendant to trial often make it more difficult for the Government to obtain a conviction. Witnesses tend to be less reliable after such delays, and some witnesses are no longer available. And it is the repeat criminal offender who is usually aware of the advantages of a long delay between arrest and trial.

Studies have shown that the longer it takes to bring to trial a defendant out on bail, the more likely it is he will commit a crime while awaiting trial. The pressure for some form of preventive detention would be reduced by more speedy trials.

Finally, it is a truism of criminology that the surest deterrent to crime is the knowledge that its commission will be followed by swift and appropriate punishment. The delays in most judicial systems have obviously negated the impact of this important type of deterrence.

Chief Justice Burger, recognizing the link between increasing crime and court delays, has also recommended a 60-day limit for the commencement of all criminal trials.

> I cannot think of any judicial factor more important than delay and uncertainty. It's always difficult to assign priorities in this sort of thing, but I know of none I can think of more important than the absence of the sure knowledge that a criminal act will be followed by a speedy trial and punishment. And that's why I have said that if we could have every criminal trial ready to be presented within 60 days after the arrest or the charge, I think you'd see a very, very sharp drop in the crime rate. It would surely put an end to the large number of crimes committed by men out on bail waiting six months to 18 months to be brought to trial.

As the Chief Justice pointed out:

> We cannot blindly cling to methods and forms designed for the 17th and 18th centuries.

Also in the area of disposition of criminal cases, the bill recommends the establishment of family courts with jurisdiction over all legal matters related to family life. This recommendation of the National Advisory Commission on Criminal Justice Standards and Goals would help integrate the entire system of justice as it relates to the family, so that the juvenile court does not continue to be a distinct entity which largely ignores the many close relationships between delinquency and other family problems. This concept, as now used in New York, the District of Columbia, and Hawaii, would be a valuable addition in aiding the courts to deal with problems of the family unit effectively.

Finally, the bill recommends the implementation of standards leading to the reduction of plea negotiations between defendants and prosecutors, on an experimental basis, to determine the impact of such reductions on the criminal justice system and the goal of reducing the time between arrest and trial.

The National Advisory Commission on Criminal Justice Standards and Goals has recommended that plea negotiations be abolished by no later than 1978. The Commission felt strongly that plea negotiations, in the manner in which they are presently being carried out—especially in large metropolitan areas—posed a major threat to the public and the defendant. The public is threatened because of the increased use of light, plea-negotiated sentences, and defendants' rights may be threatened because of the tendency of some defense attorneys to engage in plea negotiations primarily to expedite the movement of cases.

Clearly, the goal of reducing the time between arrest and trial—which is the principal aim of this section of the bill—may be at odds with the elimination of plea bargaining. In fact, the widespread growth of plea bargaining is largely the result of burgeoning caseloads and inadequate personnel to handle them. Nevertheless, the legislation seeks to encourage States and localities to try—on an experimental basis—a reduction in plea bargaining, in an attempt to learn more both about the effects of such a reduction on the criminal justice system and on the goal of speedy trials.

By not requiring a specified reduction or the elimination of plea bargaining, it is my hope to prod the States and localities participating in this act to undertake as much of a reduction as is possible consistent with the goals of the act, in a concerted attempt to insure the public that criminals are not routinely given light, plea-bargained sentences merely because of the lack of adequate personnel, and to insure criminal defendants that their rights to trial will be fully protected.

CORRECTIONS

As the President's Commission on Law Enforcement and Administration of Justice observed:

> For a great many offenders . . . corrections does not correct. Indeed, experts are increasingly coming to feel that the conditions under which many offenders are handled, particularly in institutions, are often a positive detriment to rehabilitation.

But in corrections, just as in other aspects of the criminal justice system the recognition of major defects does not automatically lead to meaningful reform.

The President's Crime Commission and other experts have called for the development of a far broader range of alternatives for dealing with offenders. As the Commission points out:

> While there are some who must be completely segregated from society, there are

many instances in which segregation does more harm than good.

For the incorrigible offender who poses a clear danger to society, maximum security prisons are necessary. But it makes no sense to build an entire prison system designed to serve only the most hardened criminals, thereby forcing all other classes of inmates to adapt to such an institution.

The importance of properly classifying offenders was underlined by the disturbing finding of the President's Crime Commission:

> That approximately one-fourth of the 400,000 children detained in 1965—for a variety of causes but including truancy, smoking, and running away from home—were held in adult jails and lockups, often with hardened criminals.

As the President's Commission and others have emphasized, a variety of penal institutions and programs are required to meet the special needs of various types of offenders. In particular the development of community-based correctional facilities—designed to avoid the use of far-removed and isolated institutions—is considered an extremely valuable rehabilitation tool.

But regardless of how an inmate is classified, it is important that institutions be adequately equipped and staffed to treat the inmates assigned there.

Therefore, the bill stresses the development of facilities and programs to match the type of corrections treatment to the age, abilities, and particular problems of the inmate. The bill's standards also stress the need for improving the working conditions of and establishing minimum standards for parole and probation officers, and for facilitating the improvement of employment opportunities for ex-offenders.

Specifically, the standards in the area of corrections would call on the States to:

Establish a system for classifying persons charged with or convicted of, criminal offenses so as to permit individualized treatment and security standards appropriate to the individual;

Establish a range of correctional facilities that are adequately equipped and staffed to treat the particular classifications of inmates assigned there;

Provide comprehensive vocational and educational programs designed for the special needs of rehabilitating each class of persons charged with or convicted of criminal offenses;

Provide separate detention facilities for juveniles, including shelter facilities outside the correctional system for abandoned, neglected, or runaway children;

Establish standards applicable throughout the State for local jails and misdemeanant institutions to be enforced by the appropriate State corrections agency;

Provide parole and probation services for felons, for juveniles, for adult misdemeanants who need or can profit from community treatment, and supervisory services for offenders who are released from correctional institutions without parole;

Establish caseload standards for parole and probation officers that vary in size and in type and intensity of treatment according to the needs and problems of the offender;

Establish statewide job qualifications and compensation schedules for correctional officers, including probation and parole officers, along with a mandatory system of in-service training;

Develop and operate programs of treatment and rehabilitation for persons suffering from alcoholism and drug abuse, available both to inmates and as an alternative to incarceration;

Facilitate the improvement of employment opportunities for ex-offenders, including the repeal of all mandatory provisions in law or civil service regulations that deprive such ex-offenders of opportunities for employment; and

Unify within the executive branch all non-Federal correctional functions and programs for adults and juveniles.

OTHER PROVISIONS

In the area of administration, the bill calls on the State applying for assistance under the bill to study the consolidation of law enforcement agencies within the State and to report its findings to the Administrator of LEAA within 2 years.

In addition, the State would study the application of the criminal laws and the propriety of the application of such laws, to a variety of "victimless" crimes, including alcoholism and drunkenness; gambling; vagrancy; disorderly conduct; and other appropriate areas. And, narcotics addiction and drug abuse would be similarly studied, with the results of all these studies to be reported to the Administrator within 2 years.

Finally, the State would be called on to create a permanent criminal law review commission to review legislative proposals bearing criminal penalties, and to propose suitable legislation to correct functional gaps in the statutes of the State as they relate to criminal law enforcement.

FEDERAL FUNDING

In order to provide strong incentives for States and localities to undertake the type of comprehensive criminal justice system reform envisioned in the bill, the Federal share of funding needed to undertake these reforms would range from 50 to 90 percent, depending on the particular nature of the program involved. For those standards set forth in the bill which are part of an approved State plan and which do not require the enactment of new legislation or ordinances, the Federal share would be 75 percent. For those standards which require such legislation, the Federal share would increase to 90 percent. And, for those elements of an approved State plan which are not enumerated in the standards of the bill, the Federal share would be 50 percent.

These funding levels are specifically set in order to encourage States and localities to undertake the most thorough and comprehensive criminal justice system reform possible. By placing priority in Federal funding on those longer-term proposals which require new legislation, it is my hope that we can encourage the States to begin quickly the type of revision in State law which will be needed in order to reduce crime and improve the quality of service by the criminal justice system to both the public and those involved in the system.

Since much of this bill seeks to use a comprehensive, demonstration project approach to the total criminal problem, funding would be made available for a maximum of six States. The legislation would direct the Administrator of LEAA to disburse the recipient States geographically, to the maximum extent feasible, although the principal criterion for approval would remain the extent to which the individual State included in its plan the reforms specifically designated in the bill.

In addition, the bill provides for Federal payments of 50 percent of the cost of preparing State plans for submission to the LEAA Administrator, and contains strong safeguards to insure that moneys expended under the legislation are properly used, and are employed to supplement—rather than supplant—existing Federal efforts in the area of the criminal justice system.

Mr. President, we must recognize that State and local governments have and should continue to have the primary responsibility in dealing with the problems of crime. But we must also recognize the general feeling of public dissatisfaction with the overall crime-fighting effort at every level of Government. We must avoid turning all law enforcement into the responsibility of the Federal Government. But if this is to be avoided, it is imperative that State and local governments begin the job of reforming their outmoded criminal justice systems.

This bill, then, is not an effort to make the Federal Government responsible for all law enforcement. Instead, it is based on the assumption that the States and localities—with substantial Federal assistance—can sharply reduce their crime rate by comprehensive criminal justice reforms.

Justice Felix Frankfurter reminded us some years ago that—

> There is no inevitability in history except as men make it.

And yet, for too long, Government has acted as if an increasing rate of crime was inevitable and beyond its reach. We have been overwhelmed by the apparent complexity of the problem, ignoring the obvious relationship between rising crime, on the one hand, and low police salaries, long court delays, and disgraceful prisons on the other.

Many of the reforms which this bill seeks to encourage are relatively easy to implement; others will take time and require the investment of money and other resources.

But we clearly have the means to carry through all of these reforms and to make them work.

Rising crime need not be a fact of life during the next decade. Only our inaction and inertia will make it so.

Mr. President, I ask unanimous consent that the text of this legislation and a section-by-section analysis appear in the RECORD at the conclusion of my remarks.

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

S. 3227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Model Criminal Justice Reform Act of 1974".

DECLARATION OF POLICY

SEC. 2. The Congress hereby finds that—

(1) the ever-increasing number of serious crimes committed in the United States, the backlog of criminal cases in the courts, and the overcrowded and inadequate conditions of correctional institutions require that only comprehensive reform can achieve a truly adequate system of criminal justice in the United States;

(2) effective control and prevention of crime can best be attained if States and localities adopt comprehensive criminal justice reforms, including reforms in recruiting, training, compensating, and supervising police and other law enforcement personnel, expediting and improving criminal court procedures, and strengthening correctional systems;

(3) the recommendations of the President's Commission on Law Enforcement and the Administration of Justice, and the National Advisory Commission on Criminal Justice Standards and Goals, together with the planning and recommendations of a number of State planning agencies and commissions and other agencies, provide an excellent basis for the adoption of such reforms;

(4) the responsibility for law enforcement and the administration of criminal justice is essentially the responsibility of State and local governments, but the Federal Government has a responsibility and a unique opportunity to provide financial and technical assistance to encourage demonstration projects leading to comprehensive criminal justice reform; and

(5) adoption of a demonstration approach to such comprehensive reform will prove useful in establishing the most effective means to implement fundamental change in the criminal justice system.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "Administration" means the Law Enforcement Assistance Administration;

(2) "Administrator" means the Administrator of Law Enforcement Assistance Administration;

(3) "criminal offense" includes juvenile offenses, except as otherwise specified;

(4) "locality" means any city or other municipality (or two or more municipalities acting jointly) or any county or other political subdivision or State (or two or more acting jointly) having general governmental powers;

(5) "Federal agency" means any department, agency, or independent establishment in the executive branch of the Government, including any wholly owned Government corporation; and

(6) "State" means each of the several States of the Union, and the District of Columbia.

PROGRAM AUTHORIZED

SEC. 4. The Administrator is authorized to make grants and provide technical assistance to States and localities for demonstration projects in accordance with the provisions of this Act, beginning July 1, 1974, and ending June 30, 1981.

ELIGIBILITY FOR ASSISTANCE

SEC. 5. (a) A State or locality is eligible for assistance under this Act only if the Administrator determines, pursuant to regulations established by him under section 8, that a plan for comprehensive criminal justice system reform submitted to him pursuant to this Act establishes the reasonable likelihood of substantial and fundamental change in the criminal justice system of such State or locality within four years after the enactment of this act.

(b) In approving State plans for comprehensive criminal justice system reform pursuant to this Act, the Administrator shall give priority consideration to those States which, in submitting such plans, include the following provisions:

(1) The State (and, where appropriate, any locality within such State eligible to receive assistance under this Act) will establish, with respect to police and other similar law enforcement personnel—

(A) standards for recruitment which are uniform throughout the State;

(B) appropriate educational requirements for advancement which are uniform through the State;

(C) beginning compensation and increases in compensation which are appropriate for a professional, considering the size of the community and the lost of living in the community in which such personnel serve;

(D) a retirement system that is uniform throughout the State, and a statewide pension plan for such personnel;

(E) to the extent possible, uniform promotional policies for such personnel throughout the State;

(F) to the extent appropriate, standard operational procedures for such personnel throughout the State;

(G) lateral entry between law enforcement agencies of each locality within the State and between Federal, State, and local law enforcement agencies located within the State, with appropriate conditions on the period of initial service for such personnel; and

(H) facilities offering short-term mandatory training for all such personnel within the State;

(I) programs to increase use of civilian personnel in all police tasks suitable for performance by such personnel;

(J) volunteer neighborhood security programs, where feasible, and crime prevention units to work with the community in reducing criminal opportunities; and

(K) policing programs to insure stability of assignment in a given geographic area for individual patrol officers who are operationally deployed.

(2) The State and any locality within such State having jurisdiction over the trial of criminal offenses will implement such necessary reforms as will insure that (A) the trial of all such offenses (excluding juvenile offenses) will be commenced no later than sixty days from and date on which the defendant was arrested or from the date on which the defendant was charged by the authorities with such offense, whichever occurs first, and (B) the charges will be dismissed with prejudice for failure to comply with the requirements of this paragraph, except that the Administrator shall, by regulation, provide for the exclusion from such sixty-day period of any periods of delay that he designates as may reasonably be necessitated in the interest of justice; and reforms under this paragraph may include, without limitation—

(i) increasing the number of judges trying criminal offenses;

(ii) improving the efficiency of criminal court procedures;

(iii) appointing professional court administrators;

(iv) increasing personnel engaged in prosecuting and defending criminal cases;

(v) diverting, in appropriate circumstances, of offenders into noncriminal programs before formal trial or conviction;

(vi) implementation of standards leading to the reduction of plea negotiations between defendants and prosecutors, on an experimental basis, to determine the impact of such reductions on the criminal justice system and the goals of this paragraph; and

(vii) establishment of family courts with jurisdiction over all legal matters related to family life.

(3) The State and, where appropriate, each such locality within such State eligible to receive assistance under this Act—

(A) will establish a system for classifying persons charged with, or convicted of, criminal offenses so as to permit individualized treatment and security standards appropriate to the individual;

(B) will establish a range of correctional facilities that are adequately equipped and staffed to treat the particular classifications if inmates assigned there, including small-unit, community based correctional institutions;

(C) will provide comprehensive vocational and educational programs designed for the special needs of rehabilitating each class of persons charged with or convicted of criminal offenders;

(D) will provide separate detention facilities for juveniles, including shelter facilities outside the correctional system for abandoned, neglected or runaway children;

(E) will establish standards applicable throughout the State for local jails and misdemeanant institutions to be enforced by the appropriate State corrections agency;

(F) will provide parole and probation services for felons, for juveniles, for adult misdemeanants who need or can profit from community treatment, and supervisory services for offenders who are released from correctional institutions without parole;

(G) will establish caseload standards for parole and probation officers that vary in size and in type and intensity of treatment according to the needs and problems of the offender;

(H) will establish statewide job qualifications and compensation schedules for correctional officers, including probation and parole officers, along with a mandatory system of in-service training;

(I) will develop and operate programs of treatment and rehabilitation for persons suffering from alcoholism and drug abuse, available both to inmates and as an alternative to incarceration;

(J) will facilitate the improvement of employment opportunities for ex-offenders, including the repeal of all mandatory provisions in law or civil service regulations that deprive such ex-offenders of opportunities for employment; and

(K) will unify within the executive branch all non-Federal correctional functions and programs for adults and juveniles.

(4) The State will study, through an appropriate and responsible group, the consolidation of law enforcement agencies within such State, as best suited to the particular needs of that State; and will report to the Administrator on its findings not later than two years following the approval of its State plan under this Act.

(5) The State (and each locality eligible to receive assistance under this Act) will study through, an appropriate and responsible group, the application of the criminal laws, as well as the propriety of the application of such laws, to—

(A) alcoholism and drunkeness;

(B) narcotics addiction and drug abuse;

(C) gambling;

(D) vagrancy and disorderly conduct; and

(E) such other related areas which the State deems appropriate

and will report to the Administrator on its findings with respect to such matters not later than two years after the approval of its State plan.

(6) The State will create a permanent criminal law review commission to review legislative proposals bearing criminal penalties, and to propose suitable legislation to correct functional gaps in statutes of that State as they relate to criminal law enforcement.

(c) Pursuant to regulations which he shall promulgate, the Administrator shall classify the provisions of subsection (b) of this section in the following manner—

(1) phase one-All provisions (A) which the State can meet without the enactment of legislation of general applicability for such State or the enactment of ordinances by the governing body of the appropriate locality within such State, or (B) which the Administrator determines can be met within a relatively short period of time; and

(2) phase two-All provisions (A) which will require the enactment of legislation of general applicability for such State or by the enactment of ordinances by the governing body of the appropriate locality within such State, or (B) which the Administrator determines will require more time than is specified under paragraph (1) of this subsection.

STATE PLANS

SEC. 6. (a) Any State desiring to receive assistance under this Act shall submit a State plan consistent with such regulations as the Administrator may establish under section 8. Each such plan shall—

(1) provide for the administration of such plan by the chief executive of such State or by a public agency which is designated, established, or created for the purposes of this Act in accordance with State law;

(2) set forth a comprehensive statewide criminal justice reform program which incorporates, to the maximum extent feasible, the provisions set forth in section 5, including such assurances as may be necessary for the Administrator to determine the Federal share of the cost of any portion of such program;

(3) with respect to any State project, service, or activity which is substantially similar to any such project, service, or activity for which a locality within such State is eligible under this Act, set forth provisions identical to the provisions of the application required under section 7;

(4) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement, and to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the State for the purposes for which the State plan is submitted, and in no case supplant such funds;

(5) provide that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State, including funds paid to localities by such State under this Act;

(6) provide that no application by a locality will be denied without first affording the agency submitting such an application reasonable notice and opportunity for a hearing; and

(7) provide that the State will make to the Administrator—

(A) periodic reports evaluating the effectiveness of payments received under this Act in carrying out the objectives of this Act; and

(B) such other reports as may be reasonably necessary to enable the Administrator to perform his functions under this Act, including such reports as he may require to determine the amounts which localities of that State are eligible to receive for any fiscal year, and assurances that such State will keep such records and afford such access thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) The Administrator shall, initially and annually thereafter (subject to limitations contained in section 11 of this Act), approve a plan which meets the requirements specified in subsection (a) of this section and he shall not finally disapprove a plan except after reasonable notice and opportunity for a hearing to such State.

APPROVAL OF PROJECT APPLICATIONS

SEC. 7. (a) A grant under this Act pursuant to an approved State plan for criminal justice reform may be made, upon application, to the appropriate State at such time or times, in such manner, and containing or accompanied by such information as the Administrator deems necessary. Such application shall—

(1) provide that the activities and services for which assistance under this Act is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for criminal justice reform which is consistent, to the maximum extent feasible, with the provisions set forth in section 5 with respect to the applicant;

(3) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in the application and in no case supplant such funds;

(4) provide, in the case of an application for assistance under this Act which includes a project for the construction, remodeling, or renovation of necessary facilities, satisfactory assurance that—

(A) upon completion of the construction, title to the facilities will be in a State or local public or private nonprofit agency;

(B) in developing plans for such facilities due consideration will be given to excellence of architecture and design, and efficiency of energy usage;

(C) the requirements of section 15 will be complied with;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this Act; and

(6) provide for making an annual report and such other reports, in such form and containing such information, as the Administrator may reasonably require to carry out his functions under this Act and to determine the extent to which funds provided under this Act have been effective in carrying out the policy of this Act, and for keeping such records and for affording such access thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) An application by a locality for a grant under this Act may be approved by a State only if it is consistent with the applicable provisions of this Act, and

(1) meets the requirements set forth in subsection (a); and

(2) such State has on file a State criminal justice reform plan approved by the Administrator.

(c) Any locality denied approval under subsection (b) of this section, may within ten days file a written appeal with the Administrator. Upon a determination that the denial was unreasonable or not consistent with terms of the applicable State criminal justice reform plan, the Administrator shall negotiate a resolution of the differences between such State and locality on which the denial of such application was based.

(d) Amendments of applications shall, except as the Administrator may otherwise provide, be subject to approval in the same manner as original applications.

REGULATIONS

SEC. 8. As soon as practicable after the enactment of this Act, the Administrator shall issue such regulations as may be necessary to implemnt sections 5, 6, and 7. In establishing regulations under this section the Administrator shall consider the recommendations of each of the States and the purposes of this Act.

FINANCIAL ASSISTANCE FOR PLANNING COMPREHENSIVE CRIMINAL JUSTICE REFORM PLANS

SEC. 9. (a) The Administrator is authorized to make grants to, and to contract with, States and localities to pay 50 per centum of the costs of planning and developing State plans and project applications under this Act.

(b) Financial assistance will be provided under this section only if—

(1) the application for such assistance has been approved by the chief executive of the State, and

(2) the Administrator has determined that there exists administrative machinery through which coordination of all related planning activities of localities can be achieved.

TECHNICAL ASSISTANCE

SEC. 10. The Administrator is authorized to undertake such activities as he determines are necessary to provide, either directly or by way of grants, contracts, or other arrangements, technical assistance to States and localities in the planning, developing, and administering of comprehensive criminal justice reform programs for which assistance is provided under this Act.

PAYMENTS

SEC. 11. (a) The Administrator shall pay in any fiscal year to each State which has a plan approved pursuant to this Act for that fiscal year that Federal share of the cost of such plan as determined by him, provided that such plans shall be approved for no more than 6 States, and that in approving such plans, the Administrator shall attempt, to the maximum extent feasible, to provide for representation of different geographical regions of the United States.

(b) The Federal share of programs and projects covered by the State plan which are in phase one under the provisions of section 5(c) of this Act shall be 75 per centum for any fiscal year. The Federal share for programs and projects covered by the State plan which are in phase two shall be 90 per centum for each fiscal year. The Federal share of programs or projects covered by the State plan which are not enumerated in section 5(b) of this Act shall be 50 per centum for any fiscal year.

(c) The Administrator shall pay to each applicant which has an application approved pursuant to section 10, 75 per centum of the cost of such application.

(d) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(e) Grants made under this section, pursuant to a State plan, for programs and projects in any one State shall not exceed in the aggregate 25 per centum of the aggregate amount of funds authorized to be appropriated under section 17.

WITHHOLDING OF PAYMENTS

SEC. 12. Whenever the Administrator, after reasonable notice and opportunity for a hearing to any State, finds—

(1) that there has been a failure to comply substantially with any requirement set forth in the plan of that State approved under section 6; or

(2) that there has been a failure to comply substantially with any requirement set forth in the application of a locality approved pursuant to section 7; or

(3) that in the operation of any program or project assisted under this Act there is a failure to comply substantially with any applicable provision of this Act;

the Administrator shall notify such State of his findings and that no further payments may be made to such State under this Act (or, in his discretion, that the State shall not make further payments under this Act to specified localities affected by the failure)

until he is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Administrator may authorize the continuance of payments with respect to any program or project assisted under this Act which is being carried out pursuant to such State plan and which is not involved in the noncompliance.

RECOVERY OF PAYMENTS

SEC. 13. If within twenty years after completion of any construction for which Federal funds have been paid under this Act—

(a) the owner of the facility shall cease to be a State or local public agency; or

(b) the facility shall cease to be used for the purposes for which it was constructed, unless the Administrator determines there is good cause for releasing the applicant or other owner from the obligation to do so;

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

REVIEW AND AUDIT

SEC. 14. The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grant recipient that are pertinent to the grant received.

LABOR STANDARDS

SEC. 15. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 27a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

SAVINGS PROVISION

SEC. 16. Nothing contained in this Act shall be construed to prevent or impair the administration or the enforcement of any other provision of Federal law.

AUTHORIZATION OF APPROPRIATIONS

SEC. 17. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SECTION-BY-SECTION ANALYSIS: MODEL CRIMINAL JUSTICE REFORM ACT OF 1974

Section 2. Declaration of policy.

Section 3. Definitions.

Section 4. Authorization of program.

The Administrator of the Law Enforcement Assistance Administration is authorized to make grants and provide technical assistance to states and localities for demonstration projects in accordance with terms of the Act over a seven-year period beginning July 1, 1974 and ending June 30, 1981.

Section 5. Eligibility for assistance.

(a) States are eligible for assistance if the Administrator determines that a plan for comprehensive criminal justice system reform submitted to him under the Act establishes the reasonable likelihood of substantial and fundamental change in the criminal justice system of the state and its localities within four years after the date of enactment.

(b) In approving state plans for comprehensive criminal justice system reform, the Administrator must give priority consideration to states which include the following provisions in their applications.

(1) With respect to police, that the state will establish:

1. uniform recruit standards throughout the state;

2. appropriate educational requirements uniform throughout the state;

3. beginning compensation and increases in compensation appropriate for a professional, considering the size of the community and the cost of living in the relevant community;

4. uniform statewide retirement systems and pension plans;

5. to the extent possible, uniform promotional and operational procedures;

6. lateral entry between local law enforcement agencies within the state and between Federal, state and local law enforcement agencies located within the state;

7. facilities offering short-term mandatory training for all such personnel within the state;

8. programs to increase use of civilian personnel in all police tasks suitable for performance by such personnel;

9. volunteer neighborhood security programs, where feasible, and crime prevention units to work with the community in reducing criminal opportunities; and

10. policing programs to insure stability of assignment in a given geographic area for individual patrol officers who are operationally deployed.

(2) With respect to the courts, that the state will establish whatever reforms are necessary, including increases in court personnel, to insure that trials of all criminal offenses (excluding juvenile offenses) are commenced within 60 days from the date of arrest or charge, whichever comes first. Provision must be made to insure that failure to commence trial, in the absence of exceptions spelled out initially by the Administrator, will result in a dismissal of the case with prejudice.

States may also implement standards leading to the reduction of plea negotiations between defendants and prosecutors on an experimental basis, to determine the impact of such reductions on the criminal justice system and the goals of the bill.

(3) With respect to the corrections system, that the state will establish

1. a system for classifying persons charged with or convicted of criminal offenses;

2. a range of adequately equipped and staffed correctional facilities to treat the various classifications of inmates assigned there, including community-based correctional centers;

3. a comprehensive vocational and educational program designed to accommodate the needs of each class of criminal offenders;

4. separate detention facilities for juveniles including shelter facilities outside the correctional system for abandoned, neglected, or run-away children;

5. standards applicable (statewide) for local jails and misdemeanant institutions to be enforced by the appropriate state corrections agency;

6. parole and probation services for felons, juveniles and adult misdemeanants who need or can profit from community treatment;

7. caseload standards for parole and probation officers based on the needs and problems of the offenders;

8. statewide job qualifications and compensation schedules for correctional officers and probation and parole officers, along with a mandatory system of in-service training;

9. treatment and rehabilitation programs for persons suffering from alcoholism and drug abuse. These programs must be available both to inmates and as an alternative to incarceration;

10. means to facilitate the improvement of employment opportunities for ex-offenders, including the repeal of all mandatory provisions in law or civil service regulations that deprive such ex-offenders of opportunities for employment; and

11. methods to unify within the Executive branch all non-federal correctional functions and programs for adults and juveniles.

(4) That the state will study the consolidation of low enforcement agencies within the state, as best suited to the particular needs of the state, and report to the Administrator on its finding within two years.

(5) That the state will study the application of the criminal law—and the propriety of such application—to alcoholism and drunkeness; narcotics addiction and drug abuse; gambling; vagrancy and disorderly conduct; and other areas the state deems appropriate. The state must report to the Administrator on its findings within two years.

(6) That the State will create a permanent criminal law review commission to review legislative proposals bearing criminal penalties, and to propose suitable legislation to correct functional gaps in statutes of that state as they relate to criminal law enforcement.

(c) The Administrator must classify the specific reform elements of subsection (b) in the following manner:

(1) phase one—all provisions which the state can reasonably assure will be met without the enactment of legislation (ordinances where appropriate) or those which the Administrator determines can be met in a relatively short period of time.

(2) phase two—all provisions which will require the enactment of legislation (ordinances where appropriate) or those which the Administrator determines will require more time than is specified for phase one.

Section 6. State plans.

(a) A state desiring assistance under the Act must submit a state plan consistent with appropriate regulations issued by the Administrator. Each plan must

1. provide for the administration of such plans by the chief executive of such State or by a public agency designated, established or created for the purposes of this act;

2. set forth a comprehensive program which incorporates to the maximum extent feasible, the provisions set forth in section 5, including the assurances enabling the Administrator to determine the federal share for the cost of any portion of such program;

3. with respect to any State project, service, or activity which is substantially similar to any such project, service, or activity for which a locality within such State is eligible under this Act, set forth provisions identical to the provisions of the application required under section 7.

4. set forth policies and procedures which assure that the federal funds will be used to pay the cost of reform beyond those funds that, in the absence of federal funds, would be made available by the state for the purposes for which the state plan is submitted;

5. provide for the appropriate fiscal control and fund accounting procedures;

6. provide reasonable notice and an opportunity for a hearing to localities before an application is denied; and

7. provide that the state will make periodic reports to the Administrator evaluating the effectiveness of the payments received and to enable the Administrator to perform his functions under the Act. A state must also assure that it will keep records that are made accessible to the Administrator for the purpose of verifying such report.

(b) The Administrator shall approve a plan, initially and annually thereafter, which meets the requirements of subsection (a) of this section. He cannot disapprove a plan except after reasonable notice and an opportunity for a hearing to such State.

Section 7. Approval of project applications.

(a) Grants may be made pursuant to an

approved state plan and upon application by the state. The application must

1. contain assurances that the applicant will supervise the administration of the activities and services for which assistance under this Act is sought.

2. set forth a program consistent, to the maximum extent feasible, with the provisions of section 5.

3. set forth policies and procedures that will insure that federal money will only be spent on the cost of reform.

4. provide that, in the case of construction projects,

(A) title will be in a state or local public agency;

(B) consideration will be given to excellence of architectural design;

(C) the requirements of section 15 will be complied with;

5. provide for appropriate fiscal control and fund accounting procedures,

6. provide for making an annual report and such other reports containing sufficient information to enable the Administrator to evaluate the effectiveness of the Act.

(b) An application by a locality may be approved by a state only if it is consistent with this Act and;

1. they meet the requirements of subsection (a); and

2. such state has on file a state criminal justice reform plan approved by the Administrator.

(c) If approval is denied to a locality under subsection (b), the locality may file a written appeal within 10 days with the Administrator. If it is determined that the denial was unreasonable or inconsistent with that state's criminal justice reform plan, the Administrator shall negotiate a resolution of the differences between such state and locality on which the denial was based.

(d) Amendments of applications shall, except as the Administrator may otherwise provide, be subject to approval in the same manner as original applications.

Section 8. Regulations.

The Administrator is required to issue the appropriate regulations. Under this section the Administrator shall consider the recommendations of each of the states and the purposes of this Act.

Section 9. Financial assistance for planning comprehensive criminal justice reform plans.

(a) The administrator is authorized to pay 50% of the costs of planning and developing state plans and project applications under this Act.

(b) Financial assistance will be provided under this section only if—

(1) the chief executive of this state has approved such application, and

(2) the Administrator has determined that sufficient administrative machinery exists through which the coordination of all related planning activities of localities can be achieved.

Section 10. Technical assistance.

The Administrator is authorized to make arrangements, financial and otherwise, for technical assistance to states and localities in the planning, developing and administering of their programs.

Section 11. Payments.

(a) The Administrator must pay to each state with an approved plan the federal share of the cost of such plan as determined by him. Such state plans may be approved for no more than six states, and in approving such plans, the Administrator must attempt, to the maximum extent feasible, to provide for representation of different geographical regions of the country.

(b) The federal share of programs and projects covered by the state plan which are determined to be in phase one as outlined in section 5(c) shall be 75% for any fiscal year. The federal share for programs and projects covered by the state plan which are in phase two shall be 90%. The federal share of programs and projects which are included in an approved state plan, but which are not listed in section 5(b), shall be 50%.

(c) The Administrator shall pay 75 percent of the technical assistance applications that have been approved under section 10.

(d) Payments under this section may be made in installments, in advance or by way of reimbursements, with necessary adjustments on accounts of overpayments or underpayments.

(e) Grants made under this section pursuant to a state plan shall not exceed 25% of the aggregate amount of funds authorized to be appropriated under section 17.

Section 12. Withholding of payments.

The Administrator may withhold grants for so long as, after reasonable opportunity for a hearing, he finds

(1) Failure to comply with any part of the state plan, or

(2) Failure to comply with any requirement set forth in the application of a locality, or

(3) Failure to comply with any applicable provision of the Act.

Section 13. Recovery of payments.

Federal recovery of payments used for construction of facilities for the purpose of the Act shall be permitted within 20 years where the facility is no longer being used in accordance with the Act.

Section 14. Review and audit.

The Administrator and U.S. Comptroller General shall have power to review and audit any records of grant recipients.

Section 15. Labor standards.

Fair labor standards shall be met in the construction of facilities under the Act.

Section 16. Savings provision.

Nothing in the Act shall be construed to prevent the administration of any other provision of Federal law.

Section 17. Authorization of appropriations.

Such sums as may be necessary to carry out the Act are authorized to be appropriated.

Mr. EAGLETON. Mr. President, I am pleased to join with Senators MONDALE, BROOKE, and STAFFORD in sponsoring, once again, the "Model Criminal Justice Reform Act."

This bill originated 3 years ago when it was first introduced by Senators MONDALE, BROOKE, Saxbe, and myself, each of us having formerly been the attorney general of his home State. Senator Saxbe, of course, is now U.S. Attorney General Saxbe and I am very gratified that he recently restated his support for the concept embodied in this bill; that is, the establishment of a series of goals for all elements of the criminal justice system and the provision of Federal financial support, on a demonstration basis, to aid States in achieving these goals.

We are indeed fortunate to have the distinguished Senator from Vermont (Mr. STAFFORD), also formerly the attorney general of his home State, join in place of former Senator Saxbe, thus maintaining the bipartisan sponsorship.

I am also pleased that each of the sponsors is joining today in cosponsoring of my bill, S. 1114, the Criminal Justice Reform Act, which I introduced on March 6, 1973. S. 1114 is itself modeled on the bill we are offering today except for a revision of the State plan requirements. It is in many respects the twin of this bill and I am confident that the bipartisan support for these bills will ultimately be manifested in the enactment into law of the concept contained in them.

By MR. MONTOYA (for himself Mr. DOMENICI and Mr. MOSS):

S. 3230. A bill to provide for the efficient development of the natural resources of the Navajo and Hopi Reservations for the benefit of its residents, to assist the members of the Navajo and Hopi Tribes in becoming economically fully self-supporting, to resolve a land dispute between the Navajo and Hopi Tribes, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, I am pleased to submit today, on behalf of my fellow Senator from New Mexico (Mr. DOMENICI) our neighbor and colleague to the northwest (Mr. Moss) and myself, a bill offering a solution to the Navajo-Hopi land dispute, and providing, at the same time, for the economic development of the Navajo and Hopi Reservations.

The Navajo-Hopi land dispute has been before committees of the Congress with increasing frequency since 1958. Previous attempts to reconcile conflicting claims have failed, but now the Congress seems determined to provide a final solution to the problem. In the coming weeks, I will be inserting into the RECORD background material on the dispute as well as on the need for economic development of the region. Today, however, my comments will be relatively brief.

For years now the time which members of the congressional Interior Committees have devoted to a consideration of the problems of the Navajos and Hopis has largely been allocated to one subject: The land dispute between the Navajos and Hopis. Yet, in spite of allegations to the contrary, the people of the two tribes have been, aside from occasional unrelated altercations, at peace with each other. The "dispute" has been raging in the Congress and in congressional hearings.

One reason why the people themselves have not been "disputing" is that they are preoccupied with the hard task of eking out a meager living under very difficult circumstances. For, as distinct from the manmade argument over real estate, there are serious problems which nature poses to the people who want to live on the Navajo and Hopi Reservations. These are the problems with which the inhabitants of the area must deal on a day-by-day basis. They are problems which can be solved. The area can be made economically viable and its residents self-supporting. But to accomplish these goals requires foresight, imagination and—congressional assistance.

If we strip away from the present legislative controversy over Hopi-Navajo affairs the legalisms, the preoccupation with real estate titles, the reliving of 19th century ethnic disputes, if our focus of attention were to shift from official spokesmen to just plain people, Navajo and Hopi herdsmen and farmers, we would see the following: Thousands of men and women, working hard to support themselves on what is now a totally

inadequate economic base. For the shortage in this area is not a shortage of living space. There would be plenty of room for tens of thousands additional Hopis and Navajos. The shortage is a shortage of blades of grass.

This shortage is not limited to the area in controversy between the Hopis and Navajos on which congressional attention has focused. It extends to the entire reservation area. To be sure, it has been pointed out over the years that Hopis engage in good conservation practices and that Navajos tend to overgraze. The finger has been pointed at the Navajos time and again for following a pattern of land utilization which will increasingly turn their reservation into a desert.

But the people at whom the finger is thus pointed are not affluent ranchers, who are being called upon to reduce the profit margin of their interprise. They are families living on a bare subsistence level. What they are doing, as they increase their herds, is to provide sustenance for their families in the only way they know.

For the reservation population is increasing at an accelerated rate. The one Government program which has unquestionably been effective in the Indian country has been the health program. Infant mortality has dropped sharply, tuberculosis has been all but stamped out, and the incidence of mortality from infections diseases has been substantially reduced. Yet, the birth rate has not as yet adjusted to these new conditions and the population curve is now shooting upward.

But available opportunities to earn a livelihood have not increased proportionately. The agricultural base, which was able to sustain a much smaller population, is shrinking and the various programs to provide alternative modes of employment have fallen far short of closing the gap. Relocation of the surplus population of Indian reservations to urban centers was once advocated and encouraged by Government programs. Yet, the overcrowding of our metropolitan areas has caused the Government to abandon this approach, which, at any rate, had never been popular with the Indian people.

Thus, on this reservation area, which stretches from New Mexico to Arizona and Utah, the Indian population continues to increase at a rapid rate while the available supportive resources lag further and further behind. Government and tribal service programs, the ploughing back into the economy of mineral income, make a situation which would otherwise be desperate just barely tolerable.

There has, to be sure, been a great deal of conversation about economic development. The concept has enthusiastic verbal support in all interested circles. But when one tries to determine to what extent words have been translated into reality, one discovers that only a pitifully small start has been made to build a healthy economic base for these Indian reservations. A vast rural slum for over 100,000 people is in the making.

It is the problems of poverty, of a rapidly expanding population on a shrinking economic base which are the true problems of this area. These are the problems which should take the time and attention of the Congress.

As yet the situation is not as bleak as it could become. The traditional social fabric still exists. Family ties are strong. We do not encounter here the symptoms of total social disorganization so prevalent in some of the other areas of economic deprivation. People's spirits have not as yet been broken. Chronic dependency has not yet been created. A vigorous economic development effort could succeed here better and faster than it might in many other places.

But this effort should be undertaken without further delay. The totally disorganized and haphazard expenditure of funds on Federal programs and federally financed tribal programs—dependent as they are not on what the tribe believes it needs but what the Federal Government is prepared to fund—should be replaced by a deliberate, purposeful effort to build a self-supporting economic structure, to turn an economic liability of the Southwest into an economic asset.

The last decade has taught us that not all social problems are amenable to solution "by throwing money at them." But that does not mean that sound economic planning cannot serve to reduce unemployment and dependence and thus help avoid the creation of serious social problems. A comprehensive, unified effort to improve the economic base on the Navajo and Hopi Reservations could have a multitude of benefits for the people directly affected, for the States in which they live, and for the country as a whole.

But any attempt to improve the economic base of the Navajo Reservation and the lives of its residents would be hindered significantly by an approach to the Navajo-Hopi land dispute which woud uproot upward of 6,500 Navajos and cause their opportunity to earn a livelihood to be totally destroyed. The results of this upheaval are not only going to affect the people who would be moved, but also those reservation communities which will have to take the expellees in and will have to provide for them.

The bill which we are introducing today provides for a resolution to the land dispute based both on human compassion and a concern for the taxpayer's dollar. It is also a solution which is in keeping with precedents set by Congress over and over again in similar situations.

What we find here is a situation in which certain land has for generations been used and occupied by Hopis while other land has been used and occupied by Navajos. We say that the Hopis should be given a clear interest in all the land which they have used and occupied and are now using and occupying and that the Navajos should be granted the same right in the land which they have been using and occupying. We also say that each tribe should be granted easements on the land of the other tribe for any ceremonial or other traditional uses they may have made of that land.

Under our solution, the Navajos would be authorized to buy out the Hopis' vested interest in the surface of some of the land on which these Navajos have lived for generations. That vested interest was created by an act of Congress passed as recently as 1958.

If private land were involved here, the Navajos would long ago have acquired it under adverse possession. If they were non-Indians having a long-term residence or making long-term use of Indian land, we would provide for a buyout, as we did in passing such laws as the Pueblo Lands Act of 1924, the Ute Jurisdictional Act of 1938, the Indian Claims Commission Act of 1946, and the Alaska Native Claims Settlement Act of 1971. We suggest that the same policy be applied here, that we do not discriminate against the Navajos by applying a different policy to them from that which we would apply if they were non-Indian settlers who had lived on a tract of Indian land for a century.

To sum up, a permanent solution to the problem confronting the Navajo and Hopi Reservations must be based on two equally important components. The approach must be one which leads to a condition of economic self-support for the two reservations. But it must also be an approach which permits the resolution of the Navajo-Hopi land dispute in a manner which recognizes and respects human needs, and which does not visit upon thousands of Navajos the devastating economic and social dislocation that inevitably will result from a program of massive removal and relocation.

Mr. DOMENICI. Mr President, I am extremely pleased to join today with the distinguished senior Senator from New Mexico (Mr. MONTOYA) in introducing legislation designed to finally put to rest the problem of land use and occupancy which exists between the Navajo and Hopi tribes.

The history of this problem is one of which no one can be proud, especially the U.S. Government and the Congress of the United States. The problem has its roots in Government actions and it owes its longevity to continued Government failure to establish and follow policies to equitably settle the resultant dispute.

I will say no more about the history of this problem since it is well recorded in congressional documents and well known by many Members of the Congress. I feel it is sufficient to say that the time is well past due for resolution of a problem which had its origin in 1882.

My distinguished colleague from New Mexico has addressed himself eloquently to the broader aspects of the relations between the Navajo and Hopi tribes and to some of the problems which plague both tribes—problems this bill attempts to address through the creation and operation of the Navajo-Hopi Development Commission. Among the major functions of that Commission would be those which would contribute toward making the entire area economically viable and self-supporting. I associate myself with those remarks and I hope the concept and programs proposed in titles I and II

will receive full examination and consideration as part of the legislative process.

My remarks, Mr. President, are directed primarily at the proposals in this bill designed to finally settle the land interests of the Navajo and Hopi people. For reasons I will outline, I feel this bill would provide a fairer solution than any other settlement proposal I am aware of.

On the reservation in question it is an established fact that land use and occupancy of long duration are at conflict with asserted legal interests of questionable validity. It, therefore, becomes the duty of those who have the power to do so, to provide an equitable means to resolve for all time the conflicting interests. The power and the obligation to develop and institute that resolution is in the Congress.

This bill breaks the land area involved down into three major categories, all three of which are definite, identifiable geographic areas within the larger Navajo Reservation One area is that which is for the exclusive use of the Hopi Tribe and this bill confirms that separate, exclusive use by the Hopis.

The second area is one designated in the bill as "the joint use area" because in that area it is recognized that the Navajo people and the Hopi people have a joint, equal and undivided one-half interest. This bill would settle the conflicting claims of Navajos and Hopis by having the Commission referred to prevously identify and dispose of three subcategories of land, depending on land use as of July 27, 1958. This date is proposed since it is the date of the Navajo-Hopi Jurisdictional Act which represents the last statutory attempt to settle conflicting claims of land interest between the two tribes. The three subcategories of land and the disposition of each category would be as follows:

First. Land which on July 22, 1958, was used by Hopi Indians for residential or agricultural purposes—to be held in trust for the *Hopi Indian* Tribe.

Second. Land which on July 22, 1958, was used by Navajo Indians for residential or agricultural purposes—to be held in trust for the Navajo Tribe of Indians.

Third. Lands identified under the second subcategory in the joint use area which on July 22, 1958, were used by Hopi Indians for certain specific purposes, including ceremonial and hunting purposes—to be subject to easements in favor of the United States in trust for the Hopi Indian Tribe according to the specific uses made on or about July 22, 1958.

It is anticipated that the value of the surface interests which would be identified in subcategory 1 to be held in trust for the Hopis, would be less than one-half the value of the surface interests of the total area of joint use. This bill provides that the Navajos would pay the Hopis from a Government loan the difference between one-half the total surface interest and the total surface value of lands to be held in trust for the Hopis. This would compensate the Hopi people for having received in actual land less than one-half of the area of present joint use and would require very little, if any, dislocation of Indian families.

This method would also be the less expensive to the taxpayer since relocation allowances would be held to a minimum and since the Navajo Tribe would repay the Government loan from proceeds it will receive from its part of funds derived from the sale of minerals.

It should be noted that all these provisions in the joint use extend only to surface rights and maintain equal rights of the two tribes to all minerals in the joint use area.

The third category of land interests recognized by this bill covers the area related to the act of 1934. In this area, known as the Moencopi Area, the bill would authorize a judicial determination of the interests of the two tribes. The bill provides for addition to the Navajo Reservation of all land which the court determines Navajos have exclusive interest in and addition to the Hopi Reservation all land where the Hopis have exclusive interest.

For that land which the court determines that there is a joint or undivided interest, this bill provides for judicial partitioning in accordance with the principles of fairness and equity. The two tribes would be authorized to exchange lands which are part of their respective reservations.

In conclusion, Mr. President, I state with firm conviction that this bill provides reasonable means to finally determine the land interests of the Navajo Tribe and the Hopi Tribe.

In addition to being logical and reasonable, it is fair and honest and recognizes all legitimate interests whether predicated on law or usage. I, therefore, urge its swift enactment into law.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1114

At the request of Mr. MONDALE, for Mr. EAGLETON, the Senator from Minnesota (Mr. MONDALE), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 1114, to authorize assistance for demonstration projects designed to develop reforms in the criminal justice system in the United States.

S. 3136

At the request of Mr. DOMENICI, the Senator from Utah (Mr. MOSS) was added as a cosponsor of S. 3136, the American Arts and Handcrafts Act.

S. 3043

At the request of Mr. NELSON, the Senator from Minnesota (Mr. MONDALE) and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 3043, the Federal Citizens Appeal Act of 1974.

S. 3056

At the request of Mr. HASKELL, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 3056, to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers.

S. 3064

At the request of Mr. ABOUREZK, the Senator from Florida (Mr. GURNEY) was added as a cosponsor to S. 3064, to amend section 111 of title 38, in the United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

S. 3095

At the request of Mr. HASKELL, the Senator from New Jersey (Mr. CASE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from California (Mr. CRANSTON), the Senator from Illinois (Mr. STEVENSON), the Senator from Nevada (Mr. CANNON), and the Senator from California (Mr. TUNNEY) were added as cosponsors to S. 3095, to deny treatment as a foreign tax payment, under the Internal Revenue Code, to any royalty payment made in connection with the extraction of oil or gas from a foreign country.

S. 3123

At the request of Mr. HUMPHREY, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 3123, to establish a universal school food service for children.

S. 3134

At the request of Mr. HASKELL, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 3134, to impose an excess profits tax on the excess petroleum profits income of certain domestic corporations engaged in multinational operations.

S. 3168, S. 3169, AND S. 3170

At the request of Mr. TOWER, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 3168, to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record; S. 3169, to amend title II of the Social Security Act to provide that an insured individual otherwise qualified may retire and receive full old-age insurance benefits, at any time after attaining age 60, if he has been forced to retire at that age by a Federal law, regulation or order; and S. 3170, to amend title II of the Social Security Act to provide that any individual who has 40 quarters of coverage whenever acquired, will be insured for disability benefits thereunder.

SENATE JOINT RESOLUTION 196

At the request of Mr. NELSON, the Senator from Iowa (Mr. HUGHES) and the Senator from Delaware (Mr. ROTH) were added as cosponsors of Senate Joint Resolution 196, designating the week of April 21–28, 1974 as Earth Week 1974.

SENATE RESOLUTION 298—SUBMISSION OF A RESOLUTION EXPRESSING THE SORROW OF THE SENATE IN RESPECT TO THE DEATH OF FORMER SENATOR B. EVERETT JORDAN

(Considered and agreed to.)

Mr. ERVIN (for Mr. CANNON) (for himself, Mr. PELL, Mr. ROBERT C. BYRD, Mr. ALLEN, Mr. WILLIAMS, Mr. COOK, Mr. HUGH SCOTT, Mr. GRIFFIN, Mr. HATFIELD, Mr. ERVIN, and Mr. HELMS) submitted a resolution expressing the sorrow of the

Senate in respect to the death of former Senator B. Everett Jordan.

(The resolution is printed in full later in the RECORD, when it was adopted.)

SENATE RESOLUTION 299—ORIGINAL RESOLUTION REPORTED RELATING TO THE PURCHASE OF CALENDARS (S. REPT. NO. 747)

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 299

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $12,875 for the purchase of twenty-five thousand seven hundred and fifty calendars. The calendars shall be distributed as prescribed by the committee.

AMENDMENT OF FEDERAL ELECTION CAMPAIGN ACT OF 1971—AMENDMENTS

AMENDMENTS NOS. 1058 THROUGH 1065

(Ordered to be printed, and to lie on the table.)

Mr. ALLEN submitted eight amendments, intended to be proposed by him, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1066

(Ordered to be printed, and to lie on the table.)

Mr. HATHAWAY submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

NOTICE CONCERNING A NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

William S. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Friday, March 29, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

MR. PETERSEN REPLIES

Mr. METCALF. Mr. President, yesterday I spoke in the Senate about the pending investigation by the Department of Justice into an alleged violation of section 205, title 18 of the United States Criminal Code. The investigation relates to suits brought against the Federal Government on behalf of a Member of Congress by a member of his staff who is an attorney admitted to practice in the District of Columbia. Those remarks appear in the CONGRESSIONAL RECORD for March 20, 1974, at page S4117.

I provided Mr. Petersen, Assistant Attorney General in charge of the Criminal Division, with a copy of my remarks on yesterday. Late yesterday Mr. Petersen responded with a letter which I ask be printed in the CONGRESSIONAL RECORD at this point.

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

DEPARTMENT OF JUSTICE,
Washington, D.C., March 21, 1974.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I have your letter of March 21, 1974 enclosing a copy of a speech which you have by this time made on the Senate Floor and entered in the Congressional Record. I want to thank you for your courtesy and thoughtfulness in giving me an advance copy of your remarks.

I should say, however, that in my judgment your indignation, if indignation it be, is premature. The facts may be as you assume them to be. Unfortunately for me I cannot assume the facts. All that we have taken upon ourselves to do is the minimum that can be expected of those who are charged with enforcing the law. To be explicit we have taken two facts that were brought to our attention by the Civil Division of this Department which suggest the *possibility* that an individual employed by the Congress *may* be in violation of the law. No determination has been made—no determination will be made until the facts are developed by the preliminary investigation requested. To suggest intimidation does a disservice not only to the Department of Justice but to the lawyers employed here. I trust that we will arrive at a fair and reasonable conclusion. In accordance with the request made by Mr. Kovac's counsel, a full opportunity will be given to him through his counsel to advance his point of view in the event we reach a conclusion that would be adverse to Mr. Kovac's interest. More than that I cannot do—more than that it would be wrong to do. I trust you will accord us in the Justice Department the same courtesy that I have observed all members of Congress accord to each other, that is, without evidence, not to question our motives.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

FACT-FINDING MISSION TO SOUTH VIETNAM

Mr. GOLDWATER. Mr. President, an independent factfinding mission to South Vietnam, cosponsored by the American Security Council and the Vietnam Council on Foreign Relations, was completed on January 22, 1974. Although the report is rather voluminous, I think it is of such interest that Members of Congress should read it because we are now beginning to hear strange tales of lament as the opposition forms to oppose any help to our allies, the South Vietnamese.

I think Ambassador-at-Large Bunker summed the whole thing up in his opening remarks serving as a preface to this work when he said:

But I believe history will determine that it has not been in vain.

I ask unanimous consent that this report be printed at this point in my remarks.

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

VIETNAM REPORT: "NOT IN VAIN"

"The costs of the struggle, in which we were joined, have been huge—in lives, in treasure, in the destruction of homes, people uprooted, in the divisions in our own country.

"But I believe history will determine that it has been not in vain. One small country has gained a chance at self-determination. Other nations nearby have gained the time to create a more stable Asia. The U.S. has demonstrated to other nations that it had the will to accept the responsibilities of power and to assure the credibility of its commitments.

"And the great powers of the world have, through this war, evolved a way to replace confrontation with diplomacy."—Ambassador-at-Large ELLSWORTH BUNKER.

I. VIETNAM MISSION: THE OBJECTIVES

More than 50,000 Americans died in defense of South Vietnam. More than 130 billion dollars were spent in support of that objective.

Has the pursuit of that objective been in vain? The facts indicate quite the opposite. Today, more than one year after the Paris peace agreement and the final withdrawal of all American forces, South Vietnam remains a free society, even though massive problems persist.

Due to the sacrifices of the seven million Americans who served there, the 18 million people of South Vietnam have gained a fair chance to preserve their independence. The South Vietnamese have been trained and equipped and encouraged to defend themselves—to "go it alone."

That they are now trying to do. From all indications, South Vietnam today stands on the threshold of viability, of being able truly to "go-it-alone." Its armed forces appear to be holding their own, or better, against continued Communist aggression. Morale is up, desertions, though still a problem, are down. For the first time, there are signs that a nation is emerging, with a unity of purpose and of leadership and with an increasing degree of popular participation.

South Vietnam's survival, however, is still in question. The withdrawal of U.S. forces left a vacuum and the economy is suffering. World-wide inflation, and energy shortages, have left their mark; prices went up 64 percent last year, and are still rising. An acute shortage of fertilizer threatens the nation's life-sustaining crop, rice. As elsewhere, oil is in critical short supply.

The South Vietnamese are tightening their belts and learning to live with less, a great deal less. To survive, they need continued help, just as the nations of Western Europe needed help to recover from the ravages of World War 2 and to rebuild their defenses against the threat of Communist aggression.

The next two years will be crucial years. If the South Vietnamese can be helped to fill the vacuum left by the departure of more than half a million American troops and to strengthen their defenses and economy and political and social life, they will have a better than even chance to endure and to prosper in the years to come.

It can be assumed that a great majority of Americans support these objectives. It is not in the American character to abandon a struggle within reach of success, or to desert a friend in need.

Yet, this is what a small minority of critics of American policy in Vietnam would have us do. Not content with the total withdrawal of U.S. forces, and Congress' denial of further direct active military support for the embattled free nations of Indochina, these

critics now demand a total cut-off of all U.S. military and economic support.

They would, in effect, snatch failure from the jaws of success, and deliver South Vietnam and its 18 million people to the Communists by default.

Since South Vietnam stands steady on the battle front, its enemies have mounted new attacks on another front—Washington.

The government of South Vietnam, and its elected leader, President Nguyen Van Thieu, are portrayed far and wide as corrupt and oppressive and thereby unworthy of continued U.S. support.

These verbal assaults have reached a crescendo unparalleled since the days of the Vietnam "moratorium" and the march on the Pentagon. Familiar voices that once demanded U.S. withdrawal from Vietnam now denounce any and all U.S. aid to Saigon.

Jane Fonda and Tom Hayden set up shop in Congress and openly lobby for the abandonment of South Vietnam. A three-week anti-Vietnam seminar is organized in a committee hearing room of the U.S. House of Representatives. Remnants of the "Vietnam Veterans Against the War" invade and briefly seize the information offices of the South Vietnamese Embassy in Washington.

"Study groups," composed of articulate and well-known propagandists against U.S. policy in Indochina, visit Vietnam and return with shocking new tales of torture and imprisonment of tens of thousands of innocent "political prisoners." Their views and expressions are afforded prominence before committees of Congress and in the news media with scant attention to their credentials or credibility.

Volumes of testimony and statistics recite a long litany of alleged savagery and wrongdoing by "General Thieu and his henchmen." By sheer weight of words, the professional Vietnam critics seek to confuse, confound and wear down their opposition.

Taken alone, such organized efforts to influence U.S. foreign policy could be dismissed as so much propaganda. But in an America weary of war and preoccupied with newer problems of inflation, energy and Watergate, the critics of Vietnam have gone largely unchallenged and their allegations mostly unanswered.

Without rebuttal, there is a danger that the views of these critics in time could gain acceptance, through repetition if for no other reason.

To afford Congress and the American people an opportunity to hear from *both* sides and to reach reasoned judgements based on *all* the facts, the American Security Council in cooperation with the South Vietnamese Council on Foreign Relations sponsored a private, non-partisan fact-finding visit to South Vietnam.

The mission was headed by Ambassador John Moore Allison (Ret.), former Assistant Secretary of State for Far Eastern Affairs, whose distinguished diplomatic career included Ambassadorships in Japan, Indonesia and Czechoslovakia.

Other members included:

Congressman Philip M. Crane (R-Ill.), member of House Committees on Banking and Currency and House Administration. A former history professor at Indiana and Bradley Universities, Congressman Crane has visited Indochina on several occasions and conducted a special investigation of prison conditions on Con Son Island for a report to Congress.

Richard W. Smith, Chairman, National Federation of Young Republicans, who also serves as Administrative Assistant to the Minority Leader of the Florida State Senate.

Dr. Anthony Kubek, Research Professor, University of Dallas, author, lecturer and former visiting professor at three Chinese universities. He has traveled extensively in Asia and presently serves as consultant to the Senate Internal Security Subcommittee.

Ambassador Elbridge Durbrow (Ret.), Director of Freedom Studies Center, Boston, Virginia, and former Ambassador to South Vietnam (1957–61), whose 38-year diplomatic career included extended tours of duty in Moscow, Warsaw, Bucharest, Rome, Singapore, Lisbon and with the NATO Council in Paris.

Charles A. Stewart, Director of Communications, Institute for American Strategy, and Director of Broadcast Communications, American Security Council.

Philip C. Clarke, correspondent and commentator, Mutual Broadcasting System, and Capitol Editor of the American Security Council's Washington Report. Clarke, a journalist for 35 years, served as an AP foreign correspondent and Newsweek General Editor.

Accompanying the group as an observer was veteran correspondent James Cary, Washington Bureau Chief, Copley Press. (Texts of Cary's published dispatches from Vietnam are included in this report's appendix.)

The group traveled by plane, helicopter and jeep from Saigon to Quang Tri in the far North, and from the Mekong Delta to Con Son Island off the southeast coast of South Vietnam. It witnessed soldiers guarding the ceasefire lines, peasants harvesting rice, village schools in session, government officials at work, and a host of other activities that comprise a nation striving to survive in the twilight of an undeclared war thrust upon it by an aggressor that still aims at total conquest.

There were lengthy private meetings with President Nguyen Van Thieu in the Presidential Palace in Saigon; Hoang Duc Nha, Minister of Information; with Foreign Minister Vuong Van Bac; Pham Kim Ngoc, the former National Commissioner for Planning; Nguyen Duc Cuong, Minister of Trade and Industry; Ton That Trinh, Minister of Agriculture; Pho Ba Quan, Special Assistant to the Minister of Finance; and with the Commander of the National Police, Brig. Gen. Nguyen Khac Binh.

There were meetings also with leading members of the South Vietnamese National Assembly, with private business and professional men, and with students, shopkeepers, and workers. In the countryside, there were briefings by Corps Commanders in Military Regions 1 and 4, and inspection trips of defense lines. Provincial representatives afforded visits to community centers, banks, and irrigation projects.

U.S. Ambassador to Saigon, Graham Martin, conducted an extensive personal briefing, along with members of his staff, and there was a detailed review from Maj. Gen. John E. Murray, who heads the U.S. Defense Attache mission in South Vietnam.

While the fact-finding group claims no "instant expertise" or easy answers to the many complex problems of Vietnam, it did reach a number of conclusions based on first-hand observations.

II.—"POLICE STATE": WHAT THE FACTS SHOW

Charges that South Vietnam, with U.S. financial and technical support, has become a "police state" are not supported by the facts. South Vietnam's 122,000-man national police force has the function of preserving law and order in both the cities and the countryside; it is a vital element in the government's efforts to provide greater safety and security against terrorist attack, kidnapping, assassination, and sabotage. Since its reorganization in 1971, it has become an increasingly efficient force in securing areas that before were easy prey to guerrilla raids, infiltration and intimidation. By its nature, this fight against subversion is almost certain to lead to some abuses. But there is a definite effort to improve procedures and safeguard individual rights.

As in the U.S., the police operate under the law and arrests are made only for violations of the law. Rather than serving only to protect the government and suppress political opposition, as alleged by critics, the national police are welcomed by most South Vietnamese as a protector. In hundreds of remote hamlets, the gray-uniformed policeman is the lone symbol of authority and, as such, often a prime target of communist assassination squads. The courage and heroism of the policeman is legendary in many rural areas, as it is in the refugee-created cities.

Much of the progress made by the national police is due to the advice and training provided at modest cost by U.S. experts under the Office of Public Safety (OPS), a branch of the State Department's AID program of assistance to foreign governments at their request. Although this aid-and-training program was ended in South Vietnam under terms of the Paris peace agreement, a handful of U.S. civilian technicians continue to provide advice in the operation of a newly-installed computer system which keeps tabs on more than 10 million South Vietnamese. Far from being a secret police device to oppress the populace, as charged by critics, the new computer system is used primarily to curb crime and enforce the law, just as in most advanced countries, including the U.S. And through frequent checking of I.D. cards, the South Vietnamese police are able to spot lawbreakers as well as enemy agents, thereby preventing large-scale infiltration of highly-trained saboteurs, sappers and spies into the cities such as occurred during the '68 Tet offensive.

Despite such achievements, OPS itself is now a favorite object of attack by opponents of U.S. foreign assistance who charge that it promotes "oppressive police states." The record shows quite the opposite is true. In South Vietnam, it seems that leftist propaganda attacks against the police are increased in almost direct proportion to the improvement of police efficiency and effectiveness.

III.—"POLITICAL PRISONERS": FACT VS. FICTION

Charges that the South Vietnamese government has jailed tens, even hundreds, of thousands of "political prisoners" are in variance with the facts.

Following recent allegations that the Thieu government was holding up to 202,000 political opponents in barbarous captivity, the U.S. Embassy in Saigon undertook what it described as "an exhaustive and painstaking analysis utilizing all available sources, including the personal knowledge of U.S. police advisers who had been on the scene until early 1973. The results of this official U.S. Embassy survey, comprising 15 closely typewritten pages, covers every penal institution in South Vietnam, from the four national prisons and 35 provincial jails to local police lockups where suspected criminals are held for up to five days before disposition of their cases.

The Embassy survey reached "the firm conclusion that the total prisoner and detention population in South Vietnam in the July-August, 1973, period (when the check was conducted) was 35,139. This figure comprises civilian prisoners of all types, not just 'political prisoners,' however defined."

The U.S. Embassy placed the *total capacity* of South Vietnam's prison and detention system at 51,941 as of December 31, 1972. The total prison occupancy on that date was 43,717, and less since then.

The Embassy said that its survey "conclusively refutes the widely-spread charge that South Vietnam government jails harbor '200,000 political prisoners.'" And it found no evidence whatsoever that large numbers of persons had been jailed solely for their political opposition to the present government.

The allegation that the Saigon government harbors "202,000 political prisoners" was

found to have originated with a well-known government opponent, Father Chan Tin, a Paris-educated Redemptorist priest who seems to put the human suffering he encounters among his parishioners in class struggle terms. He also heads an organization he calls "Committee To Investigate Mistreatment of Political Prisoners"—which he defines, very broadly, to include arrested communist cadre.

In his latest statement, Father Tin lists prisons that allegedly contain many thousands more prisoners than possibly could be physically accommodated.

Yet, apparently without checking into Father Tin's background or supposed sources, a member of Congress recently inserted Tin's "202,000 political prisoner" figure in the Congressional Record.

Interestingly, Father Tin still puts out his story and continues to attack the government without interference from the authorities—a fact that seems to disprove the familiar charge that Saigon jails all its opponents.

A study group composed of five Vietnam critics who were also briefed on the Embassy "political prisoners" survey, recently returned from Saigon, claiming on TV and in press conferences that "the jails of South Vietnam are full of political prisoners."

As U.S. Ambassador Graham Martin concedes: "(Our) report will not convince those who believe only what they wish to believe. It will, I think, be convincing to those reasonable and objective persons who are still concerned with the truth—and fortunately, the majority of the citizens of the United States still come within this category."

IV.—"TIGER CAGES": A MYTH DEMOLISHED

Charges of widespread torture and mistreatment of "political prisoners" by the South Vietnamese government lack substatiation and appear to be false or grossly exaggerated.

While it would be virtually impossible for any one private investigative group to personally inspect all the prison facilities in South Vietnam, U.S. Public Safety Advisers who did work closely with the South Vietnamese over the past several years report no proof of any systematic ill-treatment of inmates. Obviously, given the enmity aroused by a quarter of a century and more of conflict and strife, there undoubtedly have been isolated instances of cruelty and ill-treatment. But nowhere is there any evidence of the obvious and systematic brutality practiced against Americans and South Vietnamese prisoners of war by their North Vietnamees and Vietcong captors.

One of the highlights of the fact-finding mission was a day-long visit to Con Son Island where the group was allowed to visit the entire prison facility and to talk freely with both officials and with Vietcong prisoners. More than an hour was spent inspecting the so-called "tiger cages," no longer in use but still employed by propagandists to belabor the South Vietnamese as cruel and oppressive.

Actually, as the fact-finding group determined, these prison cells, built by the French in 1941 as punishment cells for unruly prisoners, were a good deal larger and airier than had been depicted in the famous July 17, 1970 *Life* Magazine "expose."

The *Life* story was based on a report by photographer Tom Harkin, a Congressional staff aide, and Don Luce, then an executive secretary for the World Council of Churches and a leading peace activist. Luce was brought along to Con Son Island by Harkin who was accompanying two congressmen—William R. Anderson of Tennessee and Augustus F. Hawkins of California.

The story claimed that the so-called "tiger cages" were hidden away in a secret area of the island (The ASC fact-finders found it clearly out in the open behind high white walls), and implied that the cells were underground (they were, in fact, above ground with open grates at the top and with a roof some 15 feet above the cells to protect them from sun and rain and individual doors leading to an open courtyard). The Harkin-Luce story also told of prisoners "crouched" in the cells. The cells were, in fact, 10 feet from ceiling to the top grate and 6'3" wide and 10'6" deep—far larger than comparable isolation "punishment cells" in most standard U.S. prisons).

Contrary to the *Life* story, which has been endlessly repeated and enlarged upon by anti-Vietnam critics in the nearly four years since publication, the ASC group found no hard evidence of systematic mistreatment of prisoners on Con Son Island. And there was no indication that any of the prisoners in the cells, (the *Life* photos show from two to four inmates in each cell) had been shackled. Indeed, it would have been physically impossible to "suspend" any of the inmates from the top grate, as has been charged.

Of the 5,739 prisoners now on Con Son Island, a majority have accepted the standing offer of the authorities to work daily on one of the vegetable farms, or in the pig farm, brick factory, machine shop or woodworking shop. These "trustees," numbering some 3,000, were under minimal guard and showed no evidence of strain or hardship. Of the 500 VC's who refused to cooperate and who remained in the large (50 inmates each) barred compounds, there was no visual indication of malnutrition, disease, or mistreatment, despite the complaints of some of the VC. (An interview with an English-speaking spokesman for one hard-core VC group is included in the appendix that follows.)

As just one example of prisoner treatment on Con Son Island, the hard-core "uncooperatives" receive 570 grams of rice a day—more than can be spared for war refugees in many resettlement camps on the mainland. And as an example of how U.S. prison training-and-aid has helped, the per capita death rate among inmates is now .36 per 1,000, compared to 1.56 per 1,000 before the aid program began.

There were, of course, many other impressions of South Vietnam and its people, gained through hours of observation and conversation and close study.

Militarily, the South Vietnamese were cautiously optimistic about their ability to withstand any new North Vietnamese offensive, despite the fact that the Paris Agreements did not require the 100,000-odd North Vietnamese forces in the South to go North and despite the continued infiltration of Hanoi's troops (130,000 by conservative estimate), tanks (some 600), long-range artillery and rockets, and anti-aircraft batteries plus the installation of twelve airfields, a new highway complex and a major oil pipeline—all within the South Vietnamese border.

The South Vietnamese thus far have been able to beat back fierce probing attacks, some supported by Soviet-made tanks, in vulnerable border areas in the Central Highlands and along the approaches to Saigon. And as yet the North Vietnamese and Vietcong have failed to conquer a single provincial capital or significant population center.

If anyone doubts still the courage and fighting ability of the South Vietnamese *binh si*, or GI, he should walk through what remains of Quang Tri the northernmost provincial capital, as did members of the fact-finding mission. Not a structure remains. Yet, amid the jagged shards of concrete and twisted steel, soldiers of the ARVN 1st Division and crack Marine and Ranger units hold foxholes and gunposts and fly their red-and-yellow flag above what once was the Citadel, recaptured in 1972 as the North Vietnamese "Eastern Offensive" was bloodily repulsed.

It does come as a jolt to helicopter over wide areas of northern "Eye Corps" and gaze down at now abandoned fire-bases—Camp Nancy, Camp Carroll, "Bastogne," and others. Only piles of used shell casings and scattered bomb craters mark the barren, clay-yellow plains where U.S. Marines once fought and died to hold off human-wave attacks from the jungled mountains to the north and west.

The ARVN defenders, sparser in men, guns and ammunition, have devised new tactics. Batteries of 105's are wheeled into gullies and crevices ready to fire and move. Rather than expending men and materiel to defend fixed positions, the ARVN strategy is to bend and stretch but not break. So far, it seems to be working and such population centers as Hue and Danang appear relatively secure.

In recent weeks, South Vietnam's fledgling air force (more than half of its pilots are still in training, most in the U.S.) has carried out bomb-and-strafe attacks against North Vietnamese infiltration routes and troop movements. As President Thieu explains: "We are trying to prevent the enemy from building up for a new all-out offensive and a new war that could last ten years."

Ironically, the river border at Quang Tri is the only place along the ceasefire line that is not being subjected to intermittent Communist artillery and mortar fire. The reason is clear: In a small clearing in the rubble of Quang Tri camps a unit of the otherwise impotent ICCS—International Commission of Control and Supervision.

Economically, there is deep strain. The treasury is down to 120 million dollars in cash reserves, inflation is rampant (64 percent last year) and the cost of scarce imports such as oil and fertilizer are skyrocketing. Yet, there is solid hope for the future; exports have risen from $13 million in 1971 to a projected $85–100 million in 1974. In June, the first test drilling for oil will take place in an offshore area believed to contain large reserves of this precious commodity. There also is the possibility of oil being discovered in the Delta.

Land reform has advanced more rapidly than even the most optimistic observers had hoped: More than 1,300,000 hectares distributed to 800,000 formerly landless tillers of the soil. And at least 200,000 more are expected soon to receive titles to tracts ranging from 1 to 3 hectares.

Saigon and other large cities are still severely overcrowded, and thousands of refugees remain to be resettled. But there are few signs of hunger, as in such chronically over-populated places as India. And here and there in the capital, Saigon, handsome new skyscrapers have shot up—monuments to the confidence of at least some businessmen.

In the Delta, the rice harvest was full and the peasants and villagers appeared content and well-fed. Groups of young children played barefoot in the dusty roads. Among them here and there, were a few half-American youngsters, obviously accepted by the others.

Much of South Vietnam's natural resources remain to be developed. The country has vast stores of valuable timber and there are indications that tin and other minerals may abound. The fishing industry, second after lumber, easily could flourish. (South Vietnam's third largest export: Scrap metal, left from the war.)

Even tourism could be developed. What GI doesn't recall the wide, golden beaches at Vung Tau and Nha Trang, or the cool, green highlands of Dalat, Vietnam's "Shangri-La?"

Yet, for reasons not clear, OPIC—Overseas Private Investment Corporation—does not insure private U.S. investments in South Vietnam, insurance it readily grants investors in the Philippines, Chile and dozens of other less developed nations. And this despite South Vietnam's newly-adopted tax and

profit concessions which are among the most generous in the world.

Politically, South Vietnam is not yet a model of American-style democracy. Nor is it ever likely to be—given age-old Vietnamese family, village and ethnic social structures. In this, Vietnam does not differ from other countries of Southeast Asia, including the Philippines where the U.S. spent fifty years trying to instill the fundamentals of American-type democracy. But it is grossly incorrect to regard South Vietnam as an oppressive dictatorship.

Indeed, there can be little doubt that the 18 million people of South Vietnam, despite wartime conditions, today enjoy far more personal freedom and political participation than most developing nations in Southeast Asia and elsewhere around the world. Not only Father Chan Tin, but such rivals for power as Marshal Ky and "Big Minh" live freely and well while continuing freely to criticize Thieu.

While President Thieu is reviled by enemies of his government as a corrupt dictator, he moves almost daily among the people with only a minimum of personal protection. The son of a humble fisherman from the central coast, he talks the language of the people and is accepted by them. Thieu scoffs at the notion he covets power, saying: "If the people or the army would want me to go, I would go." So far, there is no other leader in South Vietnam who comes anywhere close to Thieu in popularity—and that popularity appears to be solid, despite the severe economic hardships brought on by the U.S. withdrawal.

Thieu is determined to continue the struggle to preserve his country's independence and freedom from Communist takeover "until," as he says, "the last bullet." It is this staunch anti-Communist attitude that has rendered Thieu anathema to the Communists and their backers, in Hanoi and elsewhere.

"The American people and Congress should realize that the Vietnamization task has been successful," says the President. "You may report back to the United States that we have done everything we can here to continue to survive on our own and to defend our freedom. The most important thing we need is guaranteed peace."

Supporters of Thieu have succeeded in amending the Constitution to enable him to run in 1975 for a third term. Aside from some angry anti-Thieu speeches in parliament, and a few critical editorials in some of Saigon's 16 daily newspapers, the fact-finding group witnessed no popular protests. And if Thieu decides to run for re-election next year, he is almost certain to win big, even if the Vietcong should end its boycott of elections and vote.

Corruption is still a problem, as it is in most Asian and many other countries. But Thieu has replaced several of his military leaders and provincial chiefs who were caught grafting or stealing, and he is cracking down hard on others.

The ASC's fact-finding group was particularly impressed by the youth, intelligence and apparent dedication of government cabinet ministers and department experts. The average age of Thieu's cabinet is under 50; in Hanoi, the average age of the Politburo members is 66.

Impressive also was the concern shown by military leaders in the provinces for the welfare of the communities under their protection, especially for war victims living in resettlement centers. Strenuous efforts are continuing to return peasants to the land and to give them security against terrorist attack.

When conditions permit, plans call for soldiers to spend one-third of their time working the land, helping with the crops.

Ambassador Allison, who once served as U.S. Ambassador in Communist Czechoslovakia, observed: "People in the cities and in the countryside give no evidence of serious repression or of living in a police state, particularly in comparison to the people of Eastern Europe."

One fact alone provides clear proof that President Thieu and his government have the support of an overwhelming majority of the South Vietnamese people. In addition to the regular national military forces, numbering more than 500,000, the government has armed the Regional and Popular Forces—assigned to defend their own regions and numbering more than 549,000—with M-16 rifles and M79 grenade launchers and other weapons. What is perhaps even more significant is that President Thieu has distributed World War II type weapons to the local part time militia (People's Self-Defense Forces) to defend their villages and families against communist attacks. In other words, the number of weapons now in the hands of the ordinary South Vietnamese people, apart from the national regular forces, is well over 1 million. Dictators don't do this. Thus, if the people preferred the Vietcong to the present government, all they would have to do would be to turn their weapons "the wrong way" for a few hours. This, of course, has not happened, nor is it likely to happen. It is also significant that despite the war weariness of the South Vietnamese, thousands of young men are drafted into the armed forces each year and continue to fight and die to prevent a communist takeover. This, too, should refute the "police state" allegations of anti-Vietnam critics.

And whenever there is fighting, the refugees still flee South, never North.

V.—CONCLUSIONS

South Vietnam has proven itself to be a reliable ally and a sound investment in the cause of freedom in Southeast Asia. Given peace and continued stability, it could in time become a model of Asian-style democracy, vigorous, prosperous and above all, free.

It would be a mistake of historic proportions should Congress accept now the argument of critics who contend that the U.S. participation in the defense of South Vietnam was all wrong and that the U.S. should cut its losses and abandon the South Vietnamese as a hopeless cause.

Congress should give close scrutiny to the latest outpouring of propaganda, charging the Saigon government with harboring "political prisoners" by the hundreds of thousands. It should look closely also at the familiar purveyors of such bias to determine (1) their ulterior motives, if any, and (2) their financial support and whether, as some members of Congress believe, they should register as agents of foreign governments.

Not only members of Congress, but all thoughtful Americans, should examine the facts—all the facts—before making up their minds. Americans have a natural aversion to being "sold a bill of goods." Yet, today, it is clear that many of our citizens are being deceived by organized propagandists who seek elimination of all U.S. support for South Vietnam, thus enabling the North Vietnamese and their Vietcong allies to do what they cannot do on the fighting front—take over.

The critics complain that the U.S. is now spending over 2 billion dollars a year to support South Vietnam. Actually, funds appropriated for U.S. aid for the fiscal year 1974 amount to $813 million for the military and $525 million for economic purposes including AID and PL 480.

The achievements of a multitude of American assistance programs, though largely unnoticed by the news media, have brought about truly revolutionary changes in Vietnam.

In education, for example, U.S. aid has helped the South Vietnamese government develop necessary facilities and staff so that college enrollment has increased by fifty percent, secondary school enrollment by nearly 100 percent in the past five years. And more than 90 percent of the approximately three million children age six to twelve are now in school.

Thanks largely to the U.S. sponsored introduction of advanced "miracle rice" varieties, rice production has increased forty percent since 1968.

Important and enduring institutions, such as the National Center of Plastics and Reconstructive Surgery and the National Institute of Administration, have been launched with U.S. help and are making significant contributions to healing the wounds of war and building foundations for further progress.

Such development has taken place despite the disruptions of war and such immediate problems as the caring for and resettlement of some one million refugees created by the Communists' 1972 Easter Offensive.

Members of the American Security Council-South Vietnamese Council on Foreign Relations fact-finding group strongly believe that U.S. aid should be continued in the amount necessary to provide South Vietnam with the weapons and economic support needed for survival, and that private U.S. investments should be encouraged. Our mission also supports efforts being made to grant Overseas Private Investment Corporation insurance to private U.S. investments in South Vietnam. We endorse Ambassador Graham Martin's carefully considered request for supplemental aid to provide additional economic help and military replacements needed to counter Hanoi's infiltration of long-range artillery and other sophisticated new weaponry. The mission applauds President Nixon's advice to Congress in his "State of the Union" message which urges that funds be provided "to maintain strong, self-reliance defense forces" in South Vietnam.

To do less would be to dishonor the 50,000 Americans who died in the Vietnam War and to discredit the United States in the eyes of the world. To abandon our commitments to that embattled nation—after having supplied it with the means and encouragement to fight for its freedom—would be to desert America's principles of liberty and human rights.

Rather than complaining only about the alleged wrongdoings of the South Vietnamese, would it not be more appropriate for the critics to call attention to the many open violations of the Paris peace accords by Hanoi and the Vietcong, to their continued aggression against the civilian population and to their systematic murder of innocent men, women and children?

Why, we ask, were there no expressions of outrage when Communist gunners recently ambushed an unarmed U.S.-South Vietnamese helicopter crew, on a clearly authorized mission to search for the remains of Americans killed in a wartime crash? An American officer, hands raised, was cold-bloodedly shot and killed by the Communist ambushers.

And why do not the critics complain at still another Communist violation of the Paris peace agreement: refusal to allow international search teams to determine the fate of more than 1,300 Americans still listed as MIA—Missing in Action—so that the long and torturous doubts and anxieties of their loved ones could at last be put to rest?

Nor do we hear the critics protest the ruthless terror shelling of Pnom Penh, the capital of neighboring Cambodia, by Hanoi-backed communist insurgent forces.

There is reason for concern that the Congress, preoccupied with problems closer to home, might succumb to the pressures of the anti-Vietnam propagandists. Recently, the U.S. Senate, in a shocking retreat from responsibility, voted 60 to 33 to cut off military

shipments of oil to South Vietnam. This despite the fact none of South Vietnam's oil came from domestic U.S. stocks, and would in any case represent only two-tenths of 1 percent of U.S. domestic requirements.

Had the action later not been modified, it possibly could have meant the end of freedom in South Vietnam within a matter of a few weeks.

Other actions taken or pending would cut deeply into other U.S. aid programs for South Vietnam and seriously affect its ability to withstand continued pressure from Hanoi, amply supplied with arms and economic muscle by an ever-generous Moscow and Peking.

It is, in summation, the conviction of the fact-finding group that the struggle for South Vietnam ultimately may be decided not on the battlefield but by the false facts and wrong impressions given to Congress and the American public by anti-Vietnam propagandists.

As Ambassador Allison stated on conclusion of the mission: "The South Vietnamese, both civilian and military, are confident they can stand up to the Communists—*provided* the U.S. continues to give them the economic aid and military equipment they need."

Congressman Crane put it this way: "There is this concern that the United States, at this eleventh hour, might be guilty of turning its back on a commitment that we made quite a number of years ago that came to represent literally billions and billions of dollars, not to mention the blood that we sacrificed, on behalf of trying to help a people who want to remain free from Communist domination.

It would be a great tragedy—a personal tragedy to the United States and also perhaps to the entire Free World—if we did not go that last five yards and give them (the South Vietnamese) the economic and military assistance they need now to absolutely assure their independence."

Some non-Americans are asking why they are given such a totally negative picture of the situation in South Vietnam. Excerpts from an article dated September 8, 1973, sent by a Danish correspondent to his paper in Copenhagen, is included in this report's appendix. It quotes the observations of a Polish member of the International Commission for Control and Supervision (ICCS) and it differs sharply from the views of anti-Vietnam critics in the U.S.

Similar observations are found in the final report of Canada's delegation, issued after it withdrew from the ICCS in disillusionment and frustration. (A summary of the Canadian report is included in the appendix.)

Perhaps the most eloquent appeal to reason came from a deeply concerned American observer with 27 years of service abroad, the past two in Vietnam. Speaking from experience and knowledge, he told the visiting Americans:

"After a quarter of a century of terrible suffering and sacrifice and by the extraordinary courage and resilience of the Vietnamese people, we have finally come to the point where this is a united nation built on concepts of individual and national freedom and having the ability to defend itself against an aggressor who has been truly barbaric.

"We have come to the time when this country can build a happy and prosperous future for itself and make a significant contribution to peace and well-being in the area.

"Now we find some leaders of opinion and some in influential positions in our Government prepared to walk away.

"They cower before the Don Luces and Jane Fondas of this world and let stand unchallenged the gross lies spread by Hanoi to discredit South Vietnam and to undermine the support of responsible friends which Vietnam deserves and which we ought to give in our own interests."

It is to challenge these untruths that the foregoing report is issued.

Our report seeks to promote no special interest other than of our nation and the cause of freedom in Vietnam.

It tries not to bedazzle with impressive-sounding statistics or to persuade with unsupported allegations from questionable sources.

It depends, rather, on the reasoned advice of trained government specialists with long "in-country" experience, and on honest judgments honestly arrived at from personal observation on the scene.

In the end, we have faith that the truth will prevail.

Ambassador John M. Allison, (Ret.), Honolulu, Hawaii.

Congressman Philip M. Crane, Illinois.

Philip C. Clarke, Washington, D.C.

Dr. Anthony Kubek, Dallas, Texas.

Amb. Elbridge Durbrow, (Ret.), Washington, D.C.

Richard W. Smith, Fort Lauderdale, Florida.

Charles A. Stewart, Washington, D.C.

February 26, 1974.

WE BELIEVE

Mr. HARTKE. Mr. President, the working man and woman have been the backbone of this country since its first days. It has been their faith in our social and political and economic systems which has made it possible for the dreams of the Founding Fathers to be pursued.

Mr. President, recently there appeared in Time magazine an advertisement which reaffirms the basic belief in America held by the labor movement. I ask unanimous consent that the text of that advertisement sponsored by the Communications Workers of America be printed in the RECORD.

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

[Advertisement]

WE BELIEVE

The Communications Workers of America believes the American system, in spite of its defects—political, economic and social—can be the fairest ever devised by man.

We speak from experience. We are more than 575,000 members who live in 10,000 communities across this land. We're a big union. Although we're among the youngest, we are one of the most important and progressive unions in the American labor movement.

We are men and women of all races, ages and beliefs. We perform all kinds of jobs—public and private—in all types of institutions, large and small. We are the people who make it possible to transmit an idea from one person to another by whatever means.

In everything from higher wages to safer working conditions, to better retirement benefits, we realize our system of government can be made to serve the interests of all people while preserving and expanding those individual freedoms which make this nation unique.

Our form of government is certainly not perfect. These days, with our economy in chaos, an energy crisis, and corruption from the White House to the soap box derby, our faith is tested.

We believe that just as the problems confronting us are the result of the human condition, so are the solutions within the grasp of the human spirit . . . if we believe.

CWA will continue its commitment to help solve our country's problems. We will work for good laws to insure a more just life for all Americans.

We will work to see that this country gets and keeps the best leadership . . . in government, labor and business. We reject the notion that all politicians are alike. There are some good, and some bad.

We promise to work for political solutions, for economic solutions, but most of all for basic human solutions to the problems that beset us.

We do it because unions are people, concerned with human values. We measure progress by how much we improve the quality of life for all Americans. That's what CWA is all about.

And when new problems arise, we'll work to solve them too. Because we believe in continuing and advancing the 'great experiment' that began almost 200 years ago.

A NATIONAL UNION IN THE NATIONAL INTEREST—COMMUNICATIONS WORKERS OF AMERICA, AFL–CIO

JOSEPH A. BEIRNE, *President*.
GLENN E. WATTS, *Secretary-Treasurer*.

THE 56TH ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF BYELORUSSIA

Mr. TAFT. Mr. President, 56 years ago, the Byelorussian people proclaimed their national independence and regained their freedom which was lost to czarist Russia at the end of the 18th century. However, the newly created Byelorussion Democratic Republic soon became one of the first victims of Bolshevik expansionism. Today, Byelorussia is administered by Moscow as a puppet state, the Byelorussian Soviet Socialist Republic.

For more than a half century, the colonialist Soviet regime has tried to erode Byelorussian traditions and culture and has exploited the Byelorussian people. In spite of Soviet harassment, the Byelorussian people, being of strong character and principle, have managed to bravely keep alive their hope of freedom and eventual restoration of their land.

On March 25, 1974, Americans of Byelorussian descent will be observing the 56th anniversary of the proclamation of independence of the Byelorussian Democratic Republic. Today, March 25 is a symbol of a dynamic spiritual force for Byelorussian independence which unites all Byelorussians wherever they may be. Let us take this occasion to salute and support the cause of this captive nation.

RAIL SERVICE IN THE NORTHEAST

Mr. PELL. Mr. President, this month we witnessed the beginning of important undertakings leading to a restructured railroad system in the Northeast and Midwest of our Nation.

In accord with provisions contained in the historic legislation we approved in December at the conclusion of the first session of the 93d Congress, the Regional Rail Reorganization Act of 1973, hearings have been held in a number of centers, including Boston, Mass.

The Honorable Philip W. Noel, Governor of Rhode Island, testified at these hearings on behalf of his State and mine and as cochairman of the New England Regional Commission.

In his statement before the Rail Services Planning Office of the Interstate Commerce Commission, Governor Noel stressed the need for preserving and maintaining rail lines in Rhode Island which formerly served our naval installations. These installations were, in my judgment, heartlessly and misguidedly closed down by this administration. That is a most unfortunate chapter of past history. Now these installations are being considered for other uses advantageous to our State and our economy. I believe rail service to be an essential element in any conversion of these facilities. Certainly, at this time, we should keep every option open.

For many years I have believed in the validity and effectiveness of improved rail service, and since the start of my first term as a Senator from Rhode Island I have worked to achieve this goal.

As I have stated previously to the Senate, I am delighted that the legislation we passed last December contained important new provisions for improved high speed rail passenger service in the Northeast Corridor—a concept which has long been of particular concern to me.

Freight service is also of great importance to Rhode Island, as we seek to bolster our economy so damaged by the closing of the naval bases at my home city of Newport and at Quonset.

Proper freight service is needed throughout the State. To suggest—as has the Department of Transportation—that freight service in the westerly area, for example, be curtailed is shortsighted and without logic. We should be looking toward the needs of tomorrow, toward a growing economy, toward a revitalized railroad system which today and for the future has a special relevance to both ecological considerations and to fuel conservation, and the most economic use of energy.

Highway vehicles emit up to 27 times more pollutants than railroads on a comparable basis and consume up to 5 times more fuel.

Thus any so-called final system plan, as called for by this legislation, should be most carefully determined, with future projections of need clearly set forth. A final system plan without these criteria should be viewed as obsolete by the Congress when we consider its ultimate adoption or rejection more than a year from now.

Mr. President, because it is so well expressed and germane to these remarks of mine, I ask unanimous consent that the statement of Governor Noel, to which I have referred, be printed in full in the RECORD.

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

STATEMENT OF THE HONORABLE PHILIP W. NOEL, GOVERNOR OF RHODE ISLAND

I am pleased to have the opportunity to come before the Rail Services Planning Office of the Interstate Commerce Commission to comment on the February 1, 1974, report by the Secretary of Transportation on rail service in the midwest and northeast region which was required by the Regional Rail Reorganization Act of 1973 (P.L. 93-236).

I am appearing before you as the Governor of Rhode Island and as state cochairman of the New England Regional Commission. The New England Regional Commission was formed under title V of the Public Works and Economic Development Act of 1965. The membership of the commission consists of the governors of the states of Connecticut, Maine, Massachusetts, New Hampshire, Vermont, Rhode Island and a federal cochairman appointed by the President.

The purpose of the commission is to foster regional economic development. The governors have determined that a vital element of this effort is transportation. The commission, accordingly, has devoted substantial effort and resources to transportation projects.

Thus, I bring to you both an individual state's and the New England Region's perspectives on the secretary's report and related matters.

A modern, efficient rail transportation system is essential to the continued economic health and growth of the individual States and the New England region.

The interdependence of the region's rail transportation system with the balance of the nation's rail network is clearly evident. This fact demands nothing less than the active leadership of the Federal Government called for by PL 93-236 in revitalizing and insuring the growth of this seriously troubled industry.

We, in New England, are especially pleased with the law's requirement that the long-delayed Northeast corridor high speed rail passenger service project move forward. We support the Department of Transportation in the start of the detailed engineering studies which are prerequisites to actual construction of the corridor improvements.

I look forward to riding the inaugural train long before 1978.

The commitment of the region's governors to sound rail service in New England is described in detail in the commission resolutions which I am submitting as a part of my prepared testimony. They should leave no doubt that New England governors intend to do whatever may be necessary to insure that our region has a rail system which meets our future needs.

The Commission's New England regional railroad project confirms that this region will not simply react to the recommendation of others regarding our essential transportation needs. We intend to take the initiative—although we would prefer that the process of design and analysis be a joint effort of all who have responsibility for the development of a sound rail system, rather than an adversary process.

I know that the secretary's report is a first "cut" in the much longer and more detailed system design process. It did cause a good deal of unnecessary but perhaps unavoidable concern. This has been reduced considerably by the recent announcements of the Department of Transportation correcting obvious errors.

Experience to date leads me to caution against falling into the trap of having this preliminary exercise in analysis of the problem become a convenient excuse for inaction by the system planners.

There is a very substantial job to be done if the mandate of Congress and the vital needs of the northeast are to be met.

I am frankly concerned that, with the act almost two months old and the final system plan to be submitted to the Congress approximately one year from now, the United States Railway Association is not a going concern. As far as I know, the association, which is an essential element of the planning process, has little more than three out of eleven directors and a very meager staff.

Things must begin to move more quickly. The planning effort must reflect not only the complexity of the task to be performed by the association—it must also reflect the potential for profoundly impacting our region's total transportation system.

The minimization of adverse economic impacts which would result from the loss of rail service is one of the eight specified goals to be achieved in the design of the northeast rail system. It demands serious consideration.

As a specific example—I am deeply concerned by the designation, as potentially excess, of rail lines in Rhode Island (and Massachusetts) serving military bases which are presently in the process of being converted to other uses. Conversion strategies for these facilities have been developed, and implementation will take place as soon as possible in order to mitigate the severe economic consequences of the closure decision.

The potential of these facilities is great. Rail service, as an element of the overall system, is a must. I believe that our conversion efforts will produce sufficient traffic on these lines to qualify them as economically viable, and I urge that these lines be removed from the excess category.

Another example concerns the secretary's recommendation of competitive East-West rail freight service. This will constitute an essential part of the region's rail system. Competition would be assured, however, by having two main East-West lines, instead of a single, jointly used line as suggested by the secretary.

The Providence and Worcester Railroad is directly affected by this decision because it provides a link between the East-West links and the State of Rhode Island.

Environmental impacts of the rail system as part of the overall transportation system are another area of concern. This element is difficult to measure, however I urge that every consideration be given to it, specifically relating to rail system planning in densely populated areas. In addition, I urge that the energy efficiency of rail be considered in the design of the plan.

Through the mechanism of the New England Regional Commission, we have developed a methodology for measuring the viability of rail lines in the region. Our experience in a recent comprehensive study of the Boston and Maine railroad indicates that the viability of rail lines can be assessed on a system-wide basis.

A rigorous, analytic examination of the total Northeast system is clearly required in order to identify a truly viable system and a system which comes close to meeting our needs. We have recently undertaken such an analysis at the regional level of the portion of the system within the six States in order to provide each member State with the data and information necessary for their participation in the restructuring process.

The information will also provide a basis for the development of regional policy positions. I urge that this approach be used at the Federal level as well.

As a final point, it is my view that, during the restructuring process, emphasis should be placed on holding a system together than dismantling one. Proposed abandonments should be evaluated in the context of their economic and environmental impacts as well as their relationship to the overall rail system. In addition, consideration should be given to the impacts of using alternative modes of transportation, and the effects this would have on other transportation facilities.

The restructuring process, if properly carried out, can yield an economically viable and effective rail system. Constructive and continuing State and regional input is most important to the realization of this goal.

I would apppreciate your permission to submit additional and more detailed statements on behalf of the New England Regional Commission and the State of Rhode Island for the record.

TRUE PUBLIC SERVICE

Mr. MATHIAS. Mr. President, too often, "public service" is thought of as a job performed by "public officials." It is good, therefore, to learn that private citizens who have contributed their time and talents to better their communities have been honored for their magnanimity.

Recently, in Hagerstown, Md., a testimonial of appreciation was given to mark the 40 years of dedicated service that Mr. Thomas Benton Cushwa has rendered to the Washington County Free Library. An article in the Hagerstown Herald of March 12, 1974, recounts this event and the achievements of this outstanding American, not the least of which is the esteem and friendship with which so many Marylanders regard him.

I ask unanimous consent that this article be printed at this point in the RECORD to show that the service of private citizens does not go unrewarded.

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

LIBRARY HONORS TRUSTEE FOR 40 YEARS OF SERVICE

(By Ora Ann Ernst)

A testimonial of appreciation for 40 years of dedicated service to the Washington County Free Library was given recently to honor Thomas Benton Cushwa, a member of the Board of Trustees of that institution.

Mr. Cushwa, prominent citizen of Hagerstown, has served as a trustee since February 26, 1934 and as treasurer of the board for the same period of time.

A reception planned by the Board of Trustees and the Staff Association was held in the Western Maryland Room of the Washington County Free Library on South Potomac Street. In attendance were political and civic dignitaries of the community as well as family and close friends of the honoree.

Tea was served from the beautifully appointed massive memorial table in the room that stores historical records and information. Pouring were Catherine O'Connell, head of the library's adult services; Mrs. Albertus Healey, extension librarian; Mrs. Theron Rinehart, trustee; Mrs. Richard Grumbacher, Mrs. Atlee Kepler and Mrs. Irvine Rutledge, wives of members of the board.

PRESENTED PLAQUE

Mr. Cushwa was presented an engraved and framed silver plaque testifying to his "dedicated service to the Washington County Free Library, 1934–1974." In addition he was given a copy of the original "swearing-in" declaration which he signed in 1934 and a present-day certificate of qualification prepared by Vaughn J. Baker, clerk of the county circuit court.

The presentations were made by Edward Cooey, president of the library's board of trustees, who emphasized that the recognition celebration is not of a "retirement" nature but an expression of appreciation at a fitting time to a "very wonderful person who has been very faithful in attendance and service."

As treasurer for 40 years, Mr. Cushwa has served as chairman of the budget and finance committee and has handled mechanics of investments. He has also served more than 12 years as a member of the Board of Trustees of Washington County Hospital, including a three-year term as president.

FAMILY BUSINESS

Now 82 years of age and retired, he is the former president of Victor Cushwa & Sons, a coal, plaster, cement and brick business founded in the 1800s by his grandfather and continued by his father, Victor Monroe, and uncle, David K.

Thomas B., as the oldest of the nine children of Victor Monroe and Mary Susan Fechtig Cushwa, early assumed family business responsibilities that precluded a college education. But it can be said that he graduated from high school twice, first in 1908 from the old Hagerstown Academy and then in 1910 from Surrey Boys High School where he had enrolled for commercial training. At Surrey he played on the football team that was captained by William Preston Lane who later became governor of Maryland. "T. B." has received his primary education from the Catholic "Sisters' School."

He joined the U.S. Army during World War I as a motorcycle dispatch driver but, because of his business qualifications, was transferred in France to the office of the division adjutant.

He was affiliated with the family corporation for 58 years, retiring in 1968. Since that time he has been kept busy answering various civic demands for his ability and experience.

Surprised by the recognition given him by the leaders of the library he said that he always felt his rewards were greater than his services and that he is proud to be affiliated with a library that he considers one of the finest in the country.

POLITICS OF JUSTICE

Mr. HART. Mr. President, last month, I had the privilege of hosting a 3-day conference on the "Politics of Justice," convened by the Committee for Public Justice.

The conference was chaired by our former colleague from New York, Charles Goodell. Participants included eminent law professors, political scientists and past Justice Department officials, including Attorney General Ramsey Clark.

The Committee on Public Justice has already contributed enormously to our understanding of some problems in this area with previous conferences on the FBI, and on national security classification and secrecy.

The politics of justice conference was wide-ranging. It covered such diverse areas as antitrust enforcement, civil rights, national security law, and political surveillance. Many proposals for improving the delivery of impartial justice were made, including congressional oversight on a systematic basis and a permanent Office of Special Independent Prosecutor. Transcripts of these proceedings eventually will be available to congressional committees and individual members. In the meantime, the organizers of the conference have prepared an interesting summary of the proceedings and recommendations. I ask unanimous consent that this summary report be printed in the RECORD at the conclusion of my remarks.

Some of the conference's conclusions will find wide acceptance. Others will be sharply debated. But they provide provocative ideas for new paths to improve the appearance and the reality of justice.

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

THE POLITICS OF JUSTICE: AN INQUIRY INTO THE JUSTICE DEPARTMENT

A Conference Sponsored by the Committee for Public Justice. A major inquiry into the functioning of the Department of Justice concluded that important changes in the structure and operations of this key governmental office were necessary. The scholarly three-day conference on "the Politics of Justice" sponsored by the Committee for Public Justice and held in Senate Hearing Rooms in Washington, D.C. on February 7, 8, and 9th, 1974, suggested that:

1. A permanent special prosecutor office should be created with authority to investigate and prosecute violations of election law and violations of law by federal officers including violations of the civil rights law.

2. Continued and thorough oversight was required by a permanent staff either from a joint House-Senate Committee or a special non-partisan agency such as the GAO.

3. An ongoing citizens review board was necessary to alert the public as to overreachings by the Justice Department.

Ten sessions were held with the participation of constitutional specialists, former Department officials, experienced government personnel, adversary attorneys and other experts.

Chairman of the Conference was former Senator Charles Goodell. Moderators included Telford Taylor, Professor of Law and former U.S. Chief Prosecutor at the Nuremburg Trials; Charles Goodell and Norman Dorsen, author of many books and Professor of Law at New York University Law School.

The basic papers were presented by John T. Elliff, William Taylor, Philip Hirschcop, Monroe Freedman, Victor Navasky, Frank Donner, Mark Green, Daniel Freed, Walter Pincus and Lloyd Cutler. Panelists included Armand Derfner, Burke Marshall, Congressman Robert Drinan, Ralph Temple, Kenneth Tapmen, Duane Lockard, Jack Levine, William Bender, Doris Peterson, Morton Stavis, Leonard Weinglass, Rhonda Schoenbrod, Morton Halperin and Victor Kramer.

Subjects studied and discussed were: Improper Justice Department Activities since 1918; The Justice Department and Race, The Justice Department and the Anti-War movement; The Justice Department and the Ethical Problems of the Prosecutor; The Justice Department and the FBI after Hoover; Internal Security; The Justice Department and Big Business; The Criminal Justice System—LEAA; The Justice Department and Watergate, and Structural Changes in the Justice Department.

Due to limitations of time, only specific subject areas of the many aspects in the history and contemporary operations of the Department of Justice were explored in what was, historically speaking, the very first sustained inquiry into the Department in the 103 years of its existence.

Host for the conference was Senator Philip A. Hart, and encouragement for the Committee for Public Justice which planned and sponsored the studies, came from Senator Edward M. Kennedy (who also participated in the session on "The Justice Department and Civil Rights") and from various members of Congress, including Congressman John Conyers, Jr.

Congressional aides and observers for several federal agencies were present and observer-participants from a number of interested national organizations indicated that they would attend including: The National Urban League, The United Auto Workers, The United Mine Workers and others.

The complete transcript of the proceedings will be available for use by the members and committees of the House and Senate, according to Charles E. Goodell, Chairman of the Committee for Public Justice, who also stated that it will be made public as a book. The Committee for Public Justice

has also agreed to cooperate with any Congressional hearings by testifying.

Organized several years ago, the Committee for Public Justice is made up of over 150 members who include constitutional authorities, historians, research scholars, lawyers, scientists, authors and others prominent in many sections of public life including education, religion, business and labor.

In an effort to develop a broad first study, the Conference invited representatives of the United States Department of Justice to participate officially in every panel and also offered the Department a major place in the proceedings by inviting a top-ranking official to present a paper that would provide the Department's basic clarification of its functioning in the area of Internal Security. Attorney General William B. Saxbe gave encouragement of such participation in a letter to Chairman Charles Goodell, dated January 2, 1974, in which he stated: "It is my hope and expectation that the members of the Justice Department to whom you have issued invitations will respond and participate to the extent that their time and schedules permit." Also, he wrote, "I will look forward to reviewing the conclusion that the Committee for Public Justice draws at the completion of the hearings." One Assistant Attorney-General, one Deputy Attorney-General and the head of an important office accepted and were scheduled. However, to the Conference's disappointment, not one participated.

The need for this inquiry has been underscored by the appointment of a special "independent" prosecutor in the Watergate investigation, in addition, substantial segments of the public have lost confidence in the integrity of the Justice Department and its capacity to enforce the law thoroughly and impartially. The appointment and dismissal of Special Prosecutor Archibald Cox, the resignation of Attorney General Elliot Richardson and his deputy William Ruckelshaus, and the difficulties in appointing a new special prosecutor have all emphasized the problem of separating politics from the rule of law. The Watergate investigations suggest that some officials of the Justice Department were improperly influenced by political operatives at the White House.

The conference reached the following conclusions about the functions, activities and abuses of this key department of the federal government:

1. In recent years we have not had a Justice Department which can be considered a house of law.

2. We have not had a Justice Department which can be considered politically neutral in crucial decisions that it has made.

3. We have not had a Justice Department which has inspired confidence in the integrity of its operations or in its capacity to enforce the law thoroughly and impartially.

Of course, there have been Attorneys-General in the past who have compromised the rule of law through personal ambition, partisan favoritism, submission to political pressure or outright corruption.

A. Mitchell Palmer may have been motivated to initiate the Red Scare raids because of his hopes for the Presidential nomination. Herbert Brownell's accusation against Harry Dexter White was a dramatic example of partisanship. Francis Biddle has described how he was pressured by Franklin Roosevelt into bringing sedition indictments against a group of right-wing fanatics and Tom Clark's Smith Act cases may have been inspired by a political strategy determined by Clark Clifford. And some high Justice Department figures such as Harry Dougherty and T. Lamar Caudle were indicted for criminal activity.

There may also be a compromise of the rule of law through the misapplication of resources, that is, by marshalling manpower within the Department to secure indictments against particular people rather than picking cases that need to be prosecuted. The Hoffa case may be an example.

On the other hand, it is important to distinguish politics from policy. Particular administrations may have sought to advance certain interests and benefit certain groups as a matter of policy which we may now question. But that is different from permitting partisan factors to dictate key decisions in the Department.

Recent events in the Justice Department illustrate these themes. The Watergate events are different in quality from the compromises of previous administrations but they had their roots in the problems of the past. In Watergate we had a Justice Department which refused to recognize or consider that its superiors in the Executive Department may have been guilty of criminal behavior. It reported the result of its investigations of wrong-doing to those who may have planned and participated in the crimes and in this way contributed to the obstruction of justice.

But there have been other questionable actions and non-actions by the Department in recent years. In the field of civil rights, the Justice Department has gone beyond merely implementing a new policy of the administration, but it has effectively nullified Congressional enactments in some areas through tactics of non-enforcement. While its recent actions on voting rights and employment may have been vigorous, (although it opposed extension of the Voting Rights Act in 1970), its nonactivity in education and housing are in violation of Congressional requirements. It has also shown its disregard of Constitutional requirements by a conscious policy of restricting the rights of demonstrators in the Nation's Capital.

A more fundamental problem arises in the misuse of the concept of national security. Of course the problem has been present in the FBI for over thirty years. A substantial argument can be made that the FBI has usurped the power to engage in domestic intelligence since 1939. While its power to investigate crimes is clear, the Presidential directives on which the Bureau has relied to check into "subversive activities" do not appear to grant the power it has claimed. Nor do any statutes grant it such intelligence authority. Its extraordinary intelligence activities, its extensive files, its direct avenues to Congress has rendered it impregnable over the years. And it has used this power for direct political purposes. It has tried to convince the public that movements for change were inspired by subversives or were the product of agitators, or that the nation should not move for reform of basic institutions because the Soviets would rejoice. It created and expanded its jurisdiction to implement the political ideology which Hoover endorsed.

The problem of the recent Justice Department has been that it has been infected by the FBI abuses of the Hoover years. The Justice Department has found a new and more effective device to gather intelligence from those it considered its enemies—namely, the grand jury. It has taken over the FBI's concept of national security and foreign intelligence and used them to justify wiretaps, infiltration, and surveillance of political dissidents. Its conspiracy indictments have embraced the cold war terminology and ideology of Hoover. Obviously, it has done nothing to check into the FBI's expansion of power. The experience of the FBI and the Justice Department in recent years has been that illegality breeds deception and deception breeds illegality.

These problems transcend most of the recent concerns about partisan infuence in the Justice Department. Obviously there are serious inroads into the rule of law when partisan political input is the crucial factor in prosecutorial decisions. Anti-trust enforcement, for example, has been compromised for decades because powerful interests have been able to exert pressure on both Democratic and Republican administrations to influence anti-trust decisions. One would hope that it would be possible to minimize this problem by requiring disclosures of all contacts between the decision-maker in the Department and all outsiders who ask about particular cases—including legislators, White House figures or the parties themselves. But the line between economic policy and partisan politics may blur in this area and the best safeguard is to appoint people of integrity to positions of responsibility.

To the extent that one views the problem as that of Watergate or of partisan political pressure the answer may not require significant structural changes in the Justice Department. Ramsey Clark told us that prosecution is, and should be an executive function. Basic policy decisions reached through the political process should find their way into law enforcement. But there should be men of law in the Department. Persons involved in the political process as candidates or managers should not be appointed to high positions in the Department for two years. They should not speak for political candidates or collect funds for political campaigns. It might be desirable to have persons of the opposite party appointed to a certain number of positions in the Department, including the criminal division.

In addition, no one, not even the President, should interfere with individual cases. If he doesn't like what his Attorney General is doing, he should fire him. In England it is clear that the Attorney General has the final word on all prosecutorial decisions.

Above all, there must be people of integrity in the Department who believe in the rule of law.

However, the way to deal with the misuse of power in the national security area is to take steps to eliminate the practice directly, not through structural changes in the Department. Mail drops, Pen registeres, wiretaps must be eliminated or greatly curtailed except where necessary to uncover the commission of a crime. Other abuses connected with the collection or dissemination of data must be dealt with by specific legislation.

There has been an almost total vacuum of oversight over the Justice Department and the FBI in terms of who is indicted, what techniques have been used, and what illegal actions have been perpetrated by government agents. The courts have not been helpful in checking the Department. Congress has abdicated its oversight function. A citizens panel that can explore these kinds of over-reaching on a continuous basis is absolutely necessary.

In addition, a permanent special prosecutor's office is desirable. Lloyd Cutler outlined the main features of that plan:

1. A special prosecutor would be appointed for a six-year term with the advice and consent of the Senate.

2. A deputy might also be appointed who would be of the opposite political party of the special prosecutor.

3. Removal would be possible only for incapacity or misconduct.

4. The special prosecutor would have jurisdiction over all (a) election law crimes, (b) violations of federal criminal law by present or former government officials, or national political party figures, (c) lobbying offenses.

5. The special prosecutor would be able to use all the investigative resources of the FBI and could prosecute all cases within his jurisdiction.

The plan has the value of providing a check on over-reachings by government officials, particularly Justice Department figures and FBI agents when they interfere with the civil rights of citizens by illegal surveillance, wiretapping and similar crimes.

Pro and con views were expressed in vir-

tually all panels and yet the sense of the sessions clearly indicated agreement that in recent years whatever roots of impropriety had existed in the past, have been transformed into a new dangerous quality by the sheer massive and pervasive use of power for partisan executive programs, and that it is now urgent for the Congress and the people to inquire into the entire matter in order to create secure safeguards for Constitutional law and the Bill of Rights.

It was felt that areas of Congressional inquiry very properly include certain fields of Senate oversight interests and most cogently the concerns of the House Judiciary Committees Nos. 3, 4, 5 and 6, which deal with the administration of justice, civil liberties and justice; civil rights oversights, Constitutional rights; crime; and monopolies.

Indeed it was viewed that an inquiry by the House Judiciary Committee itself should be considered and certainly if this is not feasible at present, that steps be taken by the said sub-committees as soon as possible.

The Conference views also showed a determination to develop more wide-spread public education on the problems dealt with and the findings, and to take part in helping to create or support an ongoing citizens review board for the Department of Justice and the Federal Bureau of Investigation.

The Conference is merely a first step in providing information to the Congress and the public on the operations of the Justice Department. It is hoped that similar conferences and further public education will take place in the future on other phases of the Justice Department.

CONGRESSIONAL COMMITTEE HEARINGS

Mr. TOWER. Mr. President, on February 5, 1974, Senator GOLDWATER spoke to the board of directors of the American Iron and Steel Institute. In his speech he pointed out, in connection with congressional committee hearings, that—

> Too many of the business spokesmen that I see testify that members of Congress know little or nothing at all about the subject at hand.

This may, in all probability, be true, but what they overlook is that the questions put to them will be questions prepared by young staff members who mistrust or totally disbelieve the attributes of the free enterprise system.

> It almost seems as though many business heads do not understand that the news media contains some people who do not understand nor trust the free enterprise system and delight in presenting business testimony in an embarrassing testimony in an embarrassing or detrimental light.

I wish to take this opportunity to demonstrate the perception of Senator GOLDWATER's statement. Specifically, I will demonstrate how, apart from legitimate staff activities such as the preparation of cross-examination, certain committee staff members have abused their positions by pursuing a course of apparently deliberate withholding of information from Members and providing Members with false information. Such abuses can only lead to unjust and inequitable action on the part of the Congress.

The first example is the telegram inviting representatives of the major oil companies to testify before the Senate Permanent Subcommittee on Investigations. The telegram requested representatives authorized to speak on supply and transportation aspects of those companies' business, and that is the type of witness that a number of companies sent. However, at the hearing those witnesses were expected to make policy statements on matters ranging far afield from supply and transportation. These questions were, of course, prepared by staff, and, when several witnesses were unable to answer complex questions of corporate financial policy, for example, they were subjected to ridicule and scorn.

The second example is considerably more serious, for it involves the villification of a specific individual. I refer now to the personal attack on Federal Power Commissioner Rush M. Moody, Jr., at oversight hearings conducted before the Senate Commerce Committee in February, 1974.

Commissioner Moody was challenged, based on Commerce Committee staff briefings, for his participation in an FPC decision because one of the parties had been represented by Commissioner Moody while in private practice on a matter unrelated to the FPC. This attack was, in my view, wholly unjustified.

The claim was made that Moody had presented to the committee that he would disqualify himself in any case that involved former clients or former law firms. That claim was absolutely unjustified, as Moody clearly stated in written questions and answers addressed to the distingished chairman of the Commerce Committee on July 30, 1971, during hearings on his nomination, that he would automatically rescue himself in any case in which he had participated or in any case in which his former law firms had been employed while he was a member of, or associated with, either such firm. This information was readily available to the Commerce Committee staff from committee files.

It should be noted that Moody's position in that record was required by no Federal law, but that it was clearly within both the letter and the spirit of canon 2 of the Canons of Judicial Ethics. It is also notable that, although Chairman Joseph Swidler of the New York Public Service Commission is a frequent and welcome witness before many congressional committees, he is never challenged about his membership in a law firm that represented Consolidated Edison after he was Chairman of the FPC and before he became chairman of the State commission that regulates Con Ed.

Although Commissioner Moody's letter of July 30, 1971, was in the possession of members of the Commerce Committee staff, it was somehow not included in the hearing record on Moody's nomination. It is to correct the RECORD that I request that letter, Moody's letter of February 22, 1974, and an article from the Washington Post on February 23, 1974, by Morton Mintz, be reprinted in the CONGRESSIONAL RECORD. This last item is offered to demonstrate, when compared to Moody's position—of which Mintz had full knowledge—the extreme bias of that writer and his willingness to undertake unjustifiable personal attacks on those with whom he disagrees.

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

JULY 30, 1971.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: Pursuant to instructions to me at the Committee's hearings concerning my nomination as Commissioner of the Federal Power Commission on July 29, 1971, I respectfully respond to the written questions propounded to me by you:

Question: Chairman Nassikas in recent testimony before the House Small Business Subcommittee investigating concentration in the raw fuel industries indicated that the Federal Power Commission does not presently have facts essential for making a full consideration of an anti-competitive effects of inter-fuel acquisitions in the energy industry since the Commission has no regulatory role in several key areas of the energy industry.

Would you feel that the Congress should assign such responsibility to the Federal Power Commission?

Answer: I have not reviewed what Chairman Nassikas said in recent testimony before the House Small Business Subcommittee, and it is difficult to respond to this question without knowing the alternatives. However, with regard to any competitive effects of inter-fuel acquisitions in the energy industries, it would seem to me that the antitrust division of the Department of Justice and the Federal Trade Commission all ready are assigned these responsibilities. With regard to whether the Federal Power Commission should have a regulatory role in several key areas of the energy industry, and whether the Congress should assign these responsibilities to the Federal Power Commission, I regard this as a decision for the Congress. If these responsibilities are assigned to the Federal Power Commission by the Congress, I will execute these new responsibilities.

Question: Some economists have indicated that one of the principle reasons that environmental considerations do not get full play in energy determinations is the energy pricing structure. At present, the large user of energy frequently receives his energy at a reduced rate per unit. Would you favor a pricing structure which would provide the lowest rates for individuals (the amount necessary for a family unit), and an increased rate for high volume? Thereby providing funding for the increased facilities necessary to produce large volumes of energy by allocating to them the cost of capital development.

Answer: The Commission, as I understand it, only sets wholesale rates, and thus would not structure rates for individuals. As I understand it, the State Commissions have their responsibility. However, with regard to rates at the wholesale level, I further understand that rate design is an issue which must be resolved on the record in individual cases, and thus I do not believe that I can prejudge this issue. I can state that I have no preconceived notion as to the merits of any rate design theory.

Question: Section 14b of the Natural Gas Act provides that "[t]he Commission may after hearings, determine the adequacy or inadequacy of gas reserves held or controlled by any natural gas company or anyone on its behalf."

The adequacy or inadequacy of gas reserves is a very important aspect of determination of rates. Recently the American Public Gas Association and the Consumer Federation of America appeared before the House Select Committee on Small Business and complained that the procedures used by the Federal Power Commission in determining the adequacy of reserves did not provide for a full record review. In the past

the Federal Power Commission has relied upon the AGA intra-industry committee report on gas reserves and the Commission has indicated that due to the confidential nature of reserve data it was unwilling to determine the adequacy of reserves by the hearing process. However the AGA committee is composed of the principal competitors in the gas business. The only persons not privy to the "confidential data" are the public who must therefore pay the prices based upon the adequacy or inadequacy of gas reserves. Would you be inclined to favor increased public participation in a determination of all factors involved in setting rates including full access to all industry reserve data?

Answer: I cannot comment on the preamble to this question, since I have not reviewed the referenced Congressional Hearing materials. I do support full public participation in a determination of all factors involved in setting rates, including full access to all relevant industry reserve data not privileged by law.

Question: I note that Mr. Gordon Gooch, General Counsel of the Federal Power Commission has provided the Committee with a letter stating that he has reviewed your financial statement. That review indicated that you own directly and indirectly both securities and land interests which fall within the conflicts of interest prohibitions of the FPC regulations. However, Mr. Gooch notes that your statement indicates you intend to divest yourself of all securities and land interests which involve the oil and gas industry.

Your statement actually says "upon confirmation, I intend to dispose, either by gift or sale, all of my holdings which would create conflict of interest problems." Since the regulations of the Commission would prohibit the ownership of these securities by any member of your immediate family, I would appreciate knowing to whom you intend to transfer these holdings by gift. Would these gifts be revokable in any way?

Answer: I will sell all such properties.

Question: I also note that you make a disclosure of your holdings in your financial statement, but no mention is made of the holdings of your wife or other members of your family. Does your wife have any holdings in firms which are subject to regulation by the Commission, or in real property which involves mineral interests?

Are your children the owners, directly or indirectly of any such interests?

Do any other members of your immediate family have such holdings?

Answer: No.

Question: I note that you have provided us with a listing of the cases involving gas and oil interests which you have closed and billed in the last several years in your law firm. Would you provide us with a similar list of the clients in the gas and oil industry for whom you are now working and whose cases have not yet been closed?

Do any of these open cases involve matters which may come before the Commission? If so what action do you intend to take?

If any members of your present law firm or your former firm, Baker, Botts appear before the Commission do you intend to participate in the decision of the Commission in those cases, or do you intend to disqualify yourself.

Answer: The pending cases which I am handling which include oil and gas law, or in which I represent clients with substantial oil and gas interests are as follows:

1. Forest Oil Corp.—Haby vs; suit filed to declare lease terminated for failure to produce.

2. Skelly Oil Co.—Stewart vs; suit for damage to land based on a claim of improper salt water disposal.

3. Phillips Petroleum Co., *et al.*—Martin vs; suit for damage to land based on a claim of improper salt water disposal.

4. American Petrofina vs Bryan Bros. Oil Co.; suit for debt and forecolseure of liens.

5. Monsanto Oil—Couch vs; suit to declare an oil and gas lease terminated for failure to develop.

6. Texaco Inc.—Baxter vs; suit for damages to oil and gas lease allegedly caused by Texaco Water flood operation.

7. Permian Corp., *et al.*—Coffee vs; suit for damages for violation of Federal Securities Act.

8. D. A. and S. Well Service Inc.—suit by ex-employee for damages allegedly caused by "black-listing" conspiracy in violation of the employee's civil rights.

9. J. C. Barnes Oil Co.—Walker vs; suit for damages to land based on a claim of improper salt water disposal.

10. Major, Giebel and Forster—Boren vs; suit for damages based on breach of contract for sale of producing properties.

11. Atlantic- Richfield—Cobra Oil vs; suit to declare validity of mineral awards from the State of Texas.

12. Phillips Petroleum Co.—Hardin vs; suit for damages resulting from pipeline explosion.

13. Tidewater Oil Co. vs Hart *et al.*; suit for imposition of constructive trust on oil and gas lease.

14. Ford Chapman—Wright Well Service vs; suit for debt and foreclosure of liens.

None of these cases involve matters which may come before the Federal Power Commission.

I would not feel disqualified in cases in which Baker, Botts appears before the Commission. I have had no connection with this firm for better than ten years. If, of course, a case involved any matter with which I dealt while with Baker, Botts, I would disqualify myself.

I feel I should disqualify myself from participating in Commission action in cases in which Stubbeman, McRae, Sealy, Laughlin & Browder appears before the Commission in which the firm was employed in 1960 through 1971. Additionally, I would, of course feel disqualified in any case handled by this firm which involved any matter I dealt with while with the firm. In any other matter handled before the Commission by the Midland firm, I would need to examine the particular issues and circumstances to determine if a need for disqualification was presented.

Question: In your statement you indicate that you have had several clients each year in the gas and oil industry. What type of matters have you handled for these clients? Have you ever handled any matters before any state or federal regulatory agency on their behalf? If so would you please furnish the Committee with a list of the clients, the agency and the date the decision was filed in the matter?

Answer. My personal statement outlines in some detail the nature of the litigation I have handled during the years 1968–1971 that relate to oil and gas matters. During prior years the types of cases handled by me were (1) actions for debt, plaintiff and defendant; (2) actions to secure access rights to mineral properties; (3) suits to clear title, plaintiff and defendant; (4) suits for cancellation of oil and gas leases and mineral deeds; (6) suits for breach of contract; (7) suit for damages and injunction because of geophysical trespass; and (8) an action to enjoin construction of a gas gathering line.

I have not handled any matters before state or federal regulatory agencies, except as noted on pages 6–7 of my personal statement.

Question: Your statement indicates that you are a partner in your present law firm and that the firm has both holdings and substantial accounts receivable in and from companies in the gas and oil industry. How do you intend to dissolve your relationship with your present law firm?

Do I understand that your compensation will be independent of any future earnings of the firm, and that your relationship with the firm will be completely and irrevocably terminated?

Answer: I will withdraw as a partner from the firm. Our partnership agreement provides for certain sums to be paid in cash upon withdrawal, but after withdrawal I will have no further interest in the firm, its assets or receivables.

My relationship with the firm will be completely and irrevocably terminated, and other than payments made at the time of withdrawal, I will receive no compensation from the firm, and I will have no interest in the firm's future earnings.

Question: In your preliminary financial statement furnished to the staff last week you indicated that you had holdings in the Lone Star Gas Company, but no mention is made of that firm in your list of assets in your final statement. When and to whom did you dispose of these interests?

Answer: I owned 500 shares of Lone Star Gas Co. common stock which I sold at the market price to Charles L. Tigh of Midland, Texas, on July 26, 1971.

Question: Are you now, or have you ever been, an officer or director of any corporation? If so, would you please furnish for the record a list of the firms, the positions held, the dates of office?

Answer: I have never been an officer or director of any corporation, except St. Michaels Episcopal Church Foundation, Inc., a non-profit corporation.

Question: What is the significance of the royalty deed appended to your financial statement?

Answer: The royalty deed was appended to my financial statement to provide a specific description of the fractional mineral interest which I own through a Stubbeman, McRae, Sealy, Laughlin & Browder joint venture; this interest, like all others which I now own, will be sold outright upon confirmation.

Question: In schedules of your financial statement you indicate that your interest in the securities listed is a proportional share of the total value.

On what basis was your interest calculated—acquisition value or market value?

Answer: Market.

I appreciate the opportunity to respond to your questions.

Very truly yours,

RUSH MOODY, Jr.

FEDERAL POWER COMMISSION,
Washington, D.C., February 22, 1974.

Hon. WARREN G. MAGNUSON,
U.S. Senate
Washington, D.C.

DEAR SENATOR MAGNUSON: At the oversight hearing chaired by Senator Pastore on February 19 and 20, 1974, concerning Federal Power Commission policies and procedures, certain questions were asked of me by Senators Pastore and Stevenson which reflected, I believe, a misunderstanding of the record made during my confirmation hearings before the Commerce Committee in July of 1971.

It is important that this misunderstanding be straightened out promptly, and to this end, I am taking the liberty of offering this letter to you and to each member of the Committee who was in attendance at the oversight hearings.

At the oral hearings on my confirmation held on July 29, 1971, the following questions were asked and answered:

"Senator HARTKE. You have also submitted a listing of the cases involving the oil and gas industry which you have closed and

billed in the last several years in your law firm, which is rather detailed.

"I wonder, do any of these open cases involve matters which in your opinion would come before the Commission?

"Mr. MOODY. No, sir. None of them do. I have engaged in no regulatory work and none of the matters which I am handling at this time involve matters which would fall within FPC jurisdiction.

"Senator HARTKE. Do any members of the present law firm of which you are a member, or your former firm, intend to participate in any decisions of the cases pending at the present time or which might come before the Commission?

"Mr. MOODY. I am unaware of anything with one possible exception. Our firm has represented the Permian Basin Petroleum Association in a Permian Basin area rate matter which is still pending before the Federal Power Commission.

"Senator COTTON. Will you draw that microphone a little closer to you?

"Mr. MOODY. Yes, sir.

"Senator COTTON. Thank you.

"Mr. MOODY. That is one matter that is still pending that would involve—

"Senator HARTKE. This is what type of case?

"Mr. MOODY. Permian Basin area rate case, I believe it is called. It is an area rate proceeding.

"Senator HARTKE. Do you intend to participate in any decision made? How would you handle it?

"Mr. MOODY. I believe because of my firm's participation I would be disqualified from participating as a member of the Federal Power Commission.

"Senator COTTON. Would you voluntarily disqualify yourself?

"Mr. MOODY. Yes, sir.

"Senator COTTON. On any matter that was participated in by your former associates?

"Mr. MOODY. Yes, sir."

At the conclusion of the hearing, Senator Hartke, who was presiding stated:

"Mr. Moody, there are also some questions which were in a statement by Senator McIntyre, which I am going to submit to you and ask that you return to the committee. When your response has been received they will be distributed to the rest of the members and included in the committee record.

"There are also some questions submitted by the chairman, Senator Magnuson, and by a member of this committee, Senator Hart, and in like fashion these will be submitted to you."

On July 29, 1971, I was furnished with certain questions propounded by Senators Magnuson, Cotton, Hart and McIntyre. On July 30, 1971, I forwarded my response to those questions to Mr. Frederick J. Lordan, Staff Director of the Committee, by letter of transmittal, a copy of which is attached.

In my July 30, 1971, responses to Senator Magnuson was a statement of my position of areas of disqualification which might affect my work as a Commissioner. The questions asked and answered were as follows:

Question: I note that you have provided us with a listing of the cases involving gas and oil interests which you have closed and billed in the last several years in your law firm. Would you provide us with a similar list of the clients in the gas and oil industry for whom you are now working and whose cases have not yet been closed?

Do any of these open cases involve matters which may come before the Commission? If so what action do you intend to take?

If any members of your present law firm or your former firm, Baker, Botts appear before the Commission do you intend to participate in the decision of the [sic] Commission in those cases, or do you intend to disqualify yourself.

Answer: The pending cases which I am handling which include oil and gas law, or in which I represent clients with substantial oil and gas interests are as follows:

1. Forest Oil Corporation.—Haby vs; suit filed to declare lease terminated for failure to produce.

2. Skelly Oil Co.—Stewart vs; suit for damage to land based on a claim of improper salt water disposal.

3. Phillips Petroleum Co., *et al.*—Martin vs; suit for damage to land based on a claim of improper salt water disposal.

4. American Petrofina vs Bryan Bros. Oil Co.; suit for debt and foreclosure of liens.

5. Monsanto Oil—Couch vs; suit to declare an oil and gas lease terminated for failure to develop.

6. Texaco Inc.—Baxter vs; suit for damages to oil and gas lease allegedly caused by Texaco Water flood operation.

7. Permian Corp., *et al.*—Coffee vs; suit for damages for violation of Federal Securities Act.

8. D. A. and S. Well Service Inc.—suit by ex-employee for damages allegedly caused by "blacklisting" conspiracy in violation of the employee's civil rights.

9. J. C. Barnes Oil Co.—Walker vs; suit for damages to land based on a claim of improper salt water disposal.

10. Major, Giebel and Forster—Boren vs; suit for damages based on breach of contract for sale of producing properties.

11. Atlantic-Richfield—Cobra Oil vs; suit to declare validity of mineral awards from the State of Texas.

12. Phillips Petroleum Co.—Harding vs; suit for damages resulting from pipeline explosion.

13. Tidewater Oil Co. vs Hart *et al.*; suit for imposition of constructive trust on oil and gas lease.

14. Ford Chapman-Wright Well Service vs; suit for debt and foreclosure of liens.

None of these cases involve matters which may come before the Federal Power Commission.

I would not feel disqualified in cases in which Baker, Botts appears before the Commission. I have had no connection with this firm for better than ten years. If, of course, a case involved any matter with which I dealt with with Baker, Botts, I would disqualify myself.

I feel I should disqualify myself from participating in Commission action in cases in which Stubbeman, McRae, Sealy, Laughlin & Browder appears before the Commission in which the firm was employed in 1960, through 1971. Additionally, I would, of course, feel disqualified in any case handled by this firm which involved any matter I dealt with while with the firm. In any other matter handled before the Commission by the Midland firm, I would need to examine the particular issues and circumstances to determine if a need for disqualification was presented.

I believe that this response clearly indicated my understanding, that disqualification was not anticipated as a matter of course in cases filed with the Commission after the date of my assuming office, unless (1) the case involved matters concerning which I had prior personal knowledge or (2) the case was one in which my former Midland law partners appeared and for which that firm was employed prior to the time of my dissolution of the partnership. I believe it also clear that as to other new matters, such as cases involving matters about which I had no personal knowledge, I did not feel that general disqualification was necessary or appropriate.

This was also my understanding of Senator Cotton's inquiry at the July 29 hearing, which was, I thought, asked in the context of matters coming before the Commission after I assumed office which were begun while I was still a member of the Midland firm.

I would not, under any circumstance, choose to be cast in the role of violating a pledge made during the course of my confirmation hearing, and certainly I do not perceive that I have done so. I trust that review of the entire confirmation record, and particularly my July 30, 1971, letter to Senator Magnuson, would support this belief.

The confirmation hearings dealt only with questions of disqualification arising in Commission cases where my former partners and associates were participating; my answers were given in this context. This does not mean, of course, that disqualification might not be necessary in other circumstances. In any matter coming before me, I would personally feel disqualified if either (a) I had any financial interest, direct or indirect, present or future in the outcome, or (b) I felt a personal relationship with one party—whether by friendship or prior representation—which precluded equal treatment of that party, or (c) a familial relationship existed, or (d) I felt, for any reason, that I could not be objective about the case.

I trust and believe that these are fully acceptable standards, and I hope, after a full review of the confirmation record, you will agree.

Very truly yours,

RUSH MOODY, Jr.

[From the Washington Post, Feb. 23, 1974]

FPC AIDE UNDER FIRE

(By Morton Mintz)

A Federal Power Commissioner's vote to give a record price for natural gas to a company he once represented has set off an angry dispute with the congressional committee that had confirmed him for the regulatory post.

The commissioner, Rush Moody Jr., defended Mallard Petroleum Co. in a 1966 court case. At that time he was a partner in a law firm in Midland, Tex.

Two weeks ago, Moody voted to let Mallard, Exxon and five other companies in a joint venture sell gas from a new Alabama field at 55 cents per 1,000 cubic feet—the highest price for interstate gas in FPC history. The decision is expected to be the forerunner of multi-billion-dollar price increases for 40 million consumers.

President Nixon nominated Moody to the FPC in 1971. At the time, the law firm was representing a party in an FPC proceeding. If confirmed, Moody pledged, he would take no part in the proceeding. He also pledged to—and did—sell his partnership on being confirmed.

"Would you voluntarily disqualify yourself?" Sen. Norris Cotton (R-N.H.) asked at the confirmation hearing.

"Yes, sir," Moody replied.

"On any matter that was participated in by your former associates?" Cotton asked.

"Yes, sir," Moody replied.

This framed the issue for a Commerce Committee hearing Wednesday: Did "any matter" include Mallard?

Last year, Mallard Exploration, as it now called, and its associates asked the FPC to approve the 55-cent price—more than twice that in other Alabama fields.

The commission staff recommended 35 cents, saying that would yield a just and reasonable return of 15 per cent. FPC Chairman John N. Nassikas and Commissioner William L. Springer recommended 41 cents. An administrative law judge recommended 50 cents.

As of Jan. 31, Moody now has disclosed, two commissioners—apparently himself and Albert B. Brooke Jr.—favored giving Mallard what it asked. The fifth member Don S. Smith, was on the fence.

That day at 2:18 p.m. each commissioner got a telegram that Sen. John O. Pastore (D-R.I.) has termed "a threat."

The telegram was sent by Southern Natural Gas Co., the pipeline seeking approval to buy gas from the Mallard group for sale

in Southern states. The commission did not disclose the telegram at the time.

Asserting that some members of the Mallard group had canceled contracts to sell it gas, Southern Natural warned the commissioners that unless they act "either today or tomorrow . . . we have every reason to believe we will lose this supply . . . and this project will abort."

Chairman Nassikas then set a special, closed meeting for the next day, Feb. 1. Moody came armed with an opinion, prepared well in advance, approving the 55-cent price. Brooke joined him. Smith provided the swing vote.

"You may not be guilty of a crime," Sen. Adlai E. Stevenson III (D-Ill.) told Moody at a Commerce Committee hearing called by Pastore "but you are guilty of extremely bad judgment."

And Pastore, who had conducted the 1971 hearing, told Moody that as Mallard's former attorney he was at least as obligated to disqualify himself as he was in the case where his firm was involved. Moreover, Pastore protested, the law firm—Stubbeman, McRae, Sealy, Laughlin and Browder—also had represented Mallard Exploration's co-venturer Exxon.

Moody insisted that "a fair reading" of the confirmation hearing transcript would show he had offered to disqualify himself only in the FPC proceeding.

He followed up yesterday with a letter to the committee intended to prevent "a misunderstanding" of what he had meant by "any matter" when he replied to Cotton's question in 1971.

MILITARY AID TO SOUTH VIETNAM

Mr. HARTKE. Mr. President, the administration has requested an additional $474 million authorization for military aid to South Vietnam during the current fiscal year. On March 19, I appeared before the Senate Armed Services Committee to oppose this new authorization, and ask unanimous consent that the text of my remarks be printed in the RECORD.

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

STATEMENT OF SENATOR VANCE HARTKE

I am here today to oppose the request of the Department of Defense for an increase of $474 million on the ceiling level for money which it may grant to South Vietnam's Armed Forces. This request is morally wrong and flies in the face of Congressional intent, since Congress cut just such an amount from the Department's 1974 budget request.

We have seen what more than one year of "peace" in Southeast Asia can bring. We can all be grateful that American soldiers are no longer being killed; but we can take no pride in the fact that this country is fueling a war which continues to kill others.

The commitment which was made by both the United States and South Vietnam in the Paris Accord was a commitment to establish peace. During the past year, more than fifty thousand Vietnamese were killed and over eight hundred thousand became refugees in South Vietnam alone.

After a year, there should have been progress in bringing this conflict from the battlefields to the conference table, but there has been no such progress. There should have been progress toward ending dictatorship in South Vietnam, but political prisoners have not been released and no national elections have been held.

For ten years, I spoke out against American military involvement in Indochina; but it was not until Congress made the decision to cut off funds that the Administration brought that direct involvement to an end. Now the Thieu regime is in the same position. They will not move toward peace so long as they think that the United States will continue to support their efforts to achieve a military conquest. We are the main source of support for that corrupt government—not the people of South Vietnam—but the Government of a country thousands of miles away which is bent upon ignoring the lessons of the past decade and perpetrating the killing and the maiming and the destruction of other people. This country is subsidizing death and political oppression.

Nineteen seventy-six is only two years away. More and more, the American people will be called upon to remember their past and to strive to extend in the future the democratic principles upon which this country was built. How can we justify our involvement in Southeast Asia with our historic love of peace and our belief in individual freedom? The answer is that there is no way to rationalize that discrepancy.

Congress acted to force an end to the taking of American lives in Vietnam; we must act now to end all American military involvement in that country once and for all. Clearly, the American people want no part of that war; yet the Administration has proposed major increases in military aid to both South Vietnam and Cambodia. Once before, it required a decade of slaughter before Congress was compelled to act. We cannot afford to wait another decade before Congress acts again.

I, therefore, urge this committee to recommend that the Defense Department's request for supplemental funds for military assistance to South Vietnam be denied in its entirety.

PITCH IN WITH THE POLICE

Mr. MATHIAS. Mr. President, the Menorah Lodge of B'nai B'rith in Baltimore, Md., annually sponsors an "Operation Friendship" project to emphasize that all faiths can live harmoniously and peacefully side by side.

As part of its 1973 "Operation Friendship," the lodge conducted an essay contest revolving around the theme "Pitch in With the Police for People Protection." The wining essay was written by O. Dean Cook, of 3502 Fourth Street, Baltimore, and I believe his brief essay should be of interest to my colleagues.

I ask unanimous consent, therefore, that it be printed at this point in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as folows:

TEXT OF ESSAY BY A. DEAN COOK

I'm sure a public opinion poll would prove that most people take their freedom for granted. If each of us would stop and think, we'd realize how much of our ability to act stems from the fact that we are protected by a seen or unseen Police Force. This group is composed of dedicated men whose round-the-clock vigil shields us from daily intimidation and injury, and whose care allows us to pattern our lives, for the most part, to travel an unblocked road .

All of us are called on to perform various roles in our lifetime . . . to wear many hats, while a policeman wears only one . . . that of "our protector."

Let's toss our hat in the ring. All of us can help him in so many small ways, if not by physical assistance, at least by moral support.

Be proud of your policeman (he's really a friend of the first order). Don't "badger" the badge . . . brag about. Each one of us should adopt the motto . . . "Help your police force . . . help yourself!"

Your police force is the best friend your family ever had. Think about it . . . and do something about it. Treat them like a friend.

Pitch in with the Police for People Protection . . . you're only helping yourself!

PAUL H. NITZE

Mr. MUSKIE. Mr. President, this morning's New York Times carries an article about the possible nomination of Mr. Paul H. Nitze to the position of Assistant Secretary of Defense for International Security Affairs. According to this article, Secretary Schlesinger has recommended the nomination to the White House, but some of the President's advisers are deeply troubled by Senator GOLDWATER's announced opposition to Mr. Nitze. The allegation is made that these advisers are concerned primarily that to push through the Nitze nomination might so alienate Senator GOLDWATER and possibly other conservative Senators that it would affect their judgment on the issue of the President's removal from office.

Mr. President, I have known Senator GOLDWATER for a long time, and it is unthinkable that he would ever allow his judgment on an issue of such import—the President's possible removal from office—to be influenced by his personal disagreement on any policy issue or proposed nomination. If Senators are ever called upon to vote an impeachment trial, they will have to make the most judicious and thorough explanation of that vote. They will have to consider not only the evidence of Presidential misconduct, but also the difficult question of the proper grounds for impeachment. I know of no Senator who would ever consider that a proposed nomination—however adamantly he may oppose that nomination—is an appropriate reason for removing the President from office.

If members of the White House staff believe the President's defense can be conducted by a purely political strategy in the Congress, they are badly underestimating the quality of the Members of Congress and the deep sense of constitutional responsibility which all of us will feel when and if we are called upon to vote on impeachment or conviction.

Mr. President, I would also like to add a word about the particular issue of Mr. Nitze's nomination. Paul Nitze, during a long and distinguished career of Government service, has had the unusual distinction of arousing criticism and opposition from both the left and the right. In his most recent position as the representative of the Secretary of Defense on the SALT delegation, he has been criticized by many liberal observers for his advocacy of the "bargaining chip" approach to the negotiations, and his reputation as an especially tough and unyielding negotiator with scant faith in Soviet assurances of their peaceful intentions.

I have had occasion during the SALT talks to be briefed by Mr. Nitze and other members of the delegation in the Arms Control Subcommittee of the Foreign Relations Committee, which I chair. I have had my disagreements with Mr. Nitze on matters of negotiating strategy,

and I would not be surprised to find some of my liberal colleagues joining Senator GOLDWATER in opposition to the Nitze nomination should it come before the Senate.

For my part, I would support this nomination, and I hope the President will forward it to the Senate for our consideration. I would support Mr. Nitze for this post not because I agree with his stand on particular issues for foreign policy and defense, but rather because he is among the most distinguished, experienced, and able individuals who have served in this administration. At a time when there is great uncertainty at home and abroad about the strength, stability, and integrity of our political leadership, it is essential to have men of the caliber of Secretary of State Kissinger and Secretary of Defense Schlesinger advising the President on our Nation's foreign policy and defense. Paul Nitze is a needed addition to our foreign policy and defense leadership today, and I hope the White House will have the courage to allow this nomination to come to the Senate.

Mr. President, I ask unanimous consent that the article appearing in this morning's New York Times be printed in the RECORD at this point.

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

IMPEACHMENT POLITICS MAY COST NITZE PENTAGON POST

(By John W. Finney)

WASHINGTON, March 21.—Six weeks ago it appeared all but certain that Paul H. Nitze, a former Deputy Secretary of Defense, would be appointed to a high Pentagon post. Now it appears that Mr. Nitze has become a casualty of impeachment politics.

Defense Secretary James R. Schlesinger's personal recommendation that Mr. Nitze be made Assistant Secretary of Defense for International Security Affairs was submitted to the White House in late January. Thus far, the White House has not sent the nomination to the Senate, and there is growing doubt in Pentagon circles that it will.

The White House delay on the nomination does not stem from any personal objections to Mr. Nitze, whom the Nixon Administration has previously endorsed by making him a senior member of the United States delegation to the strategic arms talks with the Soviet Union. Rather, the delay, according to officials, grows out of a White House concern to preserve a one-third minority in the Senate that could block the conviction of President Nixon if he is impeached by the House.

GESTURE TO GOLDWATER

Maintaining that blocking minority depends upon keeping the Senate conservatives in line behind the President. One of the key conservatives, particularly now that Senator James L. Buckley, Conservative-Republican of New York, has jumped the traces and demanded the resignation of Mr. Nixon, is Senator Barry Goldwater, Republican of Arizona.

The first indication that the Nitze nomination was running onto the shoals of impeachment politics came about three weeks ago when Senator Goldwater issued a statement saying he was "unalterably opposed" to Mr. Nitze, whom he identified with "a group interested in bringing about our unilateral disarmament."

In retrospect, Defense officials acknowledged that Mr. Schlesinger probably miscalculated in not first checking out the Nitze nomination with Senator Goldwater, but they also point out that impeachment politics was far removed from the Defense Secretary's mind when he proposed that Mr. Nitze be head of what is known as the Pentagon's "little State Department."

But after the Goldwater statement, according to officials, the implications of the Nitze nomination on the impeachment proceedings were raised by the White House, in particular by Bryce N. Harlow, a Presidential counselor who is coordinating the White House's Congressional strategy during the Watergate affairs.

As a member of the Senate Armed Services Committee Senator Goldwater probably does not command the votes to block the Nitze nomination. If the White House wanted, therefore, it could probably push the nomination through.

But, according to officials, the White House calculates that the political price it would have to pay would be the potential alienation of Senator Goldwater and some of his conservative colleagues on the impeachment issue. As analyzed by White House officials, Senator Goldwater is so strongly opposed to Mr. Nitze that he could well switch on the impeachment issue if the White House insisted on proceeding with the nomination.

The difficulties with the Nitze nomination are cited by some high-ranking officials as an example of how the Watergate affair has circumscribed the Administration's political latitude on Capitol Hill and, in turn, enhanced the bargaining power of the conservatives.

Mr. Schlesinger, for example, finds himself caught in this political bind as he attempts to defend his defense budget in Congress.

Mr. Schlesinger, according to associates, still wants Mr. Nitze, who he feels would revitalize the Pentagon's "little State Department" and take some of the burden of international policy issues off his shoulders.

But Mr. Schlesinger has his own problems defending his budget and, according to associates, does not want to expend too much political capital on the Nitze nomination, particularly if it means alienating the conservatives who form the hard core of support for the Pentagon.

At the same time, the conservatives have found that they can increase their demands on the Pentagon. One political straw in the wind was the way Senator Goldwater hinted this week that he might oppose an increase in military aid to South Vietnam, which the Pentagon has insisted is urgently needed.

BAN ON RUSSIAN ENERGY DEAL

Mr. SCHWEIKER. Mr. President, I have asked the U.S. Attorney General to support the recent ruling of the Comptroller General declaring that Export-Import Bank transactions with the Soviet Union have been contrary to law.

I have been fighting the Eximbank on this issue because of my opposition to two Russian energy deals: a pending $49.5 million loan application for natural gas exploration in the Yakutsk field in eastern Siberia, and credits at 6 percent interest to help finance the $7.6 billion North Star gas development project in western Siberia.

If our taxpayers are going to subsidize energy development, the improvement should be made here, not in Siberia, so that we reap the benefits of the investment, and so we do not subject ourselves to future risks of being cut off from foreign energy supplies.

I am also concerned with this being yet another example of usurpation of congressional power by an agency of the executive branch. The GAO ruling is quite clear on the language and original intent of the law requiring the President to make a determination that each Export-Import Bank transaction with a Communist nation is in the national interest.

Recently, two newspaper editorials have endorsed these specific points with respect to the Russian energy deals.

The Washington Post this morning said, about the Eximbank transactions:

For this bank to furnish credits, which are after all a form of subsidy, for energy development projects in the Soviet Union is quite another matter. Such investments would only be secured by Soviet good faith which these days is, unfortunately, in short supply.

Similarly, the Los Angeles Times, on March 13, said:

When Radio Moscow as recently as this week urged the Arabs to continue their oil embargo against the United States, one has to wonder whether Soviet gas supplies may also be cut off at times of political tension.

I ask unanimous consent that my letter to Attorney General Saxbe, the Washington Post editorial, "Investing in Soviet Gas," and the Los Angeles Times editorial, "Loans for the Red Bloc," be printed at this point in the RECORD.

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

MARCH 19, 1974.

Hon. WILLIAM B. SAXBE,
Attorney General, Department of Justice, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I understand that your office is being asked to consider the legal questions arising from the Comptroller General's determination that Export-Import Bank lending procedures to the Soviet Union violate existing law.

I strongly urge you to support the Comptroller General's ruling, and recommend Executive Branch compliance with the Eximbank law.

I am unable to understand the bewilderment and confusion of the Eximbank in connection with this ruling. The law could not be more explicit. Compliance with the law simply requires the President to advise the Congress that any transaction proposed with a Communist country is in the national interest. I was shocked by the statement of an Eximbank representative, quoted in the press, that compliance with the law would be a "burdensome and time-consuming" bureaucratic procedure.

In view of our present energy situation, certainly no responsible government official can find it "burdensome and time-consuming" to receive the President's determination that any proposed American subsidy of energy exploration in Siberia is in the national interest as required by law.

I have enclosed for your background a copy of the Comptroller General's ruling, together with a statement of my position on this issue. If I can be of further assistance, please let me know.

Sincerely,

RICHARD S. SCHWEIKER,
U.S. Senator.

INVESTING IN SOVIET GAS

In the afterglow of the first Soviet-American summit, it was easy to imagine vast multi-billion-dollar natural gas and oil deals with the Soviet Union, but Soviet conduct since then has made it increasingly hard to justify any American investment at all in Soviet energy resources. The Kremlin and, more lamely, the administration are

still trying to cultivate an atmosphere in which such deals can be considered. And it is no doubt wise to keep the door open, if only as an incentive of sorts for a more responsible Soviet policy in the Mideast. But no one should be sanguine.

The key economic consideration is the worldwide rise in the price of oil and gas since last October. The price is now high enough to make feasible high cost production within the United States. The Russians sell oil and gas abroad at world prices, even though costs in their own insulated economy are considerably lower. The Russians have profited greatly from the oil cartels price increases, as locked-in Soviet consumers in Europe know all too well. Energy investments made within the United States, furthermore, create jobs for Americans.

The key political consideration is the grave doubts which the Russians have created since October about their own reliability as energy suppliers. Hardly a day has passed since the last Mideast war when they have not urged the Arabs to use the "oil weapon" against the United States. Currently, they are exhorting Arabs not to lift the embargo simply because a Mideast disengagement process is under way. This attitude on the part of the Soviet government is hostile to the point of malice. Quiet American protests against it seem to have been entirely ignored. For the Russians to ask others to cut off oil to the United States for political reasons, while expecting Americans to believe they themselves would be reliable suppliers, is farcical. The special nature of energy investments, moreover, accentuates the risk: *all* the investment goes in before *any* of the return (the gas or oil being produced) comes out.

At the moment the Export-Import Bank is not processing any new applications for loans and credit guarantees in the Soviet Union, Poland, Yugoslavia and Romania. This is the result of a technicality: the Comptroller General found the President was not complying with a provision of the law requring him to certify that *each* Ex-Im Bank deal with the countries cited was in the "national interest." Among the deals being held up is the first stage of what would be the first big American investment in Soviet natural gas—the so-called North Star project in Siberia.

Presumably, the technical requirements of the law can be satisfied. All normal business transactions should then be promptly resumed with Yugoslavia and Romania—these countries are not controlled by Moscow. Normal Ex-Im Bank services supporting American exports to all four affected countries should also be resumed. But for this bank to furnish credits, which are, after all, a form of subsidy, for energy development projects in the Soviet Union is quite another matter. Such investments would only be secured by Soviet good faith which these days is, unfortunately, in short supply.

LOANS FOR THE RED BLOC

The U.S. Export-Import Bank has one overriding purpose: to facilitate the foreign purchase of U.S. goods through the extension of credits competitive with those offered by other export-minded countries. Besides providing jobs and profits for workers and companies that get the export business, such loans frequently are intended to serve the ends of U.S. foreign policy.

The current controversy over the bank's credits for the Soviet Union is awkward for the Administration, which sees expanded trade between the two great powers as important in its efforts to build a lasting detente. The controversy serves a useful purpose, however—focusing attention on questions that should be examined carefully before any large-scale loans are made.

The General Accounting Office has ruled that the bank's extension of credits to the Soviet Union thus far has been illegal because President Nixon submitted only a blanket declaration to Congress that such loans were in the national interest. The law, according to the GAO, requires a separate declaration for each specific project.

In response, the bank has suspended action on loan applications for Poland, Yugoslavia and Romania, as well as the Soviet Union.

Once it finishes pouting, the Administration will surely comply with the ruling. Any other course would invite lawsuits and indefinite suspension of credits to Communist countries. And wholesale suspensions of that sort would not be in the national interest.

The GAO ruling was requested by Sen. Richard S. Schweiker (R-Pa.), who stands opposed to credits by the bank to assist two huge natural gas developments in Siberia. The senator argues that the money should be applied instead to the costly quest for new energy sources in the United States.

The national energy policy question is certainly important. There is an obvious need to develop energy sources within the United States. But we do not think this need deter American participation in energy development abroad. The Soviet proposal, in general terms, has a double attraction: It would provide needed gas to the United States while the Soviet Union would be spending the gas revenues in the United States for the purchase of equipment and technology.

There are other troubling questions, however. The Soviet gas reportedly will be expensive, much more so than domestic American gas. There is a question about reliability of the Soviet gas supply. The Russians have not provided the detailed data on the Siberian gas reserves that the Export-Import Bank normally requires in determining economic feasibility of a project. And, when Radio Moscow as recently as this week urges the Arabs to continue their oil embargo against the United States, one has to wonder whether Soviet gas supplies may also be cut off at times of political tension.

These questions are not arguments against loans and credits for Communist nations. But they illustrate the importance of knowing all the facts, and weighing the economic and foreign policy implications, before making a decision. Clearer answers may be encouraged by the strict enforcement of the law now required by the GAO finding.

TWENTY-FIFTH ANNIVERSARY OF THE LEADERSHIP CONFERENCE OF CIVIL RIGHTS

Mr. HART. Mr. President, this year marks the 25th anniversary of the Leadership Conference on Civil Rights. That probably makes the conference the oldest coalition of its kind in this country. It has coordinated the efforts of its participating organizations—which now number 135—in support of every major civil rights bill and most of the major social welfare bills that Congress has enacted during the quarter of a century of its existence. Roy Wilkins, national director of the NAACP, is chairman of the conference. Clarence Mitchell, director of the Washington office of the NAACP, and one of the most eminently respected lobbyists on Capitol Hill, serves as chairman of its legislative committee. These men, together with men and women representing most of the major civil rights, labor, religious, women's, and civic organizations in the country have played a major role in the ongoing fight to win equal rights for all.

I took the occasion of the conference's 25th anniversary to express my admiration for this unique organization, saying:

For two decades, the Leadership Conference on Civil Rights has guided us in the pursuit of justice for all Americans. Its voice is patient but persistent—in times of progress and in times of danger to our common goals. Its role has been crucial in the enactment of every piece of recent civil rights legislation.

Yet the Conference is far more than a uniquely effective lobby. It is, in truth, the voice of conscience in the nation's Capital. On its twenty-fifth anniversary, the Conference deserves the gratitude of all Americans."

Many others who have worked with the conference, Members of Congress, and present and former Government officials also extend their best wishes.

I ask unanimous consent to have printed in the RECORD the letters of congratulation that the conference has received:

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

DEAR MR. MITCHELL: I join other Americans in offering congratulations to the Leadership Conference on Civil Rights as it marks its 25th Anniversary.

During this important period of transition in our country, the Conference has helped lead the way and has been a bulwark of strength for the American minorities who seek equality, respect and dignity.

The untiring efforts of the Conference and its members have begun to bear fruit. Although we still have a long way to go, freedom and justice and equal opportunity for all men, women and children of all races and of all backgrounds are beginning to become realities. This, in itself, is a tribute to the fine work that the Conference has done.

I express my gratitude to the Conference for the achievements it has made in bringing about a better life for all of us.

Sincerely,

WALTER E. WASHINGTON,
Mayor-Commissioner.

DEAR MR. MITCHELL: It is no coincidence that the Leadership Conference on Civil Rights illustrious 25-year history spans the greatest period in American history for advancing the civil rights of all Americans. The Conference's strong commitment has greatly influenced the passage of every recent civil rights law and has augmented government efforts to secure full and equitable implementation of those laws.

By unifying the combined effort of more than 120 national organizations the Leadership Conference on Civil Rights has provided strong, effective, and responsible leadership, always emphasizing constructive, peaceful action. I salute the able leaders of the Conference upon their outstanding dedication and leadership and wish the Conference continued success in the months and years ahead.

Sincerely,

CARL ALBERT,
The Speaker.

DEAR CLARENCE: Congratulations on the 25th anniversary of the Conference.

What a pair Clarence Mitchell and Joe Rauh have proven to be in the quest for equal justice! The Leadership Conference on Civil Rights has been the single most effective organization in this noblest of modern American dreams. They have been its principal agents.

Even in this hour of anguish over the force of our national moral purpose we know the dream can and must be fulfilled. To abandon the effort for equality is to abandon America.

Sincerely,

RAMSEY.

DEAR CLARENCE: Congratulations on the Twenty-fifth Anniversary of the Leadership Conference on Civil Rights.

For twenty-five years the Conference has been in the vanguard of the fight for progress in America. No organization has been more consistently effective in the struggle for equal rights for all Americans. Again and again the Leadership Conference on Civil Rights has been instrumental in overcoming seemingly insurmountable odds to insure justice.

With warm personal regards,

Sincerely,

BIRCH BAYH,
U.S. Senator.

As a Commissioner of the United States Commission on Civil Rights, now entering my tenth year of service with the Commission, I can testify to the support this government agency has always enjoyed from the Leadership Conference on Civil Rights. The Leadership Conference has always been in the forefront on five different occasions to support the extension of the life of the Civil Rights Commission, and the Conference has given assistance to our efforts to bring to the attention of the President, the Congress and the American public the massive distance that still exists between the American promise and its practices.

When the Leadership Conference on Civil Rights was organized in 1949 not one of the Civil Rights Act now on the books had been passed by the Congress of the United States. The organizations that came together in 1949—far fewer than the more than 135 now participating in the Leadership Conference—formed the phalanx that accelerated the movement toward a more equitable society for America's minorities.

There is not today, nor has there ever been in American history, an organization as broad in its membership, regardless of its mission, as is the Leadership Conference. The Leadership Conference remains today the only organization on the American scene whose participating organizations cover such a broad spectrum of the American people. With representatives from Labor, Religion, fraternities, sororities, blacks, Chicanos, Asian Americans, white ethnics, Jews, gentiles and Catholics, men's and women's organizations, groups representing youth and senior citizens, farm workers to steel workers, doctors, dentists and newspaper employees, bartenders and postal workers, from B'nai B'rith Women to the National Coalition of American Nuns—the Leadership Conference has them all!

The Conference has used its influence well during its existence. It has not only been the national watchdog, ever vigilant against legislative acts and executive policies inimical to the best interests of minorities and women, but it has also played the important role of promoting positive and significant movement on the part of the legislative, executive and judicial branches of government.

On the occasion of its 25th Anniversary, I humbly salute our partners in the continuing struggle to make America free.

FRANKIE MUSE FREEMAN,
Commissioner.

DEAR CLARENCE: It has come to my attention that on the coming January the Leadership Conference on Civil Rights will be a quarter of a century old. During that span of time I have served as a principal officer of several national Civil Rights organizations, directed a principle domestic program for the state of New York and the United States government, and written in the fields of social problems and human rights. This experience has permitted me to observe first hand the work of the Leadership Conference. I think its record has been superb under your enlightened chairmanship. The Committee has identified basic issues, organized and galvanized those concerned with equality of opportunity and Civil Rights, and made itself felt on the Hill and in the executive departments of the Federal Government. I know from personal experience that without the Leadership Conference on Civil Rights many of the significant elements of the Great Society's legislative programs could not have been enacted. Congratulations to you as Chairman of the Legislative Committee, to Roy Wilkins as Chairman of the Leadership Conference on Civil Rights, and to your capable and dedicated associates.

Sincerely yours,

ROBERT C. WEAVER.

DEAR CLARENCE: For twenty-five years, the Leadership Conference on Civil Rights has been on the forefront of the battle to secure justice and equality for all Americans. It has brought together a diverse group of organizations to strive for an America faithful to the principles upon which this Country was founded. I salute the Conference for its many momentous accomplishments and I wish it God-speed on the road we have yet to travel before we become land with liberty and justice for all.

All best wishes.

Cordially yours,

(Rev.) THEODORE M. HESBURGH, C.S.C.,
President.

DEAR CLARENCE: We all know the paramount role that the Leadership Conference has played in the long struggle for the enactment of the Civil Rights Act and for the protection of civil liberties during the quarter century of its history. Although it may be impossible to properly detail that contribution in a few words, one can nevertheless say that the Leadership Conference was uniquely successful in coalescing the moral conscience of the nation in an effort which brought the nation closer to an understanding of its purpose, and revitalized millions of individual lives. This work serves as a landmark to the value of coperative action in the quest for human dignity and personal development. It will also serve for generations to come as a beacon and guide to those who must continue the task of guarding and enlarging our basic freedoms.

Very sincerely,

HOBART TAYLOR, Jr.

The work of the Leadership Conference on Civil Rights was the single most important factor in the passage of every civil rights act of modern times. Its ability to coordinate and orchestrate the efforts of sympathetic organizations and individuals transformed good intentions into effective legislative and political action. Its leaders' single minded devotion to the great cause gave constant and essential encouragement to those who fought on the actual legislative and political fields of battle.

Representative RICHARD BOLLING.

DEAR CLARENCE: Over the years, your organization has accomplished a great deal in the enactment of civil rights legislation and the expansion of protection and freedom for all minority groups throughout the country. Your Leadership Conference on Civil Rights has been in the forefront of the difficult task of educating millions of people throughout the country to the necessity for recognition of all our citizens and their rights under the Constitution which our nation adopted almost two centuries ago.

In January, 1938, when I took over the County Treasurer's office in Lake County, and three Treasurers' offices in Gary, Hammond, and East Chicago, Indiana, I appointed Linkie Jacobs, a Tuskegee graduate, as Assistant Cashier in the Gary Treasurer's office. This was the first appointment in the history of the State of Indiana of a black person to a so-called "white collar" position in any public office throughout the state, by either Democrats or Republicans.

I remember the letters, telephone calls, and other criticism I received from some of the bigots of those days, including remnants of the old Ku Klux Klan. Two years later a Republican Mayor of Gary was elected and he appointed the second minority jobholder, in the City Comptroller's office across the hall from the Treasurer's office. Today, we have black officials elected to public office, both state, county, and municipal, throughout the State of Indiana which had the unfortunate reputation of being the home of the now defunct Ku Klux Klan.

Thanks to organizations such as yours, we have risen out of those dark days of bigotry and ignorance and look forward to great expansion of the freedom of our citizens.

With kindest personal regards, I am

Sincerely yours,

RAY J. MADDEN, M.C.

DEAR CLARENCE: The Leadership Conference on Civil Rights is truly unique, not just in its composition but also in its durability. It has nurtured an enduring fellowship to which I am happy to belong.

With warm regards,

Sincerely,

CLIFFORD P. CASE,
U.S. Senator.

SENATOR EDWARD M. KENNEDY

The accomplishments of the Leadership Conference on Civil Rights are the accomplishments of all Americans. In the past 25 years, the Conference has done more to extend the ideals of all of us who work for an integrated, democratic society—a society in which every individual may participate on an equal level, independent of race, religion, ethnic origin or sex.

Acting as an umbrella organization for over 130 groups, the Leadership Conference has been a liaison among all its members, a speakers bureau, a clearinghouse for information and research assistance, and has kept its member groups aware of the legislative situation in Congress as well as suggesting areas in which various constituencies can be of assistance to its efforts.

I want to congratulate the Leadership Conference on this historic milestone. The Conference has made many contributions of which it can be proud, and I know that the next 25 years will be equally successful.

DEAR CLARENCE: No single organization in America could have had the enormous impact the Leadership Conference on Civil Rights has had on legislation for over two decades. The Congressional Black Caucus has benefited greatly from the support of its legislative initiatives by the Conference. The commitment of the Conference to equal rights, equal opportunities and equal justice has resulted in significant legislative achievements affecting millions of Americans.

LOUIS STOKES,
Chairman Congressional Black Caucus.

Sincerely,

LOUIS STOKES,
Member of Congress.

SENATOR HUBERT HUMPHREY

I have always regarded the Leadership Conference on Civil Rights as the driving force behind landmark legislative achievements by Congress in the protection of the civil rights of all Americans and in promoting the social and economic welfare of millions of our citizens who would otherwise be without an advocate before their government.

It has been my privilege over the years to work closely with Roy Wilkins and Clarence Mitchell and other members of the Leadership Conference staff toward the accomplishment of these legislative objectives,

in a spirit of mutual respect and firm friendship. As Senate floor manager on the Civil Rights Act of 1964, I felt the supportive efforts of the L.C.C.R. were absolutely essential to the successful enactment of this historic legislation. Again, through the provision of dependable statistical, factual, and legal information, the mobilization of citizen groups across America to contact their elected representatives in Washington, and a sustained lobbying campaign in the halls of Congress, the Leadership Conference was a primary force toward securing passage of vital legislation on fair housing, on the protection of voting rights, and on measures to advance equal educational opportunities for all our children. And, its membership took a major part in stimulating administrative and legal measures for the enforcement of these laws.

On the occasion of the 25th anniversary of the Leadership Conference on Civil Rights, I welcome the opportunity to applaud its major contributions to making ours a better Nation for all, and its firm commitment to continue in the cause of full equality.

SENATOR JACOB JAVITS

The Leadership Conference on Civil Rights has been a working conscience in the power center of America.

I commend the many groups who have worked together for so long on so many vital questions.

You are an example of how an aroused public opinion can make our system work.

DEAR MR. MITCHELL: For 25 years the Leadership Conference on Civil Rights has been a respected, effective voice in Congress. It has been the leader in the fight to enact major civil rights legislation and is continuing in this great effort.

I salute the Conference as it begins its second quarter-century of dedicated service on behalf of human equality and civil liberty.

Very truly yours,

PATSY T. MINK,
Member of Congress.

REPRESENTATIVE PETER RODINO

I share in a special way in this landmark 25th Anniversary of the Leadership Conference on Civil Rights, for its founding in 1949 coincides with my first year of service in Congress. In 1950 I became a member of the House Judiciary Committee, and from that time on my association with the Leadership Conference has been a close and most rewarding one. The Leadership Conference has been a consistent source of strength and an effective and inspiring partner to those of us who have sought, during the last two turbulent decades, the enactment of meaningful civil rights legislation. And now, beyond enforcement of the laws, we must struggle to develop the economic and social conditions that will make the goal of equality for all a reality. I look forward to continue working closely with the Leadership Conference in our mutual commitment to this cause.

DEAR CLARENCE: The Leadership Conference on Civil Rights has done a monumental job in advancing the rights of Blacks and other minorities through its twenty-five years of continuous efforts.

We of OIC, the Opportunities Industrialization Centers of America, salute the Leadership Conference on Civil Rights and wish you well in all your future undertakings, as you strive to make America truly America for everyone.

Sincerely,

LEON H. SULLIVAN,
Chairman, Opportunities Industrialization Centers of America.

DEAR CLARENCE: For Twenty-Five years the Leadership Conference on Civil Rights has served as an ever-present conscience in the struggle for a truly equal America.

I pray that your contributions to equal rights legislation in all fields will continue unabated.

I look forward to working closely with you in these efforts.

With best wishes, I am

Sincerely,

EDWARD W. BROOKE.

DEAR CLARENCE: When one looks over the record of accomplishment of the Leadership Conference on Civil Rights, it is amazing to discover that the organization is only 25 years old. Its accomplishments are enough to have satisfied many organizations for a full century. The dedication and the effort and the leadership invested in and by this organization should be an inspiration to all Americans.

It is one of the ironies of our history that a nation that grew out of the great principles enunciated in the Declaration of Independence and the Bill of Rights should have had need at all for the Leadership Conference on Civil Rights. The ideas of the Leadership Conference are simply the ideals of this nation. The great contribution you and the Leadership Conference have made has simply stimulated the United States of America to reach up to its own principles and be worthy of its own greatness.

Best wishes to you always.

Sincerely,

CARL D. PERKINS, M.C.

The Leadership Conference on Civil Rights has become an institution in the United States. Through its twenty-five years of existence, it has served to make this nation and this nation's governmental leadership not only aware of changing times, but has served so often as the stimulus prompting that leadership to act.

I am indeed proud to have had the opportunity to work with the conference over many of these years, and extend best wishes for many more fruitful years to come.

SHIRLEY CHISHOLM,
U.S. Congresswoman.

DEAR CLARENCE: It is indeed an honor during this quarter century anniversary for me to salute the Leadership Conference on Civil Rights. Over the past 25 years I have had the opportunity to work with virtually every organization that composes this distinguished coalition. I am delighted to add my applause to a group that has worked so diligently to accomplish so much.

The Conference's dedicated efforts and constant pursuit of equality in America have been rewarded a hundredfold through legislation and changing public opinion.

It is personally gratifying to see the progress of this "great human experiment" which has brought dignity to so many Americans. When I first started fighting inequity in Philadelphia over thirty years ago, I had only the faintest hope that a dream could become reality. It has. I am proud to have worked with the LCCD in promoting every piece of civil rights legislation since I have been in Congress.

Numerous battles have been won, but the war is not over. Our battle against hunger, poverty and disregard has many sweet victories ahead. You can always count on my active support. We shall overcome.

I am confident that if your past achievements are any indication, I can anticipate continued progress in the fight for human equality throughout America.

With best wishes for a joyous celebration,

Sincerely,

HUGH SCOTT,
Minority Leader, U.S. Senate.

DEAR CLARENCE: Please accept my congratulations as the Leadership Conference on Civil Rights celebrates its 25th birthday. Over these 2½ decades, the Conference has been a strategic force behind the coordinated campaign to make civil rights a reality for all Americans.

Its contributions in the legislative arena have been widely known and appreciated. But for me, a truly outstanding characteristic of the Conference—and one not always fully appreciated—is its quiet display of technical competence in the pursuit of substantial legislative goals. While many organizations can—and do—march and demonstrate, the Conference has always realized that the critical test of leadership is the mastery of the technical underpinning on which new laws and new programs must necessarily rest. The Conference has also realized that once a program is launched, its performance has to be monitored continuously.

As we look ahead, the Leadership Conference will be needed as much as it ever was. I look forward to the opportunity to continue to work with you.

Sincerely yours,

ANDY.

REPRESENTATIVE PARREN J. MITCHELL

A Nations' greatness is inextricably linked to the citizens who are committed and involved in preserving and strengthening the moral fibre of the Nation. For twenty-five years the Leadership Conference on Civil Rights has fought an unrelenting, successful battle against racism, prejudice, segregation and discrimination in America. America, despite the present stress, is stronger in every respect than it was twenty-five years ago because the citizens who make up the Conference have an unyielding allegiance to the cause of a common humanity.

SENATOR WALTER F. MONDALE

Throughout its 25 year history, the Leadership Conference on Civil Rights had led the struggle in Washington to achieve equal justice and a decent chance in life for those who bear the unfair burdens of poverty and discrimination.

I know that in its next 25 years this remarkable coalition will continue to serve as the voice of the American conscience.

SENATOR PHILIP A. HART

For two decades, the Leadership Conference on Civil Rights has guided us in the pursuit of justice for all Americans. Its voice is patient but persistent—in times of progress and in times of danger to our common goals. Its role has been crucial in the enactment of every piece of recent civil rights legislation.

Yet the Conference is far more than a uniquely effective lobby. It is, in truth, the voice of conscience in the nation's Capital. On its twenty-fifth anniversary, the Conference deserves the gratitude of all Americans."

DEAR MR. CAPLAN: As the nation approaches its 200th birthday we still have people who have not accepted the Constitution. All citizens are indebted to the Leadership Conference on Civil Rights for its vigilance and efforts.

Sincerely,

BOB ECKHARDT.

HISTORIC HOTEL PRESERVED

Mr. McGEE. Mr. President, those of us who are citizens of Wyoming take tremendous pride in our heritage as a State. Therefore, we are particularly gratified when people from outside our State share in their concern over our heritage.

In the March 17 edition of the Washington Star-News, there appeared an article written by Bob Wiedrich, a Chicago Tribune correspondent on the historic Sheridan Inn, built in 1893. As the writer noted, Mrs. Neltje Kings saved the inn from extinction when she purchased the building for renovation in 1967. Mrs. Kings, who hails from Long Island, N.Y., is now a resident of Sheridan.

We appreciate very much her interest and concern for the many things we cherish in our State, and welcome her decision to reside in Sheridan. 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:

HISTORIC HOTEL PRESERVED: A HOME WHERE BUFFALO BILL ROAMED

(By Bob Wiedrich)

SHERIDAN, WYO.—If you'd like a hamburger steeped in history, try the Sheridan Inn dining room here.

It was Buffalo Bill who led the grand march to open the hostelry in 1893 and Presidents Teddy Roosevelt, William Howard Taft, and Calvin Coolidge left their imprints on goosedown mattresses while just plain folks like Calamity Jane, Will Rogers and Ernest Hemingway whooped it up at the bar.

In its heyday, a Great Plains gourmet could wrestle with the likes of a haunch of venison, fox squirrel, mountain sheep or opossum at the Sheridan Inn.

And if those Western delicacies did not please his palate, there were gobs of meadow lark in timbals, wild goose, quail on toast, or civit of grouse, all to be washed down with a Wyoming Slug, a dulcet blending of champagne and wild, wild whiskey, as wild as Col. William F. Cody, who got his name from the herds of buffalo he slaughtered for the railroad construction crews.

Once in a while, a cowpoke would get stiff and ride his horse onto the front porch and into the bar. Or, there'd be some shooting and everybody would duck beneath the heavy oak tables in the dining room.

But generally, the Sheridan Inn was noted as a gracious place and the finest hotel between Chicago and San Francisco soon after its presence brought the finest bathtubs end electric lighting to the town settled in the early 1880s by pioneer drop outs from the Bozeman Trial.

In 1974, some 81 years later, the Sheridan Inn is a national historical landmark owned and presided over by Mrs. Neltje Doubleday Sargent Kings, a $10 million publishing fortune heiress from Long Island who eight years ago gave up the jet set life for something more durable.

Mrs. Kings maintains a handsome menu in the dining room, although she has deserted much of the continental cooking she sought to return to this community once she purchased the inn in 1967 and reopened it a year later.

She kept Crepes Lorraine on the bill of fare for six months with no takers, but that changed once she changed the label to chicken in a pouch. The same goes for Eggs a la Russe, which became an overnight favorite as an Annie Oakley Salad.

And she finally has mastered the Bavarian Cream Salad made with 184 eggs for 150 banquet guests, an effort that flopped in her then inexperienced hands after the chef got drunk and she and five ranch field hands took over the kitchen.

However, these have been the agony and the ecstacy of the well heeled lady who previously never had to wash a dish. And the hotel purchase and renovation have been a rewarding exercise for both herself and the Sheridan County Historical Society, which so desperately had sought to save the hotel from being razed for a gasoline station.

Mrs. Kings first moved here as a permanent resident in 1966. The following year, just as the June 19, 1967, deadline for saving or demolishing the Inn approached, she telephoned her decision to buy the inn while on vacation in Hawaii. At the time, she had never set foot in the place.

But she already had written a letter to a local editor declaring the Sheridan Inn was a symbol of the heritage of the American West and that the best of the past must be preserved for the present.

So Mrs. Kings put her money where her heart was—about $135,000 of it—and then invested some several hundred thousand dollars more in a historic renovation. For six months, her anonymity as purchaser was preserved.

When local residents discovered a fancy dude from down East had bought the place, they were both amazed and gratified. Neltje Kings became an instant citizen of Sheridan.

Measured by today's standards, the 64 tiny bedrooms under the 69 gables of the three-story frame hotel would hardly qualify even as a flophouse. But in their prime they were the best in the West. And the 200 electric lights, powered by a discarded steam threshing machine, were a wondrous sight in a land still peopled by Indians.

Built for about $25,000 at a time when a buck went a long way, the Sheridan Inn featured three native cobblestone fireplaces, 40-foot hand hewn, unsupported ceiling beams, and separate staircases for male and female guests to the two upper floors.

These remain to this day. But the upstairs rooms have been gutted and no decision made on their future. Eighty-one years ago a ticket for 21 meals cost $7 and room and board was $2.25 a day. A coach hauled folks to town a mile away. And the Burlington Railroad brought you right to the door.

In 1965, the Sheridan Inn closed its doors, not to reopen until millionairess Neltje Kings came riding out of the East astride a jet plane.

STATEMENT OF SENATOR JOHN V. TUNNEY, BEFORE THE SUBCOMMITTEE ON INDIAN AFFAIRS

Mr. ABOUREZK. Mr. President, last summer the subcommittee on Indian Affairs held field hearings in California. Senator TUNNEY was one of the witnesses and I would like to insert his excellent statement in the RECORD. To me, it indicates not only a great deal of knowledge of where the wrongs and errors have been committed, but a great deal of compassion and understanding of what needs to be done to correct those errors.

Mr. President, I ask unanimous consent that the statement be printed in the RECORD.

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

STATEMENT OF HON. JOHN V. TUNNEY, A U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator TUNNEY. Thank you very much, Mr. Chairman. Let me say, speaking for myself and for many friends of mine who are Indians in California, that I and we deeply appreciate the energy you have shown since you have taken over as Chairman of the Indian Affairs Subcommittee. I cannot remember if the Senate Indian Affairs Subcommittee has ever held a field hearing in California. If it has held such a hearing it has been a long, long time ago and I think that the dedication and the zeal which you have shown since you have taken over the Chairmanship is something that has been desperately needed by the Indian people of our country, and these few hearings which you are holding during the recess, where you could have been vacationing, are demonstrative of your very sincere and compassionate interest in the problems of the Indian people and I want to thank you very much for giving me the opportunity to share a thought with you today.

Mr. Chairman, I would like to begin my remarks by saying that I think that not only have you demonstrated leadership in bringing the hearings out to the field, giving the Indian people an opportunity to testify, but I also am strongly supportive of two pieces of legislation which you have introduced. One is the Resolution to create a study commission to study Indian problems for two years and then make recommendations to the Congress as to what ought to be done. It has been many years since such a study has been achieved by the Congress and I think one is desperately needed.

I think that what is needed with this study is one which represents the input of the Indian people rather than a study by bureaucrats in which bureaucrats talk to bureaucrats and decide among themselves what would be good for the Indian people. I recognize many problems in our country have been studied and restudied and restudied with no action being taken. But I think a study in this particular case is necessary so that we know where we are going.

I think with the kind of leadership you are going to provide in the Senate that out of this study we will be able to fashion legislation which will be truly meaningful for the Indian people.

I sat for 6 years on the Indian Affairs Subcommittee in the House of Representatives and the thing that bothered me was when decisions were being made for Indians at the Bureau of Indian Affairs and the Interior Department, and they were developing a program for the Indians, the Indians were always the last to be consulted. A blueprint would be made up and the Indians would be called back to Washington and they would be asked to ratify the proposal. I always felt that was a ridiculous way of proceeding.

Senator ABOUREZK. I agree with exactly what you say, Senator Tunney. The Resolution you speak of, the Study Commission, is not one intended to delay the problem as a great many studies are. It is an honest effort on the part of this committee to try to find legislative solutions. I frankly don't know the answers. I would be the first to admit that. I want the smartest Indian consultants in the country. We want them to say what is wrong. For too long that kind of input has been lacking.

Senator TUNNEY. Well, I want to thank you for your interruption because I think it is indicative of the problem that Indians feel isolated and left out and thereby frustrated.

Secondly, the bill that you introduced to require the Bureau of Indian Affairs and Indian Health Service to receive their authorization for 2 years rather than having an open ended authorization. I don't see how we are going to develop any kind of meaningful oversight control over these two agencies unless we have this kind of review that would occur every other year. I am appreciative of the fact that it is a little bit more effort for the Congressional committees to have this kind of oversight review, but this is a function of individuals that serve on the committees and not of the system itself.

The system should work if the members of the committee are prepared to truly take

those responsibilities seriously. I must say that with you serving as the Chairman of the Indian Affairs Subcommittee I think that the Indians are incredibly lucky to have had the good fortune to have such leadership at this time because I happen to know the kind of person you are, the kind of diligence with which you pursue your work and I think a 2 year authorization in that kind of a review is desperately needed. I think it is about time the Bureau of Indian Affairs justified their existence before a Congressional Committee every 2 years with some really hard-hitting questions. Hard-hitting questions prepared by the committee trying to dig into the activities of the Bureau of Indian Affairs, demonstrating what it is they are doing for the Indian people rather than demonstrating what they are doing for themselves to maintain themselves as a bureaucracy. That is what we have had too much of in Washington recently. Too many people on the Federal payroll think their only justification for going to work in the morning is to receive the paycheck rather than to represent the people in the country they are paid to represent.

Well, I would like to get on with my testimony, Mr. Chairman.

Harland James said, "I'd like to get out of this dump—mainly because of it being, it isn't our land where we're living."

Andy Garrison said, "All the houses all our people live in now are not a house—a shack. Our houses are so small that large families sleep out in summertime and in winter we move in and are close like sardines. We can feel each other breathe."

Kenneth Kizer said: "When the wind blows it goes right through the house."

Elmer Dick said, "We're drinking ditch water—there might be dead cows, or something bathing in it—"

And Wesley Dick said, "A ditch, mind you, which is so dern polluted that no white man would survive or even drink this water. The way we have been neglected is something the Government should be ashamed of."

These people are not characters from a cheap dust bowl novel, but native Americans living in Coleville, Calif.

Mr. Chairman, Wesley Dick is right. The Government should be ashamed.

The rights of native Americans steadily have been eroded by illegal treaties, disease, war, manifest destiny and down-right deception. The sanctimonious expressions of shame by the Government demonstrate no more than gross national hypocrisy. It is time to quit entertaining the romantic museum-oriented concept of the Indian and start responding to native American rights.

The Snyder Act of 1921 is the legal base on which the Bureau of Indian Affairs predicates most of its services to Native Americans. It is important to take special note of the wording of that act. It states quite clearly that the Bureau is to "benefit, care for and assist Indians throughout the United States."

But the Bureau has ignored that mandate. The reason—on paper, at least, is money. The Federal Government benefits most, it believes, when it provides the fewest services. Hence, the smaller the client group, the lower the cost. That's a pretty simple formula. But by that formula, Indians simply disappear. That is why there are urban Indians and state Indians and terminated Indians and landless Indians.

Whatever convenient adjective is used, the Native American is the ultimate loser.

Harland James and Andy Garrison and Kenneth Kizer and Elmer Dick and Wesley Dick are among those losers. Their words, which I used at the beginning of my statement describe what happens when the Federal Government abdicates its trust responsibility to the Indian people.

I have been trying since April of this year to persuade the Bureau of Indian Affairs to apply for and hold in trust 38 units of Federal surplus housing—and I underline the words "surplus housing"—for this small group of Paiutes near Coleville. These houses could significantly improve their standard of living. In addition, I have requested that the Forest Service relinquish the land they own which surrounds the houses.

Both have refused. BIA states it is not authorized to act on behalf of 38 landless Indians. Once again the Government applied its simple formula of declassifying Native Americans to a conveniently ineligible category. I might say that housing is sitting right there. It is abandoned by the military services. It is standing there. Indians need a place to live but they are not going to live there apparently unless we can get some action by the Congress to make this possible.

The Government seems to have forgotten that the only reason Native Americans are landless is because the Federal Government cheated them out of their land base. From 1851 to 1858 the Government negotiated 18 treaties with California Indians. These treaties were never ratified; therefore, the Indians could not stay where they were, nor go back to their homes.

The landless Ione Miwaks share this problem. They were scattered throughout Amador County and moved to their present location because BIA promised a Rancheria. A mortgage on the land, and the subsequent bankruptcy of the owner proved to be more than BIA could cope with, so title and reservation status never materialized. So the Iones continued as squatters with three houses, a trailer and land that was promised to them in 1915.

Fifty-seven years later, with the help of California Indian Legal Services and the California Land Project, the Iones obtained title and a new promise from the Secretary of the Interior for reservation status. So far, nothing.

The Jamul Dieguenos are not so fortunate as the Iones. They are squatting on a piece of land with few houses, a totally inadequate water supply system, poor sanitation facilities and no job opportunities. Here, title might serve to make things worse. Although they lack the basic necessities of life, the Jamul Dieguenos have managed to maintain a strong traditional culture and sense of community. I believe it is the only community where Diegueno is the first language spoken. In this case, recognition would mean facing the inevitable problems of taxes, speculators, used car dealers—all of which might tend to threaten the culture and break up the community.

The so-called "urban Indians" suffer a similar plight. In most cities there is an overt attempt to proceed as though Indians do not exist. Programs for hiring and training Native Americans in the inner cities are virtually non-existent. One of the primary needs of urban Native Americans is more participation at the federal and state levels—and not as tokens.

Mr. Chairman, the quintessential importance of Indian-owned natural resources—land, water and minerals—in the struggle for economic development has been documented so thoroughly elsewhere that I need not reiterate it here. It is enough to say that, without these resources, most Indian reservations in the Western United States are uninhabitable, simply enonomically incapable of supporting life. The Government of the United States for 100 years has been engaged in a conscious and effective scheme to usurp the natural resources which Native Americans need to survive.

The plight of the Pyramid Lake Tribe of Paiute Indians is well known. The tribe owns Pyramid Lake, and it is not only their most valuable resource, it is indeed the very means of livelihood for this fisherman-tribe. Yet the Bureau of Reclamation, acting in the name of the United States, has for 70 years diverted huge quantities of water from the Truckee River, which feeds into Pyramid Lake. At times the diversions have completely stopped all inflow into this huge lake, and they have consistently run as high as 50–60 percent of the total flow of the river. The diverted water is transported in a primitive and wasteful canal to support the Newlands Reclamation Project in central Nevada, which has been cited as the most wasteful, economically inefficient reclamation project in the entire United States.

So Pyramid Lake is dying, and with it the hopes of the Tribe for economic development and prosperity. This beautiful desert lake has declined a foot every year, over 70 feet since the project was built in 1906, because there is no longer enough water feeding into it to support it. A study by the Bureau of Outdoor Recreation several years ago found that Pyramid Lake is the single greatest remaining undeveloped recreational resource in Northern California and Nevada. Potentially, if properly developed, the lake could provide millions of dollars in income to the Tribe, and boundless recreational opportunities to millions of people in the San Francisco, Sacramento and Northern Nevada metropolitan areas.

Instead, the lake gradually but inexorably declines. It is an alkaline lake, and so the increasing salinity levels caused by the reduced inflow of fresh water has drastically reduced the productivity of a once bountiful fishery, the present and traditional means of livelihood for the Tribe.

Now, granted the reclamation project, duly authorized by Congress, deserves some water. But hydrological studies suggest that the overall efficiency of the transport and irrigation system is less than 40 percent. More than 60 percent of this precious desert water is wasted. This is a violation of the Western common law doctrine of beneficial use of water. It is a violation of the clear terms of the so-called Orr Water Ditch Co. decree and the olpine decree. It is a violation of which the Commissioner of Reclamation and the Secretary of the Interior are aware, and yet which they continue to countenance.

Last year the Pyramid Lake Tribe won an injunction in the Federal District Court for the District of Columbia, directing the Secretary of the Interior to improve the efficiency of the Newlands Project and increase the inflow into Pyramid Lake. But it is an indication of the Interior Department's posture that the Pyramid Lake Tribe had to go to court to sue the Secretary of the Interior, their supposed trustee, in order to slow down the theft of their water.

Other equally egregious examples abound in California, Mr. Chairman. For example, the Quechan Tribe of Indians on the Fort Yuma Reservation in Yuma and Imperial Counties, provides a tragic case study for the Committee to consider.

In 1893 a fraudulent, forged and altogether unconscionable "arrangement" was forced upon the Quechans by the Colorado River Irrigation Company, with the connivance of the Department of the Interior, for construction of an irrigation canal and diversion of Colorado River waters. At the time the Quechan negotiators could neither read nor write nor understand English. Yet, this "agreement" which purports to authorize the robbery of their water and the use of Indian land has been solemnly enforced and upheld by the Secretary of the Interior.

The Pechanga and Cahuilla Bands of Mission Indians also in San Diego County, provide another bizarre case of bureaucratic injustice.

The Indians on the Reservations share water rights in the Santa Margarita River and the underlying groundwater basin with a huge residential development of the Aetna Corporation, Ranch California. There has been extensive litigation and there are detailed court decrees governing rights to the use of water by the Pechangas and Rancho California. Yet the decrees have been wholly

ignored by the Department of the Interior. Rancho California has far exceeded its decreed rights in diverting water from the Santa Margarita River to irrigate their well-kept golf course, supply their man-made lake, and generally maintain their 100,000 acre development. Rancho California has also pumped water out of the groundwater basin, to the point where a spring which was the reservation's sole source of water, went dry. Consider the irony of this. The Pechangas, who have court-decreed rights to use of the water, now have to haul water in bottles in order to sustain life on the reservation. They have been robbed of their water and the Department of Interior has consistently refused to exercise its right to prevent unreasonable extractions from the groundwater basin, or to protect Indian interests. Even worse, the Department now proposes to construct the Santa Margarita Project, a vast reclamation project, which will further exploit that scarce water, to enrich private individuals at the expense of the Pechangas and Cahuillas.

These stories could go on for the rest of the week—a litany of shameful indifference and illegality in which the Bureau of Indian Affairs, Department of Interior and Department of Justice have been historic actors.

Under the circumstances, Mr. Chairman, I think it would be disingenuous to hold out the hope that these agencies of government will suddenly experience a re-awakening of conscience. The bureaucratic recalcitrance is so deeply ingrained that we would do well to regard the BIA and Interior Department simply as adverse parties and establish Indian policies accordingly.

A number of general policy proposals have been advanced, with which I am in complete accord, including the immediate creation of an independent Indian Trust Council Authority, an independent Indian Affairs Office operating out of the Executive Office of the President, independent Indian lawyers, solicitors, hydrologists and technical staff, and so on. In addition, there are numerous specific proposals that will help individual tribes: Congressional opposition to the proposed California-Nevada Interstate Compact, which would freeze into law the inequities which are now destroying Pyramid Lake; withdrawal of Congressional authorization for the Santa Margarita Project, unless there is full Indian participation in the benefits of that project; and many others. However, I would like to devote the balance of my prepared statement to briefly outlining two proposals which I think would greatly help the landless, executive-order and treaty-reservation Indians to establish their rights and protect their interests.

First, the Congress should focus immediate and critical attention on the voluminous report of the National Water Commission, and reject those proposals which are destructive of Indian interests and inconsistent with federal trust responsibilities. To take just one example, Recommendation 14–6 of that Report, at page 482, suggests that the United States should compensate non-Indian users of water which by treaty and right belongs to Indian tribes. The objective is laudable: to ameliorate the conflict between potential Indian uses of water and present non-Indian uses. The problem is that this is no solution at all.

In the first place, there simply is no alternative source of unclaimed water; the streams are over-appropriated already. In the second place, the compensation of non-Indian users for the impairment of their present water use—to which they have no legal right—would place impossible demands on the Federal treasury. The problem, Mr. Chairman, is simply that there are not enough resources, fiscal and water, to satisfy everyone.

When such problems of scarcity arise, our society traditionally resorts to strict rules of law to protect citizens' rights and provide certainty, and Western water law is no exception. The Water Commission recognizes candidly that many non-Indian water resource projects rely on supplies in which Indians have water rights with earlier priorities. Those water rights must be honored; non-Indian users with junior, inferior or defective water rights are simply going to have to make other arrangements or else pay the Indians to establish new water rights. It is in this light that the rest of the Commission's report ought to be evaluated, with a constant view towards its impact on Native Americans' interests.

Second, the Congress should address itself seriously to the long-neglected problem of the so-called "unrecognized" Indian reservations. The problem is that the Supreme Court, in *Hynes v. Grimes Packing Co.*, 327 U.S. 86, 69 S. Ct. 968 (1949), *Tee-Hit-Ton Indians v. U.S.*, 348 U.S. 272, 75 S. Ct. 313 (1954), and subsequent decisions, has declared that the land, water and mineral resources of Indian reservations created by Executive Order rather than by a specific Act of Congress—a category that constitutes a substantial portion of all reservations in the West—actually belong to the United States, not to the Indians. In the words of the Court in *Tee-Hit-Ton*, original Indian title—

"Means mere possession not specifically recognized as ownership by Congress . . . This is not a property right but amounts to a right of occupancy which the sovereign grants and protects against intrusion by third parties but which right of occupancy may be terminated and such lands fully disposed of by the sovereign itself without any legally enforceable obligation to compensate the Indians." 348 U.S. 272 at 279, 75 S. Ct. 313 at 317.

This problem is shared by the Indian tribes in California who live on reservations under treaties which were never actually ratified by the Congress. Resource rights on reservations officially established by an Act of Congress, on the other hand, are vested in the Indian tribes themselves, to manage as they see fit, with the Departments of Justice and Interior acting as trustees in a purely legal, administrative sense.

The distinction, Mr. Chairman, resides solely in the fact that some resource property rights have been recognized as belonging to the Indians—recognized in the form of a Congressionally-ratified treaty—while others which were merely established by Executive order or by a treaty which was never ratified, have not been so recognized. It seems like a petty, legalistic distinction, but the ramifications of the recognition question are profound.

First, of course, is the fear of termination which still lingers in the minds of many Indians; in light of these Court rulings, termination could mean a loss of not only trusteeward and reservation status, but actual reposession of the unrecognized reservation lands.

A more serious potential legal problem arises when Indians on Executive order or unratified-treaty reservations attempt to qualify for BIA programs or to defend their interests, and especially their property rights, in court. In the so-called *Eagle River* decision in 1971, *U.S. v. District Court for the County of Eagle*, 401 U.S. 520, the Supreme Court held that all federally owned rights to water are subject to general adjudication in state courts, under state law, by virtue of the so-called McCarran Amendment, 43 U.S.C. 666. What this means is that, so long as the Justice Department, and the Supreme Court regard Indian water rights as property which actually belongs to the United States, the Indians—at least those on unrecognized reservations—are vulnerable to a multiplicity of legal assaults by competing water users, in every county superior court in the Western United States. I need not elaborate on what often happens to Indians who are taken to court on water rights suits, with the Justice Department defending their interests. The fact that such litigation would not be extended into the state courts, operating under state law, only compounds the problem.

To solve the problem of the unrecognized reservations, I propose that Congress enact general legislation to recognize, confirm and legitimize to the extent necessary, all Indian reservations and the attendant property rights, regardless of the means by which the reservation was originally established. As the Court said in *Tee-Hit-Ton:*

"There is no particular form for congressional recognition of Indian right of permanent occupancy. It may be established in a variety of ways but there must be the definite intention by congressional action or authority to accord legal rights, not merely permissive occupation." 348 U.S. 272 at 278, 75 S. Ct. 313 at 317. One such means is to use the language recommended by the Court itself in *Tee-Hit-Ton*, which can be found in the Pueblo Land Claims Act, 11 Stat. 374.

Another such means is to employ the language proposed as Resolution No. 3, adopted by the Conference of Western Reservations on Indian Water Rights and Resources, convened in Denver, Colorado, on July 22, 1972. A copy of that resolution is provided for the Committee's consideration.

Legislation in this regard is both timely and necessary for the reasons I have indicated, Mr. Chairman. This is merely some legal clean-up work, clarifying language to make official the intention and spirit of legislation imperfectly expressed.

Mr. Chairman, we are all aware of the growing demand in America for equal rights. People want equal opportunities for themselves and their children and legal protection for their homes and property.

Well, Native Americans want their rights and property protected too. They say that better health care would mean that the average Indian would live six more years and more newborn would survive infancy. They say that better housing would mean less than six people to a room and running water for the 24 percent now doing without. They say that better schools would mean that the average unemployment might drop below 40 percent. And they say that stealing land and water is really no different from stealing cars or bicycles or color television sets.

Unquestionably, they are correct. Laws protecting civil rights and property should be equally enforced. In view of countless examples of the calculated suppression of Native American rights through malfeasance and nonfeasance by Federal officials, this is not too much to ask—and it is something this country must do.

Mr. Chairman, in conclusion I only add that there are countless other examples of the calculated suppression of Native rights by the Federal officials.

I have no doubt that subsequent witnesses will bring out once more in clear terms the Federal Government's abdication of its responsibilities to the American people.

Thank you, Mr. Chairman.

LOUIS I. KAHN

Mr. SCHWEIKER. Mr. President, Louis I. Kahn, one of Pennsylvania's most distinguished citizens, is dead at the age of 73. Professor of architecture at the University of Pennsylvania, Louis Kahn was universally recognized as one of the world's greatest architects. He was considered by many to be a worthy successor to the late Frank Lloyd Wright. Louis Kahn will be sorely missed, but the beauty and majesty of his art will live for generations to come.

Mr. President, I ask unanimous consent that three newspaper articles chronicling the life and work of Louis I. Kahn be printed in the RECORD.

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

LOUIS I. KAHN IS FOUND DEAD

(By Thomas Hine)

Louis I. Kahn, one of the world's leading architects, died of a heart attack in New York City Sunday night as he was returning to his Philadelphia home from a business trip overseas. He was 73.

Mr. Kahn's body was discovered in a rest room at Pennsylvania Station in New York and was brought that night to the city's morgue, where he was found to have died of an occlusive coronary arteriosclerosis.

But, in a bizarre sequence of events, the notification that the New York Police Department said it sent to Mr. Kahn's wife in Philadelphia never arrived.

As a result, Mr. Kahn's family and his architectural office did not learn of his death until Tuesday afternoon, when a Philadelphia detective asked by Mr. Kahn's office to search for the architect discovered the death with the help of the New York Police Department's missing persons bureau.

Mr. Kahn was returning from a one-week trip to India, where he had been working on one of his projects, the Indian Institute of Management in Ahmedabad. He had arrived in New York on an Air India flight earlier Sunday.

"The sun never knew how great it was until it struck the side of a building," Louis Kahn once wrote.

Louis Kahn's experiments with sunlight in such buildings as the Kimball Museum in Fort Worth, Tex., the capitol buildings nor Bangladesh and the Mellon Gallery at Yale, showed architects new things about the sun's rays and brought him recognition as the greatest American architect of his time.

Fame was late in coming to the Estonian-born Kahn. Not until the Richards Medical Building and Biology Laboratory at the University of Pennsylvania was built about 15 years ago, when Mr. Kahn was in his 60s, did he achieve worldwide recognition.

Even so, Mr. Kahn never seemed to attain real recognition in Philadelphia, where he spent most of his childhood and adult years. One of his early buildings, the AFL-CIO Medical Center on Vine St., was torn down only a few months ago.

But Mr. Kahn was a force on the Philadelphia scene. He was chief of design for the Sesquicentennial Exposition in 1926, and he did many plans, none of them adopted, for Penn Center and Market Street East. He also was very influential as a teacher at Yale, the Massachusetts Institute of Technology, and since 1957 at the University of Pennsylvania, where he held the Paul Cret chair in architecture.

Mr. Kahn's fame came after he rejected the dominant steel and glass aesthetic of the 1950s and began to explore the relationships between massive forms of brick and concrete, and sunlight.

Mr. Kahn confused and scared many potential clients with his poetic speaking style, his refusal to follow architectural conventions, and his tendency to go over his budget when he felt the building "needed" to do so.

"Bare needs coming from the known and supplying only what is lacking can bring no lasting joy," Mr. Kahn had said. "Did the world need the Fifth Symphony? Did Beethoven need it? He desired it; now the world needs it."

But Mr. Kahn did not fit the stereotype of the architect as petulant prima donna, imposing his design over the wishes and against the needs of his client. Typically, he approached a project with some simple shape in mind, say a square or a series of arches, and then let the needs of the project dictate the actual design.

Thus, the Richards Laboratories were shaped by his feeling that scientists should be in contact with one another, that their laboratories are studies in which they work and that the air to breathe should be separated from air that is thrown away (through the exhaust system).

In the Kimbell Museum, Mr. Kahn devised a system to allow the paintings to be lighted naturally without harming the paintings. This was done with indirect skylights mounted atop arches that in addition defined the shape of the building as a whole.

"Louis does what an architect should do," said Romaldo Giurgola, dean of architecture at Columbia University shortly before Mr. Kahn's death. "He awakened a sense of pride in one's actions. He is a master in the old fashion. There are very few masters nowadays."

ONE OF THE WORLD'S GREATS—PHILADELPHIA'S LOUIS KAHN, 73, FAMED ARCHITECT, DIES

(By Nessa Forman and William A. Lovejoy)

Louis I. Kahn, considered by many of his contemporaries to be one of the world's greatest architects, died Sunday night while waiting for a train at Pennsylvania Station in New York City.

Mr. Kahn died of an apparent heart attack, according to the New York Medical Examiner's office. He was 73 and lived at 921 Clinton St., Philadelphia.

He had returned from a week-long trip to India where he was doing architectural work.

HELICOPTER FLIGHT

He arrived at John F. Kennedy Airport in New York and was supposed to take a helicopter flight to Newark, N.J., before returning home, a spokeswoman for the Kahn family said last night. For some reason, he didn't take the copter and apparently intended to return to Philadelphia by train.

Mr. Kahn's wife, the former Esther Israeli, wasn't notified of her husband's death until yesterday afternoon because of a mix-up in the New York Police Department.

New York police told Philadelphia police of his death Sunday, but only had Mr. Kahn's business address. Yesterday morning, Mrs. Kahn notified Mayor Rizzo's office that her husband was missing.

POLICE PRAISED

Within hours, the spokeswoman said, a police captain here told Mrs. Kahn of her husband's death. The spokeswoman said, "The police were very good, prompt and professional about the investigation."

She said the Indian architect called Mrs. Kahn to tell her Mr. Kahn was "very happy" and "full of good spirits" when he left India. Mr. Kahn was described by colleagues as a very active man who appeared to be in good health.

Mr. Kahn always called Mrs. Kahn when he returned from a trip, the spokeswoman said. She said he didn't call Sunday so the family doesn't know why he changed his mind and went to the railroad station to take a train home.

PHILADELPHIA AWARD

In 1971, Mr. Kahn won the 50th Philadelphia Award. The award, gold medal and $15,000, is given each year to a Philadelphia person who has served "to advance the best and largest interests of the community of which Philadelphia is the center." It was established by the late Edward W. Bok, editor of the Ladies Home Journal.

Mr. Kahn often was called a prophet without honor in his own city.

He was 50 years old before he achieved recognition within his own profession. Thereafter, his fame as an architect and a creative thinker spread all over the world.

In his later years, admirers hailed him as America's top architect and a worthy successor to the late Frank Lloyd Wright.

Mr. Kahn was a short, wiry man with pale blue eyes and a reddish face, offset by a shock of white hair.

His biographer, Vincent Scully, has credited Mr. Kahn with redirecting and remaking the mainstream of modern architecture—making it more personal, more human, by not being afraid of the unfamiliar, the untried.

GIVES HIS PHILOSOPHY

Summing up his philosophy, he once told an interviewer:

"Nature does not make art. She works by circumstance and law. Only man makes art. Because man chooses. He invents. He can make doors smaller than people and skies black in the daytime if he wants to. He assembles. He can bring together the mountain, the serpent and the child."

On another occasion he noted that modern architecture, of which he had been a leading exponent, was still in a primitive stage.

"When architects first discovered the great miracles of huge sheets of steel and glass," he said, "their reaction was natural—but revolutionary and exaggerated. Now we—all of us, not just architects—must consider this passion to express these engineering feats and make modern architecture more personal, more human."

LOW-INCOME PROJECTS

Mr. Kahn's work here ranged from low-income housing—the Mill Creek public-housing project in West Philadelphia and a wartime housing project in the Northeast—to the internationally known Richards Medical Research Building at the University of Pennsylvania.

He also designed the University of Pennsylvania Biology Building and the new dormitories at Bryn Mawr College.

His other works included the First Unitarian Church of Rochester, N.Y.; the Tribune Review Publishing Co. building at Greensburg, Pa., the Design Laboratory-Yale Art Gallery at Yale University; and the Salk Institute for Biological Studies at La Jolla, Calif.

In 1968, Mr. Kahn was engaged as the architect to design a new Hurva Synagog to be built near the Wailing Wall in Jerusalem on the site of a synagog destroyed by the Jordanians.

SCARRED FOR LIFE

In 1969, the tourist bureau of Venice asked Mr. Kahn to assist with plans to rebuild the decaying eastern portion of that city. He also designed buildings in Pakistan and India.

In 1969 he completed the Olivetti Underwood factory and office building in Harrisburg. In 1971 he added the library and dining hall for Phillips Exeter Academy to his credits and the next year, the highly acclaimed Kimbell Art Museum, Fort Worth, Tex., and the Fort Wayne Theater.

For 1977, the Philadelphia Museum of Art, has planned the first major Philadelphia exhibition of Mr. Kahn's works.

Mr. Kahn was born on the island of Osel, in Estonia, now part of the Soviet Union, Feb. 20, 1901, into an Orthodox Jewish family. When he was three years old he suffered facial burns while playing with hot coals at the family fireside. The resulting scars were permanent.

"I looked so horrible," Mr. Kahn once said, "that my father wasn't sure he wanted to keep me. But mother thought it was a sign that I would amount to something."

Two years later, Mr. Kahn came to the United States with his family, which settled in Philadelphia. His father worked in stained glass and his mother was a harpist. Mr. Kahn aimed for a career in art.

He grew up in Philadelphia and once said: "A city is a place where a small boy, as he walks through it, may see something that will tell him what he wants to do his whole life."

While he was a senior at Central High School in 1922, he heard a lecture on Greek and Roman architecture by Professor William Gray. Then he knew what he wanted to do his whole life.

Although he was offered scholarships at the Pennsylvania Academy of the Fine Arts, he chose to study architecture at the University of Pennsylvania, where he was graduated in 1924.

Following his graduation he became the chief designer for Philadelphia's Sesquicentennial Exposition. When that job was done he went to Europe for further study.

He was a fellow of the World Academy of Arts and Science, and a member of the National Institute of Arts and Letters.

He served as professor of architecture at Yale University between 1947 and 1957, and was a resident architect at the American Academy in Rome between 1951 and 1952. In 1957 he became professor of architecture at the University of Pennsylvania.

It was during the '60's, with Kahn as the focal point, that Penn's architecture school shot to fame.

Besides his wife, Mr. Kahn is survived by a daughter, Mrs. Sue Saltzman, and a sister.

Services will be at 10 A.M. Friday at Oliver H. Bair's, 1820 Chestnut st.

ARCHITECTS HAIL KAHN'S TALENT AND PHILOSOPHY

Fellow architects mourned the passing of Louis I. Kahn today, calling him "the conscience of our profession" and "probably the most talented, gifted and dedicated architect of our time."

"On an international level, he was about the most talented, gifted and dedicated architect of our time," said architect Vincent G. Kling.

"He was a great philosopher of architecture He had an unequaled ability to talk about the theory of architecture. As a teacher he was outstanding.

"But I admired him most for his tenacity. He believed in his philosophy right down to the end. He would never compromise it. He was one of the greatest architectural designers of all time."

ATTENTION TO DETAIL

Carlos Vallhourat, for several years the principal assistant in Kahn's architectural firm agreed.

"He had a tremendous power of conviction, so everybody in his office worked very hard. We were constantly inspired by him.

"He insisted on perfection in our drawings. His own drawings could stand alone as artistic achievement.

"He used to tell us, "if you strive for perfection in each drawing, even the builder will be inspired to strive for perfection.'

"Lou was a great teacher. Students from all over the world came to Philadelphia to study under him, including me.

"The school at Penn became known as the very best school of architecture in the world, in large measure because of his presence."

LONG INFLUENCE

Edmund N. Bacon, one of Kahn's colleagues at the University of Pennsylvania and executive director of the City Planning Commission when Kahn was a member, said Kahn was more than a teacher.

"He went beyond the normal definition of teacher in that he provided great inspiration and aspiration to his students.

"His ability to spark the imagination of young people was unexcelled.

"His teaching will affect the direction of architecture for generations to come."

INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. McGEE. Mr. President, it is anticipated that the Senate could very well be voting on the fourth replenishment to the International Development Association by late spring at the earliest.

Therefore, I think it is vitally important for Members of this body to understand the importance of this arm of the World Bank and the necessity of the Senate not to repeat the mistake made by the House in January of this year.

IDA is an international agency created in 1960 for the purpose of providing development financing at highly concessionary terms (low interest and long repayment) to the very poorest nations of the world. It was conceived as an instrument for making development more possible for these nations within the framework of the world market system. It supplements the operations of the World Bank which makes loans for development projects on conventional terms to countries which are able to service such loans.

The need for IDA, recognized at the time of its founding, continues and, in fact, has become of even more critical importance. The simple fact of the matter is that the poorest-of-the-poor nations simply cannot afford to borrow money on conventional terms. These countries cannot generate sufficient foreign exchange to pay for imported capital goods which they need for their development, and they cannot afford to borrow at conventional rates.

Sixty-six countries in Asia, Africa, and Latin America have borrowed money from IDA. IDA credits are generally provided only to those nations whose annual per capita income is less than $375. Yet, more than three-quarters of all IDA credits are disbursed to countries whose per capita incomes range from between $60 and $130—or between 16 and 35 cents a day. These countries number 28 and their populations total more than 1 billion. These are the people the House voted against when they denied funding for the fourth replenishment of IDA.

WHERE DOES IDA'S MONEY COME FROM?

Most of the funds for IDA come as contributions from the association's richer member countries. In addition, nonmember Switzerland contributes to the development fund. The World Bank has, in the past 10 years, transferred an additional $809 million to IDA from its net income, making it the second largest contributor—next to the United States—of IDA money.

IDA AND INTEREST RATES

IDA credits are called credits to distinguish them from World Bank loans. They bear no interest, although there is a three-quarters of 1 percent annual service charge on the disbursed portion of each credit to cover administrative costs. Repayment is normally scheduled over a 50-year period.

IDA funds are generally loaned to governments. The main purpose of the concessionary financing provided by IDA is to enable governments to pursue their development plans without being thwarted by balance-of-payments constraints.

IDA's recipient governments often relend IDA moneys to other entities (such as agricultural development banks and transportation authorities). Under this situation, the money is loaned at prevailing local commercial rates. IDA generally accepts, for relending, the established pattern of interest rates and amortization terms which have been fixed by the governments concerned for all internal loans to autonomous entities and enterprises. Thus, the financial discipline in the use of capital provided by local rates of interest remains imposed.

The purpose of an IDA credit destined for an agricultural development bank, for instance, is to provide the bank with funds, and especially foreign exchange, to meet the needs of its clients. The purpose of the credit is not to subsidize the ultimate borrower, though some subsidy may be involved as the ultimate borrower might no longer depend on village money lenders charging exceeding high rates of interest.

The small holder farmer who goes to his bank for an agricultural credit made available by an IDA credit will borrow only if he has reason to believe that the increase in his productivity—made possible by the credit from the local bank—will exceed the interest rate of the money he has borrowed. And, in the long run, the government can also look forward to the time when repayment to IDA of the money it has borrowed can be made without any additional burden on its meager foreign exchange resources—thanks to the increased output of its farmers for whom the money was (in this case) ultimately intended.

TESTS FOR PROJECT FINANCING: IDA AND THE BANK

Before a project is ever brought before IDA's Board of Directors—a Board of 20 members representing 112 countries—certain basic questions must have been resolved by Bank staff members responsible for the project.

Is the project of high priority for the economic development of the country? Are there alternate sources of finance available, thus perhaps obviating the need for IDA funds?

Does the project's analysis lead to the conclusion that the economic rate of return will be sufficiently high? Have technological alternatives been adequately considered, and have correct technical solutions been found for the project in question? Is there enough market demand for the output of the project? Are the project's procurement procedures such that the borrower will get the best value for his money? Will the projects be able to meet its financial obligations when it is in operation?

These are only some of the questions asked by IDA when appraising a project for which financing has been requested.

Studies made by IDA indicate that the average economic rate of return for IDA projects is about 15 to 20 percent and sometimes as high as 25 to 30 percent.

WHAT HAS IDA DONE?

There are one and a quarter billion very poor people in IDA's world of about 70 poor nations.

They include the more than 8,000 unemployed farmers in Mauritius, who will gain both temporary and permanent productive employment through civil works projects on that island republic ($4 million credit for rural development—July 5, 1973);

They include the 4,000 ranchers in Botswana whose incomes will be raised through their increased exports of beef $3.3 million credit for a livestock development program—July 5, 1972);

Many work in the 180,000 acres of northwest Bangladesh which, because of IDA, will be irrigated for the first time ($14 million credit for tubewell irrigation—November 6, 1972);

They include the 10,000 secondary schoolchildren in Paraguay who will receive an education that will be responsive to their nation's manpower needs ($5.1 million credit for secondary education—December 14, 1972);

They include the 18,000 people who will find employment in Morocco as a result of an IDA credit for citrus, vegetable and livestock development on about 4,000 farms ($10 million credit, together with a $24 million Bank loan for agriculture—October 10, 1972);

They include 3,000,000 Egyptian farmers who in the future need not fear the scourge of bilharzia, an endemic, debilitating disease carried by snails ($36 million credit for a drainage project and bilharzia control program—June 12, 1973);

They include the 6,400 low to middle-income families in earthquake-shattered Managua who will have adequate and safe housing ($20 million credit to Nicaragua for a reconstruction program—May 10, 1973);

They include 40,000 Thai rice famers who will be able to double their output through an irrigation improvement project in the northern Chao Phya plain ($5.5 million credit for the Chao Phya irigation improvement project—April 5, 1973);

And among them are the millions in the six Sahelian countries of western Africa who will be helped to reestablish their self-sufficiency through redevelopment and improvement of their farms and herds by a $14 million credit for drought relief November 1973.

An area the size of the State of Tennessee (or the Central American country of Honduras) is being brought under cultivation or is being improved for agricultural purposes by IDA; roads which, if laid end to end, will almost girdle the world, are being improved and constructed through IDA credits; ship berths have been constructed and thousands of railway freight cars are being purchased, water supply systems for more than 16 million people are being improved, millions of kilowatts of electric generating equipment are being installed—all from IDA credits. And all this has been done in less than 14 years.

The cost may have been high—over $6 billion to date (more than four-fifths of IDA commitments have been earmarked to cover foreign exchange costs only)—but that $6 billion has come from those few countries of the world favored by history and geographical accident. An amount one and one-half times as large will come from the IDA recipients themselves, as IDA credits have historically supplied only 40 percent of the total costs of the projects they have financed.

IDA COMMITMENTS: WHAT THEY ARE FOR

Almost $1½ billion for agriculture, more than a billion and a half dollars for transportation, almost a billion dollars fairly equally divided between education, telecommunications and industry, and almost a half billion dollars for power. Population projects, water supply and sewerage, funds for tourism, urban development. Technical Assistance. These are the what of IDA:

Purposes

(In US$ millions as of June 30, 1973)

	IDA Credits
Agriculture	1,612.9
Education	380.3
Industry	280.7
Non-project *	1,000.0
Population	39.2
Electric power	481.6
Technical assistance	14.0
Telecommunications	320.4
Tourism	14.2
Transportation	1,428.3
Urbanization	30.3
Water supply and sewerage	161.5
Total	5,763.4

*Includes industrial imports, reconstruction and rehabilitation.

IDA COMMITMENTS: WHERE THEY GO?

Almost $4 billion to nations in Asia; three-quarters of a billion dollars (almost) to countries in East Africa; more than a half billion to developing nations in North Africa and the Middle East and Europe; somewhat less to West Africa, and less still—but almost a quarter of a billion dollars—to the poorest countries of Latin America. This is the where of IDA.

DISTRIBUTION BY REGION, AS OF JUNE 30, 1973

[In U.S. dollar millions]

Area	Number of credits	Amount
Africa	172	$1,107.8
Asia	176	3,899.3
Europe, Middle East, North Africa	55	520.7
Latin America and the Caribbean	36	235.6
Total	439	5,763.4

IDA COMMITMENTS: FOR WHOM ARE THEY INTENDED?

The who include almost 1 billion persons who today live in a condition of life so degraded by disease, illiteracy, malnutrition, and squalor as to deny its victims basic human necessities.

The degraded condition of life in which they—for the want of a better word—"live", is one that holds out little hope and fewer chances. IDA is one hope, one chance; a hope and a chance large compared to others that may exist, but small compared to the need. IDA funds cannot, and do not, make the rain fall on the parched Sahel region of western Africa, nor do they repair the human and material damages visited upon Bangladesh. They can, however, provide the difference between total disaster and tolerable conditions and they can provide the push permitting the poor the chance to join the family of nations as an equal in deed as well as word.

THE INCREASING NEED FOR IDA

IDA funds are becoming increasingly an important factor in providing the development finance needed by the poor nations for their development. Without concessionary finance, development in many IDA-eligible countries would be drastically curtailed, so burdened are they with rising debt service demands. A cutback in IDA commitments would severely damage the development plans of many of the world's poorer countries. Many nations cannot afford to borrow money at conventional rates at all, and are, therefore, dependent entirely on concessional development financing. IDA is the world's most important source for development finance on concessionary terms. Without IDA, the development of countries both small and large—Upper Volta as well as India, Tanzania as well as Bangladesh—would be grievously curtailed.

Nor can much hope be pinned to any increase in the current flow of bilateral financial aid on concessional terms by the rich nations to the poor nations. Indeed, the total level of assistance by the developed world is but half the target—0.7 percent of gross national product (GNP)—set for 1975 by the United Nations Strategy for the Second Development Decade. Though net IDA disbursements by the 16 member countries of the Development Assistance Committee (DAC) increased by 32 percent in the period 1967–72, the significance of these increases was reduced greatly through the effects of inflation and by variations in exchange rates. During that same period, the GNP of the 16 DAC nations rose 63 percent, while concessional financing, expressed as a proportion of GNP fell from 0.42 percent to 0.34 percent.

During the last 2 years for which statistics are available (1971, 1972), net official development assistance (ODA) rose by 12 percent in 1972 to $8.6 billion; inflation and exchange rate variations, however, cut the rise to a real increase of about only 1 percent.

IDA: THE FOURTH REPLENISHMENT

A fourth replenishment of IDA's resources totals $4.5 billion over 3 years, starting June 30, 1974, the amount to be divided up among two dozen of the Bank's richer member nations (16 countries of Europe, plus Canada, Australia, New Zealand, Japan, Kuwait, Israel, South Africa, and the United States) and nonmember Switzerland. Or: About $2.40 per person per year in the United States; $2.75 per person per year in Germany; about $3 a year per person in the United Kingdom; more than $30 a year from each Kuwaiti.

IDA AND THE FOURTH REPLENISHMENT: THE ROLE OF THE UNITED STATES

The role of the United States in the replenishment of IDA's resources is a crucial one. It was the United States that made the first formal proposal—in 1958—for the establishment of IDA when Senator MIKE MONRONEY introduced a resolution to that effect in the U.S. Senate. In late 1959, the Board of Gover-

nors of the World Bank adopted a resolution proposed by the U.S. Governor, Secretary of the Treasury Anderson, requesting that the Bank's Executive Directors formulate articles of agreement for IDA.

The United States provided the political and legislative leadership that resulted in IDA. For the first replenishment (1964), the U.S. share came to 42 percent of the total; in the second replenishment (1968), the share dropped to 40 percent, a figure matched in the third replenishment (1970). For the fourth replenishment, however, the U.S. share comes to but 33 percent of the total $4.5 billion figure.

The U.S. share is still the largest among contributing countries, and remains three times as large as that of either Germany, the United Kingdom, or Japan—the next three countries by size of contribution. This should not be considered to be surprising, however, since in 1972 the gross national product (GNP) of the United States was about four times as large as that of Japan which among the contributing countries had the next largest GNP, about four and a half times as large as that of Germany, and seven and a half times as large as that of the United Kingdom. Also, a country's share in the combined GNP of contributing countries is regarded as a good indicator of its economic strength and hence of its ability to provide development assistance. In 1972, the United States share of the combined GNP of contributing countries was 43 percent and was thus significantly higher than its 33-percent share of the fourth replenishment.

As in the past, the agreement reached by the donors specifically states that no contribution shall become payable until 80 percent of the contributions have been pledged. This, in effect, means that since the U.S. share comes to 33 percent of the total, any IDA replenishment is effectively stalled until legislative approval for IDA funds is reached in the United States. And, any lessening of America's pledge would unravel the "Nairobi Agreement" on the terms of IDA's fourth replenishment, painstakingly reached among the 25 donor countries last September after almost a year of negotiations.

With all that is at stake, I hope the Senate reverses the action taken by the House earlier this year. It is critical that we act in a responsible manner.

STATEMENT OF SENATOR EDWARD W. BROOKE ON THE PROPOSED CONSTITUTIONAL AMENDMENTS REGARDING ABORTION

Mr. BROOKE. Mr. President, last year, in perhaps its most controversial decision of the past decade the U.S. Supreme Court ruled that a woman has a constitutional right to terminate her pregnancy under certain circumstances.

The decision, instead of resolving the abortion issue, has precipitated an intensification of an already heated debate. Opponents and proponents of the decision have flooded Capitol Hill with hundreds of thousands of letters. This attention has focused primarily on the various proposed amendments to the Constitution, designed to overturn the Supreme Court decision.

Because I have many reservations concerning these amendments, I cannot in good conscience support the efforts to enact them.

In order to discuss the constitutional amendments, it is first necessary to understand precisely what the Supreme Court decided. In the companion cases, Roe against Wade, and Doe against Bolton, the Supreme Court held: First, that during the first trimester—usually meaning the first 13 weeks of gestation—the decision to have an abortion must be left solely to the woman and her doctor; second, that during the second trimester, Government regulations "reasonably related to maternal health," such as licensing of the facility and its personnel, are permissible; and third, that after the 26th or 27th week of pregnancy—when the fetus is potentially capable of life outside the mother's womb—anti-abortion laws may be passed to protect the State's "interest in the potentiality of human life," but that abortion prohibitions must make exception for the preservation of the woman's life and health.

Regrettably, confusion still exists as to what the Supreme Court actually allowed. For example, some contend that the decision authorizes "abortion on demand". This is not so. The Court held that based on her right to privacy, a woman has a qualified right to have an abortion. But, this right, as outlined above in the summary of the Court's holdings, is dependent on a number of factors.

Second, the Supreme Court decision does not force anyone to do anything that would be inconsistent with one's religious or personal beliefs. In fact, the essence of the Supreme Court decision is freedom of choice. The Government assumes a neutral position. It forces no one to have an abortion, nor does it compel anyone to perform an abortion.

On the other hand, I fear that the proposed constitutional amendments might preclude individuals from acting in accordance with the dictates of their consciences. In these amendments the Federal Government assumes an affirmative role. It can be argued that the religious or personal beliefs of some would be imposed upon others. If so, I believe that these amendments might endanger a central Judeo-Christian tenet—freedom of conscience. Such a result might also be violative of the spirit of the first amendment's freedom of religion clause. I am apprehensive about endorsing any measure that might threaten one of our most precious heritages.

In considering whether one should support one of the proposed amendments, it is also important to ask a practical, realistic question: Will this amendment stop abortions? Available evidence suggests that passage of an amendment would merely restore the practice of millions of illegal abortions—many under back-alley conditions—that have prevailed until recently. This would mean a return to high maternal death rates, unequal treatment of poor women, and an increase in abandoned, abused and unwanted children. In addition, severe laws would again be permitted with criminal penalties for women who feel they must prevent childbirth. We must ask ourselves whether approval of such a constitutional amendment would create greater problems than it would solve.

Another consideration is my reluctance to use the constitutional amendment process to solve the social problems that beset our country. In recent times there seems to be a disturbing trend to resort to a constitutional amendment as a panacea. In addition to threatening the independence of the judiciary, I believe that this tendency distorts the concept of our Constitution. It was not meant to be the repository of every proposed solution to every social ill.

In addition to the aforementioned factors, one other major reason contributes to my disinclination to endorse a constitutional amendment. Too many important and relevant questions remain unresolved. As the recent abortion hearings before the Senate Subcommittee on Constitutional Amendments amply demonstrated, many issues deserve to be thoroughly studied. Included would be consideration of the legal status of the unborn child, the intention of the framers of the 14th amendment regarding the meaning of a "person," the origins and limitations of the "right to privacy," the rights of the father of the unborn child, the medical and psychological consequences of abortion, et cetera. If the subject of abortion is to be fully and fairly treated, all these issues must be comprehensively examined.

The cumulative effect of all these reservations is to make me quite dubious about the merits of these constitutional amendments. The available evidence appears to indicate that passage of such an amendment would only exacerbate an already difficult situation.

The abortion question is truly agonizing. I am fully sympathetic to the views expressed by individuals on both sides of the issue. I do hope that all involved in the debate will remain tolerant of one another's beliefs. Unfortunately, on occasion, the debate has been marked by uncommon bitterness.

Although we may believe our causes to be right and just, we must still respect differences of opinion—especially on an issue that embodies so many legal, moral, medical, religious, and sociological factors.

DÉTENTE

Mr. MONDALE. Mr. President, the Secretary of State soon will be leaving for Moscow to prepare for another United States-Soviet summit meeting. Naturally, we wish him well in his efforts to further détente, to control strategic nuclear arms, and to bring a more lasting peace to the Middle East.

However, there is another issue of great importance which I believe that Secretary Kissinger should raise directly with the Soviet leadership. That is the

issue of limiting a naval arms race in the Indian Ocean.

With the opening of the Suez Canal, the prospect has been greatly increased of a significant competition in this area of the world. Indeed, the Defense Department is requesting $29 million in its supplemental appropriation to expand U.S. naval facilities on the British-owned island of Diego Garcia.

This $29 million must be viewed as only a first step. And a step which will inevitably be matched by the Soviet Union. As the military analyst, Victor Zorza, has stated:

In both countries—

Meaning the United States and Soviet Union—

the naval lobbies have been using the Indian Ocean because of the proximity to the Persian Gulf oil routes, as the bogey with which to push politicians into crossing a new strategic threshold.

Secretary Schlesinger has been perfectly clear about U.S. intentions in regard to Diego Garcia. He stated on February 5 to the Senate Armed Services Committee that his—

Purpose in regard to Diego Garcia is to provide us for the first time with a base in the Indian Ocean—so that if it were necessary for us to move in that area and station forces that we would have a facility.

Mr. President, I believe that before trying to provoke a naval arms race in the Indian Ocean this administration should seek to limit naval deployments in that area. General-Secretary Brezhnev in June of 1971 called for negotiations with the United States on the mutual limitation of naval deployments. He specifically cited the Indian Ocean as a region of interest. There has never been a public U.S. response to this initiative.

A few days ago, a resolution was introduced into the Senate calling for naval limitations in the Indian Ocean. I support the objectives of that resolution. But with Secretary Kissinger's imminent negotiations in Moscow, I am afraid that the resolution may be too little and too late.

The time for action on the part of the administration is now. The Secretary of State spoke yesterday about a conceptual breakthrough in SALT. I wish him well in getting such a breakthrough. But we also need a conceptual breakthrough in the field of conventional arms. And seeking a Soviet agreement in principle to limit the naval presence of the United States and the Soviet Union in the Indian Ocean is precisely the kind of conceptual breakthrough we need in order to avoid a 20th century version of the 19th century game of gunboat diplomacy and balance-of-power politics in remote regions of the world.

I do not believe that the Senate or the Congress can favorably act on the administration's request for Diego Garcia unless the administration can demonstrate good faith in having seriously attempted to stop a naval arms race in the Indian Ocean before it begins.

THE UNITED STATES STILL OVER THE OIL BARREL

Mr. DOMENICI. Mr. President, I am extremely glad that the Arab oil boycott has been lifted. The conditions of the "lifting," however, are not encouraging. On March 6 I expressed my hopes for a reduction in oil prices. The prospects for this decrease do not now appear very bright. In today's Washington Post Hobart Rowen illustrates how we are still "over the barrel." I ask unanimous consent that Mr. Rowen's article "The Oil Crisis Will Continue" be printed in the RECORD for consideration by the distinguished Members of this body.

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

THE OIL CRISIS WILL CONTINUE

(By Hobart Rowen)

The Arab oil weapon has temporarily been laid on the shelf, within easy reach by the managers of the exporters' cartel. It has not been abandoned, and it would be a mistake for the American public to delude itself into thinking that the Vienna announcement of the lifted embargo has more than marginal meaning.

So long as prices for oil remain skyhigh—triple what they were prior to the embargo—and so long as production levels are carefully controlled by the oil-producing states, the oil crisis will continue.

Of course it will be difficult to sustain public concern about the oil crisis if gasoline becomes somewhat more readily available—albeit at prices nudging 70 cents a gallon in the East.

But the most difficult problem created by high oil prices—the potential for economic recession in the industrialized world—remains unsolved.

As much as $50 billion to $60 billion must be transferred from the oil-consuming nations to the oil cartel this year to pay for increased costs of oil—a sum which threatens vast dislocations here and abroad.

No one has yet figured out how the consuming nations will pay the bill—or how the exporting nations will use or invest the vast sums they receive—once they're paid over.

But the terms of the lifted embargo, as made public in Vienna, carefully eschew any guarantee of increased production which would tend to assure a softening in prices, Iran and Algeria, to the countrary, have been arguing loudly for yet another increase in price.

The remaining potency of the oil weapon, moreover, should be seen from the Arab statement which warns that "Israel alone" will bear the responsibility for "more severe oil measures, in addition to the other various resources which the Arab world can master in order to join the battle of destiny."

Plainly, this is a threat to use not only oil itself, but oil money, as it piles up, as a bludgeon over the West. By moving large blocks of capital in and out of money markets, for example, a concerted drive by the oil cartel countries could shake Western currency markets. Demand for payment in gold, from those who have limited supplies of gold, could also weaken the financial underpinnings of the West. And large-scale industrial and commercial investments in industrialized countries could provide the Arab nations with a degree of leverage over economic prospects and job opportunities.

It is not at all far-fetched to visualize a scenario in which the embargo might be threatened again unless the industrialized countries step up their aid programs for the hard-pressed African countries who have given the Arabs political support.

Faced with the Arab nations' clearcut success in the initial round of the oil war, it is disconcerting to see the potential for joint action by the consuming nations fade away in a welter of acrimonious debate between President Nixon and Europe.

Europe—dominated by France—seems determined to pursue bilateral deals with the Arab nations. If the United States were to sacrifice principle to be assured of a steady flow of Arab oil, it could elbow the French and British or anyone else out of the way, especially with Iran and Saudi Arabia, offering them as much money and technology and certainly more security than any combination of European nations.

Because it has not succumbed to blackmail, the United States has so far not chosen this course. Hopefully, the Nixon administration will not be panicked by the new harsh language in the cartel's Vienna announcement, or by a political need for some new diplomatic "success" to offset Watergate troubles.

We can anticipate a flood of fairly optimistic assessments from the major banks and the big oil companies who are heavily engaged with the producing countries in oil and money matters. It isn't reasonable to look to bankers or oil presidents for a re-statement of the need for independence from Arab oil.

But if that crucial drive gets lost in a misplaced euphoria over a slight jiggle in the use of the Arab oil weapon, it will be a shame. They have the ability to turn the oil supply valves on and off at will. They make no pretense of their willingness to use their oil and new found wealth as political blackmail. A policy that doesn't recognize this as a fact is suicidal.

We hardly needed to be told that the embargo will be "reviewed" June 1. Only a year ago, Saudi Arabian Minister Zaki Yamani was saying that oil would never be used as a political weapon. Now, we know (or should know) that no assurance from the Mideast exporting countries means anything.

The oil cartel has created a vast uncertainty over a vital supply, with the combination of oil and money forged into a devastating weapon. So far, the Western World has evolved no effective response.

THE TWIN CITY EXPERIMENT

Mr. MONDALE. Mr. President, an article in yesterday's Wall Street Journal was notable for its candid and incisive analysis of one of the Nation's most ambitious experiments in urban government—the metropolitan council, in the Minneapolis-St. Paul area.

Created in 1967, the council has attempted to bring a new sense of coherence and planning to the many problems which beset large metropolitan areas all over the Nation. This experiment, as the article notes, has not been without problems, but it has begun to effectively address the types of concerns which must be solved if our urban areas are to improve the quality of life for their millions of inhabitants.

Mr. President, I commend this article to my colleagues, and ask unanimous consent that it be printed in the RECORD.

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

THE TWIN CITY EXPERIMENT

(By Dennis Farney)

ST. PAUL, MINN.—A friend calls John Boland "a tactician of politics" and the description fits. A visit to the Boland command post finds a gregarious man of 36, enjoying a cigar and heavily engaged in the stratagems of an ongoing battle of sorts.

It is a political battle to regain the momentum for one of the nation's most innovative experiments in urban government.

For Mr. Boland is the chairman of a seven-year-old institution called the Metro-

politan Council. The council may well be the best way yet invented to run a metropolitan area—rational, cannily tailored to political realities and already paying off in a more liveable region. Delegations of urbanologists have studied it and at least one other city, Atlanta, has copied elements of it. But for all its successes, the council has run into some political trouble.

Some members of the Minnesota legislature, which created the council, now mutter that it has grown too big for its britches. Some other units of area government with which the council must deal now charge it with high-handedness. Meanwhile, even council supporters agree that it remains rather remote to the lives of the 1.9 million people it is trying to serve. All of which explains why Gov. Wendell Anderson, a strong council supporter, handpicked Mr. Boland, a savvy state legislator with a politician's knack for persuasion and public visibility, to turn things around.

Today and tomorrow could tell whether he's succeeded or not. For the Minnesota legislature is moving toward adjournment and final action on a series of measures that would give the council new powers it badly needs. The 1971 and 1973 legislatures have balked at granting just such powers, and the issue now is still in doubt.

"We're very close to breaking through to beyond anything anywhere else in the country," says Ted Kolderie, the thoughtful executive director of the nonpartisan Citizens League, which helped lead the effort to create the council in the first place. "But it's still possible the legislation we need could fail. A hell of a lot is at stake here."

What is at stake, ultimately, is just how far a subtle and sophisticated supergovernment is going to be allowed to go beyond "planning" to "governing." That has been the underlying question ever since the legislature created the council and gave it its staggering assignment: Pull together a seven-county region that includes two major cities, 134 municipalities, a jungle of special-purpose agencies, half the population of the state and more than one-half its wealth.

THE NATIONAL SIGNIFICANCE

The national significance of the council lies in the way it was structured politically to give it real power without the bitter opposition that "metropolitan government" typically arouses.

The legislature deliberately barred the council from such purely local matters as some suburb's parking regulations or the color of its police cars. But in a few limited areas where metropolitan-wide decisions are truly necessary—areas that together determine the pace and the nature of future area development—it gave the council the authority to take action and the power to make it stick.

The council's prime power is the power to veto. It reviews the applications of other units of government in the region for federal money, and an unfavorable council comment can doom an application. More important, it reviews the development plans of such other area-wide agencies as the sewer board, the transit commission and the airport commission.

Projects by such agencies, of course, can determine the future location of everything from subdivisions to heavy industry. So if the council finds a project inconsistent with its own ideas of where those subdivisions and industries ought to go, it can simply veto it and ask the operating agency to come back with a better idea. (The agencies may appeal to the legislature however.) One bill now before the legislature would empower the council to review and at least delay any project of "metropolitan significance," be that project either public or private.

Since 1967 the council has used its power aggressively. It has solved the problem that prompted its creation—metropolitan growth had outrun the sewer system—though a major expansion of the system. It has twice blocked the Metropolitan Airport Commission from building a new jetport in an ecologically unfavorable area. It compelled a reluctant suburb to accept subsidized housing. It has barred any more freeways through Minneapolis or St. Paul. It is moving toward a land-use policy that will minimize urban sprawl. And it is into everything from cable TV to criminal justice.

But while it was making all those decisions, it seems, the council neglected the business of cultivating grassroots support. "You know, it's hard to appreciate the beautiful symmetry of a metropolitan sewer system," says one council-watcher. "The council has yet to be seen by the man in the street as a problem-solving agency that's doing good for him."

And without enthusiastic grassroots support, the council lost ground in the legislature as the inevitable complaints came in from agencies and officials it had thwarted. To be sure, the council is in no danger of being abolished or even of being scaled back. But consecutive legislative sessions have balked at bills that would make council members elective (they're appointed by the governor now), tighten its control over semi-independent entities like the transit commission, and give the council the tools for such things as preserving open space and attacking area housing needs.

What really counts is "the power to say what is going to happen," says Mr. Kolderie. "And that's what's now at issue here—whether these decisions of what to build, and when and where, shall be made by the council" or somebody else.

Dramatizing this fundamental issue has been a noisy debate over the kind of mass transit system this region should have. In late 1972 the semi-independent area transit commission was moving toward a commitment to a rail system. But the council members seem to have reasoned that, just as wars are too important to be left to the generals, the transit decision was too important to be left to the transit experts. It was all bound up with larger considerations. So the council cut the transit men off at the pass.

Before the transit people could make their final recommendation, the council recommended an expanded bus system instead. The infuriated transit people appealed to the legislature. And the legislature, in turn, decided it had better get into the act itself.

Now the legislature is about to vote on a measure that would strengthen the council's authority to determine regional transportation policy, which the transit board would then carry out. But at the same time the legislature has made it clear that it expects to have a voice in that policymaking—and that it is going to keep an eye on future council assertions of power.

THE LESSON

Gov. Anderson thinks there is a lesson for the council in all this. The lesson is to not take the legislature for granted.

"I think what the legislature has been saying to the council is 'look, you're our creature. We created you.'" he says. "Jealousy is probably too strong a word for it. But the legislature wants to remind the council who it's working for."

This lesson isn't lost on John Boland, the governor's appointee. "The legislature likes the council, likes its innovativeness," he says. "But at the same time there is a nagging doubt about just how far the council ought to go." Mr. Boland has been trying to ease those doubts in low-key talks with his former legislative colleagues. At the same time, he's working hard to rebuild local support.

In the first few months of his chairmanship he visited more than 100 of the 134 municipalities in the region. He also dispatched sometimes grumbling council members to local meetings and began setting up advisory committees of local officials. "If things ever get head-to-head with the local communities, we're going to lose," he says. "Because legislators listen to local officials."

Another element of the Boland strategy is to rein in his planners, who have sometimes antagonized local officials with a brusque approach to things. "Planners, many of them anyway, are not politically sensitive," Mr. Boland says. "They get up and talk in plannerese, and you're in trouble."

The next few days may only partly suggest how well the Boland strategy has worked. It may even be, as Ted Kolderie suggests, that another seven years will be required before the council evolves into its final form. But it's worth noting that while a single council misstep in some states might have brought forth legions of legislators ready to do the council in, nothing of the kind has happened here. This is merely additional testimony to a pattern that numerous social commentators have observed in Minnesota—a rare openness to change, an uncommon commitment to common sense solutions to problems that might ensnarl other states in unproductive controversy.

And in the end the problems here—as in most metropolitan areas—do boil down to common sense answers to a few basic questions. Which are local problems and which are regional ones. Who makes the tough decisions? Who, really, is in charge of things? The Twin Cities area has clearly sorted things out and come up with a system that works.

That system has taken root for the long haul. But there remains a very real question of how much power the Metropolitan Council is going to be allowed to acquire. That is going to depend on the legislature, the governor and the persuasiveness of a "tactician of politics" named John Boland.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, if someone were to ask me if Americans say what they believe, I would answer yes they do. If someone were to ask me if Americans are a genocidal people, I would just as quickly answer no we are not. And then if someone were to ask me why the United States is not a member of the Genocide Convention, outlawing the hideous destruction of a racial, ethnic, religious, or national group by any person or other group, I would not be able to answer so quickly.

Indeed, Mr. President, I do not understand myself why it has taken so long to ratify the treaty which was first sent to this body in 1949. It has had the support of every administration in the past 25 years. It was unanimously accepted by the United Nations General Assembly. And yet it cannot seem to pass through this body.

If we Americans truly do say what we believe, and if we believe that the destruction of one people by another is to be punished and deplored, then we must advise and consent to the treaty.

If we do not take this action in the very near future, Mr. President, it will be as if we, all of us in these United States, condone the practice of genocide.

It should be clear enough to every American that we must ratify the treaty.

MILWAUKEE JOURNAL SERIES ON FOOD

Mr. HUMPHREY. Mr. President, the Milwaukee Journal recently published a four-part series on food which I commend to the attention of this body.

The first of the articles, "Security Seen in Proposed Food Reserves," deals with whether we need a system of grain reserves. I believe that we should develop ways to insulate agriculture from the effects of weather and offset severe production swings. Other positions are also discussed including that of Secretary Butz as being opposed in principle to a Government-held reserve system and that of a group of private economists who believe that the issue of an international grain reserve should be tied to attempts to improve agricultural trade by gradually lowering tariff barriers.

The second article, "High Protein Oats Did Well in State", describes research work which has been going on at the University of Wisconsin to develop a high protein oat variety.

"Food Scientists Concentrate on Proteins of the Future," the third article in the series, describes research being conducted to increase the available supply of protein in the world's diet. Work is ongoing on fish protein concentrate, leaf protein concentrate, and single cell protein. Researchers are particularly optimistic that low-cost edible leaf protein concentrate can be produced from alfalfa.

In the single cell protein field, efforts are underway to extract protein from whey, the byproduct from cheese-making. Single cell proteins are described as having as much promise as any.

The final article, "Experts Foresee No Decline in Nation's Meat Choices," indicates that meat will continue to be a mainstay of the diet through this century even though there may be problems in the future such as bacteria which are resistant to antibiotics.

Mr. President, these articles describe exciting and important work, and I believe we need to do our best to stay informed. Toward this end, I ask unanimous consent that these articles be included in the RECORD.

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

[Series from the Milwaukee Journal]

(Part I)

SECURITY SEEN IN PROPOSED FOOD RESERVES

The world food situation of the past year signals the need for international strategic food reserves, according to Sen. Hubert H. Humphrey (D-Minn.), chairman of the Senate Subcommittee on Foreign Agricultural Policy.

"Unless we can find ways to insulate agricultural production from the effects of weather or unless the world develops a system which insures the availability of reserves large enough to offset the production swings, consequences for the farmers and consumers of the world will become increasingly disastrous," Humphrey said in the foreword to a report titled "World Food Security."

The Food and Agriculture Organization of the United Nations pointed out in its food security proposal, which is reproduced in Humphrey's report, that "for the first time since 1952, the new (crop) season has opened with cereal stocks in exporting and importing countries at levels which give no assurance of adequate supplies . . . in the event of large scale crop failures."

SHARED COSTS

The FAO's proposal, like the others, calls for individual nations to adopt domestic stockpiling policies which would allow a combined international security level.

Another proposal, by a group of private economists, calls for additional international sharing of costs of a creating and storing strategic food stocks earmarked for developing nations in time of famine.

The report, which was prepared by the Congressional Research Service, pointed out that historically the wealthier nations were opposed to the "concept of an international food basket", fearing that such an ideal would threaten markets.

BUTZ OPPOSED

US Agriculture Secretary Earl Butz' reaction to the FAO proposal had been called complacent and callous by proponents of a world reserve.

Butz claims that if a "fixed pattern of supply commitments and a centrally controlled inventory system (such as would be created under a reserve system) has been in effect in the past year, the US farmers would not have performed as well in supplying world needs.

"Still," he said, "there is unquestionably a need to have some system of guiding and encouraging countries to rebuild stocks and carry them forward to cover world requirements in years of scarcity."

He added later in a talk at an FAO conference in Rome that "there is no reason that grain producing countries should carry commercial reserves for all the world's potential paying customers."

PREFERS EMERGENCY AID

But he stated US willingness to participate in food relief in crises. He pointed out that since the enactment of Public Law (PL) 480 in 1954, the United States had provided more than $25 billion in food aid under the program created by the law.

"We believe . . . that this is a good time to consider arrangements that would spread the responsibility and opportunity for food aid and relief more broadly among nations," Butz said.

The report pointed out that under the Food Aid Convention of the International Wheat Agreement the US has pledged 1.9 million metric tons of food grains annually to needy countries—slightly less than half of the total pledges. The US pledges are made under PL 480.

LINK TO TRADE WANTED

A group of private economists sponsored by the Brookings Institution believes that the question of an international grain reserve should be tied to attempts to improve agricultural trade by gradually lowering protective barriers "so as to make more effective use of the world's agricultural resources."

Such discussions should be part of the General Agreement on Tariffs and Trade (GATT) negotiations this year, they think.

The economists pointed out that during the postwar period, the barriers to industrial trade "have been progressively whittled away, while restrictions on imports of farm products . . . have persisted and been tightened, with a necessarily divisive impact on the comity or friendliness of nations."

"To make a significant start on reversing this trend would be a contribution not only to efficiency in using scarce resources, but also to reducing measurably the area of international discord," according to the economists.

CO-OPERATION OR CRISES

The alternative to international co-operation on a food security reserve, the economists said, was a possible recurrence in a few years of crop surpluses with attendant spreading protectionism, competitive dumping, retaliation against subsidized exports and the large scale use of food grains for animal feed.

And, should a major producing nation have a crop failure, the reserves to cope with it would be available only by accident, they claimed.

HIGHER PROTEIN OATS DID WELL IN STATE

(Part II)

MADISON, WIS.—H. L. Shands, University of Wisconsin agronomist, says that Dal, the high protein oat variety released by the university of 1972, performed well in the state last year, a prerequisite to its eventual use by consumers.

In report from 68 growers, Dal averaged 56.4 bushels per acre compared with 48.3 bushels for the next best variety.

Shands said that reports from the UW's nursery show that Dal also is maintaining its 2 percentage point spread in higher protein content—about 19% in the groat (hullless kernel), compared with 17% or less with other varieties.

Shands explained that results of this type are fast making the variety commercially acceptable among farmers. And that, he added, is necessary to make the high protein trait useful.

BRED FOR RUST RESISTANCE

Dal, a variety on which Shands has been working during much of his 44 year UW career, was not bred for added protein content. But when interest in nutritional content sharpened in 1967, Dal was among the varieties Shands tested. He found it to be tops in protein.

The goal in breeding Dal was crown rust resistance, a trait that aided its yield advantage over other varieties this year because it turned out to be a bad year for rust, Shands explained. (Crown rust is a plant disease caused by fungi.)

ONE SEARCH LED TO TWO

It was this search for crown rust resistance that gave impetus to the search for high protein in oats, Shands explained.

The U.S. Agriculture Department imported a variety from Israel noted for rust resistance. A nutritional analysis performed on the variety—avenis sterilis—showed that it contained 26% to 30% protein. "They just about went wild, but the next question was: 'How do we harness it?'" Shands said.

That question remains unanswered.

Shands explained that the sterilis variety had "bad habits" such as shattering—dropping its seeds before maturity. Also, yields were low.

Shands still is working cautiously on incorporating the Israeli oat variety in cross breeding programs in an attempt to capture that high protein without losing other needed oat traits.

Shands said that when he started this research he had to scratch around for money to get his samples analyzed for protein. Then three years ago, USDA located its National Oat Quality Laboratory on the UW campus.

Vernon Youngs, director of the lab, said that oat breeders from 15 states sent more than 26,000 samples from the 1972 crop to the lab for protein analysis.

SEARCH FOR SUPPLEMENT

Besides basic studies of the functions of the oat plant related to protein, scientists are working on techniques to economically remove the protein from oat groats to form a high protein concentrate for use as a food supplement, Youngs said.

The two varieties of high protein oats already released—Dal and Otee developed at the University of Illinois—show practically no loss in amino acid balance, a measure of protein quality, Youngs said.

Shands said that oats contain a higher percentage of lysine—4% of total protein content—than any of the cereal grains.

YIELD VALUED MORE

Youngs pointed out that in the past, oat breeders were concerned with developing oat varieties that were high yielding, had large, plump kernels and were disease resistant. They were successful, he said, but they also created a lower protein concentration in the oat kernels.

Shands explained that this slippage in protein content had worried the oat processing companies such as Quaker Oats Co. Quaker has been a consistent sponsor of his work, he said.

Shands believes that "we will be able to lift the protein percent of oats even higher than Dal. The plant type that goes with it (the higher protein) is going to be a little lower in yield, though."

Whoever uses it will have to pay more for the oats because farmers will not grow lower yielding varieties without a premium, Shands explained.

So far in feeding tests, chickens have gained more efficiently on Dal, compared with normal oats. "We haven't tested on humans, but there is no reason to expect different results," Shands said.

BETTER BREAKFAST AHEAD

Besides advantages as an animal feed, the high protein oats could be used to bolster the protein in breakfast foods or other prepared foods, Shands said. Or, through a selective milling procedure, oat protein could be used to enrich wheat flour. But it has got to be economically feasible, he said.

The oats fit either one—direct feeding to humans or conversion into livestock products, Shands said.

FOOD SCIENTISTS CONCENTRATE ON PROTEINS OF THE FUTURE

(Part III)

(By David M. Skoloda)

MADISON, WIS.—FPC, LPC and SCP all spell "protein" in the language of the food scientist.

They stand, respectively, for fish protein concentrate, leaf protein concentrate and single cell protein—all possible additions to the world's diet provided they can be provided economically and in forms that people will accept, according to C. H. Amundson, a University of Wisconsin food scientist who has performed research in each of the three areas.

WORK ON ALFALFA

In research on leaf protein concentrate, Amundson is part of a UW team developing a process by which alfalfa is dewatered and the juice reduced to a protein concentrate powder.

His first contribution to the group, he said, was to modify the drying method to produce a concentrate that would remain in dispersion in a liquid so it could be fed to calves.

The process is designed to permit farmers to harvest their alfalfa at its peak nutritional quality regardless of weather. The residue after the dewatering retains sufficient nutrients to be adequate feed.

The 40 to 55% protein concentrate obtained from the juice and used as a ruminant animal feed supplement has proved effective in feeding trials, according to Neal Jorgensen, UW dairy science professor who is in charge of the research team.

FOR PEOPLE NEXT

Amundson is now working with another product from the alfalfa juice, 80% protein concentrate. With some refinements, it could be used as a human food supplement.

John Garver and Mark Stahmann, both UW biochemistry professors also are working on the purification problem. Stahmann's research laid the groundwork for the project.

Amundson explained that the problems did not appear to be insoluble and that eventually when economic and processing problems were solved the alfalfa protein could take the place of a protein like that provided by the soybean.

WASTE USABLE, TOO?

Soybean protein has the advantage, though, of having the protein concentrated in the seed along with another usable product—oil.

In the UW's alfalfa process the wheylike residue after the protein is removed must be treated as a disposal problem, Amundson explained. But the team is investigating the use of the waste as a media to grow yeast and harvest the yeast as a protein source.

NOT ECONOMICAL YET

An economic problem that must be solved, Amundson explained, is that the harvest period for alfalfa in Wisconsin is concentrated in a short period in the summer, and plant facilities capable of processing the alfalfa would stand idle most of the rest of the year.

"If this ever is to be practical there has to be some other use for that facility," he added. He cited as a possibility the processing of protein from the alewife, a Great Lakes rough fish.

Jorgensen said that it might also be feasible to process cannery byproducts vines to remove their protein content that now is wasted.

INTEREST IN MACHINERY

H. D. Bruhn, the UW agricultural engineer who is a member of the research team, is seeking a dewatering press for the farm that could be made for about the same cost as a hay baler.

He reports intense interest by manufacturers and predicts that the project may move faster than some other machinery developments because of foreign interest "and the interest of some of our federal agencies in providing more protein in the diets of developing countries.

"The juice protein concentrate process opens up a whole new group of plants to human consumption that are now not available because of high fiber content," said Bruhn.

A report from the Western Regional Research Laboratory of the U.S. Agriculture Department, where similar alfalfa research is underway, points out that of the 20 major crops, alfalfa produces the highest yield per acre of the essential amino acids. "From a nutritional standpoint it has been shown that the amino acids of alfalfa are well balanced and at least equivalent to those of soy protein."

Researchers at the laboratory are confident that low cost edible leaf protein concentrate can be produced from alfalfa that will "be competitive with other sources of food protein," according to the report.

WORLDWIDE PROMISE

Alfalfa and other forage plants are among the world's largest renewable supplies of protein, they say.

With the proper use of alfalfa protein, they claim, there need be no protein deficit in the world. "Considering the world population as 3.2 billion and an average need for 35 grams of protein per person per day . . . it has been calculated that enough protein to meet the needs of the entire world population could be produced on an area approximately the size of Texas," the report states.

In the single cell protein field, Amundson and his associates in food science have been working on a process for extracting protein from whey, the by-product from cheese-making. The carbohydrates remaining after processing are converted into single cell protein.

The process is in commercial application in a large plant in California producing 40% protein concentrate for animal feed and 60% concentrate for human food. The plant's human food products is used primarily in bakery products. Amundson said. It includes both the whey protein and the single cell protein—in this case a yeast produced in the medium left through processing.

"Here we are harvesting a food grade material of which at least 50% is being wasted as far as human food is concerned," he said.

Single cell proteins include a wide variety of yeasts, bacteria, fungi and algae using such elements as crude oils, methane and carbohydrates as a growth medium.

Amundson said that the single cell protein "probably has as much promise as any." They would find primary use as food fortifiers, he said.

The United Nations' Protein Advisory Group Bulletin cited other examples of SCP production:

In France the British Petroleum Co. produces yeast from gas oil.

The Finnish Pulp and Paper Research Institute has a process for using pulp mill wastes in the production of microfungi which provide a nutritious animal protein supplement.

The Lord Rank Research Center in England is developing process to provide textured protein foods directly from a filamentous microfungus grown on cheap carbohydrates.

FISH PROGRESS SLOW

In the field of fish protein concentrate (FPC) production, Amundson noted that although this protein source had been available for many years, "it still hasn't found a market."

Amundson said he and his associates have developed a process that improves the functional properties of fish protein, but he expects more resistance to acceptance because of the reputation of the product.

Amundson pointed out that the higher the prices of meat and other protein sources go, "the more attractive these (FPC, LPC and SCP) look, I don't doubt that at some time in the future we will be using even more exotic protein sources than alfalfa."

Use of these products may be limited for at least two reasons, he explained.

While sources of protein are adequate, there are economic or cultural reasons why adequate protein is not available to many of the world's people.

The ruminant animal (mainly cattle) remains an effective means for converting materials into high quality protein. It may not yield as much per acre as a single cell protein, but for now "most of us would rather eat a steak than a slice of bread" (or some other product that could be fortified with SCP).

"I really don't see that you will ever take livestock completely out of the picture," Amundson said.

EXPERTS FORESEE NO DECLINE IN NATION'S MEAT CHOICES

(Part IV)

(By David M. Skoloda)

MADISON, WIS.—While some idealists are wishing that the well marbled steak would follow the gas gobbling luxury car into extinction, food scientists here believe that won't happen.

"It is my own personal feeling that in our lifetime we won't depart from traditional foods. By the year 2000, we still will be on a meat economy, possibly with extenders," according to Harold Calbert, Chairman of the

University of Wisconsin Food Science Department.

Other scientists interviewed in connection with this series share Calbert's belief. The reason: Consumer preference for animal protein products and the supposition that the world food situation will not become so critical that new food technology must be pressed into service.

That doesn't necessarily mean that everybody will have as much as he wants, as shown by the per capita decline in red meat consumption in 1973 of 11 pounds from 188.9 in 1972 to 177.9 in 1973.

The shortage of meats and resulting higher prices last year could be traced at least in part to the short supplies of feed grains internationally. While crop situation is expected to be improved this year, the increased affluence in the world and consequent increased demand for animal protein is expected to keep pressure on supplies.

POSSIBLE PITFALL

That is one of the possible production pitfalls that face producers of animal protein in the U.S. Others will be discussed in this article. Accompanying articles describe procedures and research seeking to expand production of animal protein and thus offset the effects of recent adverse developments.

The international competition for feedgrains and the resulting higher prices for farmers' crops has these effects: If the farmer is buying the grains to feed his cattle, the price of meat must return enough for him to meet the increased costs.

If consumer resistance (such as the organized boycotts last year or individual decisions to use less meat) or government controls limit his returns, he eventually must cease producing. For the farmer who raises his own feed, the grain market provides an attractive alternative to feeding it to animals, so less meat and milk is produced.

Export controls that would reserve more grains for domestic use could change this picture, but such controls are deemed unlikely considering the importance of agricultural exports in the U.S. balance of payments.

THREE YEAR PERIOD

Farmers believe that it would help if consumers understood that the signals they send to farmers through their buying patterns affect the supplies of beef far in the future.

In beef, for example, consumer resistance and government policy could affect production more than three years from now. That is the length of time from when the farmer decides to breed or not to breed additional beef cows to the time that the offspring of those breedings are ready for the supermarket meat counter. The farmer must try to decide that far in advance whether conditions will be favorable for him to make a profit.

Other government policy decisions that livestock and poultry producers are warily awaiting are requirements for pollution control that will add to the costs of animal protein production.

Some farmers are going ahead on their own at costs as high as $10,000 or more for pollution control on some Wisconsin farms. Others are holding off, but stricter regulations are in the making that will force increased investment in this area.

Such requirements could decrease production because the investments discourage some farmers from continuing livestock production and cause a switch to more crop farming. But agriculturists point out that there is much land that is unsuited for cash crop production and best suited for ruminant livestock that can convert to food the forages for which the land is suited.

Livestock producers claim greater production efficiency from the use of such feed additives as antibiotics, but the use of such additives is under examination as being possibly harmful to both animal and human health. Producers would be displeased but not greatly surprised to see even stricter regulation in their use in the US.

The use of diethylstilbestrol (DES), a growth stimulant, was banned last year with a consequent loss of 10% in beef production efficiency, according to agricultural spokesmen.

In the case of antibiotics in feed, a major advance leading to increased meat production, the Food and Drug Administration's concern is that of transferable antibiotic resistance, according to Robert W. Bray, associate dean of the University of Wisconsin College of Agricultural and Life Sciences.

Bray pointed out FDA's major concerns:

Antibiotics will create a population of resistant bacteria in the animal which will make it impossible to treat sick animals with the same or other antibiotics.

A population of resistant bacteria might be transmitted from animal to man, and this might lead to a disease that cannot be treated.

Bray said that the cost-benefit ratio must be the deciding factor in whether such production devices are used but that it was not considered in banning of DES. "The Delaney Amendment was the culprit," Bray said.

The Delaney Amendment is a federal law that means, as it applies to livestock feeding, that there will be no residues in meat of carcinogenic (cancer causing) substances fed to livestock. DES was found in minute amounts in the liver of animals fed DES, Bray explained.

EFFECT OF SHORTAGE

The potential effect of fuel and fertilizer shortages also could have its effects on livestock and poultry production. All of agriculture is heavily dependent on power from petroleum. As State Agriculture Secretary Donald E. Wilkinson put it: "Fuel in the tractor means food on the table." Also, much of the nation's fertilizers are made from natural gas.

The ultimate limitation on production capabilities is the amount of land available for agriculture.

"They ain't making anymore" is a popular expression in explaining the need to preserve and protect this finite world resource for food production.

Land use controls to protect land from development plus measures to insure proper soil conservation practices are in the offing in this important area.

SENATOR MONTOYA'S ADDRESS TO BILINGUAL EDUCATION CONFERENCE

Mr. MONDALE. Mr. President, I recently had the great honor to join the distinguished Senator from New Mexico (Mr. MONTOYA) in addressing the Conference on Mexican American Education held by the U.S. Civil Rights Commission in San Antonio, Tex.

No Member of the Senate has devoted more time and energy to the cause of bilingual, bicultural education than Senator MONTOYA. And I thought that his remarks on the role that State and local governments must play in this effort were very well taken.

Mr. President, I ask unanimous consent that the memorable remarks delivered by Senator MONTOYA at the Conference on Mexican-American education be printed at this point in the RECORD.

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

U.S. COMMISSION ON CIVIL RIGHTS CONFERENCE ON EQUAL EDUCATIONAL OPPORTUNITY

(By Senator JOSEPH M. MONTOYA)

In 1954 the Supreme Court said that a black child had the right to an equal education in the United States of America. Amazingly, in this country, in this century, it was necessary for a court to point out that the color of a child's skin had nothing at all to do with his rights to equality under the Constitution.

That decision by the Court created a social and educational revolution in America. Today we find it hard to remember that there was a recent time when black children were separated from other children as a matter of public policy, and thousands of extra dollars were spent by states and districts to build two schools where only one was needed—all in the name of a prejudice we were ashamed to admit.

A few weeks ago the Supreme Court handed down another such decision—a decision which this audience can easily accept as correct and appropriate, but a decision which will cause just as great an upheaval in education at the local level as the 1954 decision did. This time it was not skin color which was eliminated as a barrier to equal opportunity, but language and culture. This time the Court said that a child whose language was different from that of the majority was still entitled to equal educational opportunity under our laws.

It is amazing that these decisions had to be made at all in a nation which began with a declaration that "all men are created equal" and a written Constitution which speaks of securing the "blessings of liberty" to our posterity, our children and their children.

Our great pride has always been that people from many nations came here to find freedom in a land which welcomed their rich contributions and offered equality of opportunity to every citizen. America has stood in the world as a leader in man's historic struggle to define and uphold the rights of the individual.

Why should a nation have to wait for a court decision to provide equality of opportunity to its children?

There is no rational answer to that question, of course. Those of us who have struggled to convince our neighbors that minority-language children have a right to education in their own language, as well as in the dominant language, have used every argument, every idea, every statistic. But we have not succeeded in convincing them and that is obvious when we look at the history of bilingual education legislation at either the federal or the state level. We have still only been able to provide bilingual and bicultural education for a tiny fraction of the millions of children who are in need—children who have apparently been invisible to the vast majority of educators, school boards, PTA's, state boards of education and legislators.

Now a Court decision has made these children a focus of attention—the Chinese, the French, the Indian, the Mexican-American—all the special kinds of children who are part of cultures and language groups which have refused to melt into pale imitations of something they are not.

The struggle of "other language" children in America is clearest in the struggle of the Spanish-speaking children of the Southwest—and that struggle is now a matter of record in the report of the Civil Rights Commission study on Mexican-American education in five states: California, Colorado, Arizona, New Mexico, and Texas.

We have a special problem here in the Southwest now that the Court has directed us to act for minority-language children by providing them an equal chance to learn when they go to school. Seventy percent of

all Mexican-American children live in these states and one child in every five is a Spanish-surnamed child. When we combine the record painted by the Civil Rights Commission Report with the mandate we have been given by the Court, it is clear that we are going to be in the middle of another educational revolution. Are we ready?

Nowhere in the Southwest is *any* state prepared to give those children the equal opportunity which the Court says they must have—not yet.

Nowhere are there enough teachers ready—teachers who can speak to a child in his own language and understand him in relation to his own culture. The National Education Association estimates that we will need 84,500 Spanish-speaking teachers to bring the ratio even close to the number of Spanish-speaking students. Yet there were only 223,000 Spanish-origin college students in the *whole nation* as of October of 1972. Almost none of those have been taught bilingually, and only a tiny fraction of them are being prepared to teach bilingual-bicultural classes. We would have to increase Mexican-American college enrollment by 190% to even bring it up to equal representation with other Americans.

Nowhere in our five Southwestern states are there textbooks ready with the real story of the Spanish-speaking people or the Indian people of the Southwest. The real history of Texas and California and New Mexico was begun by the forefathers of many of the children who still live in those states—but that history has never been a part of the history lesson in our schools. The textbooks will have to be rewritten to remove inaccurate and insulting material—and to include the truth.

Nowhere in those five states are there education laws or state education budgets which are ready to handle the massive changes in education programs which our new awareness will demand. New Mexico, California, and Texas have new bilingual education laws—but none has sufficient funding to do more than provide token answers.

In no single one of those five states are there enough Mexican-Americans at *any* level of the education hierarchy—not enough on school boards, in state boards of education, in school administration, on teacher-training faculties, in professional associations, in legislatures—not even in local PTA's!

Not a single one of those states has a law *requiring* bilingual/bicultural classes in schools where there are more than twenty "other language" children. No matter how *high* the percentage of Spanish-speaking children in any district, no one of these five states has yet required that teachers and counselors and administrators be certified as qualified to teach or work with language-minority children.

The primary responsibility of a teacher and a school is to understand and educate children—yet in no one of those five states have provisions been made to train or certify teachers who can do that job for the Mexican-American child!

No program or certification requirement or training has yet been prepared so that counselors who work with Mexican-American children are trained in the history or language of the children they must help. Yet those children can be stamped for life as "trouble makers" or "mentally retarded" by school records.

No state demands that its teachers be prepared to teach the millions of youngsters who will come into their classrooms from Mexican-American homes, speaking Spanish, and bringing with them all the promise of cultural richness—and all the problems of language barriers!

When we consiser the statistics in the Mexican-American Education Study report—and I am not going to go over those statistics again, because you all know them by heart—the astounding thing is that we had to wait for this kind of a study to show us what was happening.

These are *our* children. They do not live in Africa or China or Southeast Asia. They live right here in Texas, or in my own state of New Mexico, or in one of the other Southwestern states. These children go to *our* schools—and their parents pay taxes to *our* government, at both the state and federal level.

Every one of us has seen them. A teacher sees them every day, hears them speaking Spanish, watches them struggling to understand, gives them grades based on tests they have taken in English.

They have been falling behind in school right in front of our eyes—why have we never noticed?

Why has no state legislature ever asked—especially in Texas and California where the record is the worst—why twice as many Spanish-surnamed students are in classes for the mentally retarded? Shouldn't we have *known* that kind of imbalance would result from being tested in a language you don't understand and juged by a counselor or a psychologist who doesn't understand you?

How many of *us* would be willing to have our mental competence judged that way, and our future decided on that kind of analysis?

Why have none of these five states ever considered the terrible tax loss when such large numbers of children are kept back or drop out of school? The lifetime income of a high school graduate is $100,000 more than that of an eighth grade drop-out—and the taxes on $100,000 would surely have paid for more than the cost of providing decent and equal education to that child in order to keep him in school, wouldn't it? Neglecting these children has been economic idiocy—why haven't we ever seen that?

When twenty percent—more than forty percent in New Mexico—of the people of a state are Mexican-Americans, why haven't college administrators demanded an explanation for the tiny fractions of Mexican-Americans who were in college classrooms—only 6 percent in Arizona, 5.9 percent in California, 7.5 percent in Texas?

Why is it necessary for us to wait for direction from the Supreme Court or a law from the federal government? Education should begin at the local level and be demanded at the local level, and so should equality of opportunity. Why have Mexican-American parents been willing to wait so long?

The answers to all these questions are not easy to make, or accept. But we must make them, because the solution to our impending education crisis depends on our doing some hard thinking about ourselves, our communities, and our own commitment to equality and education.

The changes we must make are changes we should have made long ago—at every level of education, and at every level of government. They are changes which will be easier to make if we give honest answers to the questions I have raised today. They are changes which have been outlined clearly by the recommendations of the Civil Rights Commission Report, curriculum, texts, testing, certification, funding, teacher training, new budgets, new state and local laws.

So what are our answers to those questions about our own local communities, or our own states? Our answer has to be that as adults we have failed those children—and we will continue to fail them unless we can really change our educational systems radically.

First, we must decide that education in this case will have to begin with adults—because before we can change *anything* we will have to change the attitudes of the *other* four-fifths of our populations.

Second, I think we must agree that it is time for Mexican-American families to *insist* on participating in the decision making about their own children—and that too will require education of adults. Those of us who are concerned will have to go into Mexican-American communities to teach these lessons.

Third, I think educators must accept the responsibility of educating other educators—with the Civil Rights Commission report, they should surely be the easiest group to convince.

I have not talked today about the role of the Federal Government, or how a Senator like me can provide assistance. I am sure you all know that Senator Cranston and Senator Kennedy and I have proposed amendments to the Federal bilingual education act to provide more money and more teacher training and a much greater share of assistance to the states for these children. I believe—and I know that other members of Congress must agree with me—that the federal role is an important one, and must be increased.

However, we have been fighting a holding action in the Congress for five years, and it is still necessary for us to fight daily battles just to retain the little we have gained.

Within the Office of Education itself, under the Administration, there is a strong feeling that bilingual education is a temporary and remedial program. A memorandum written by one of the officers for planning, budget and evaluation in the Office of Education says it clearly: "The goal of federally supported bilingual education programs is to enable children whose dominant language is one other than English to develop competitive proficiency in English. The success of the program must be judged by how well and how quickly these children learn English."

Those of you who are educators know how foolish that statement is. Those of you who are Mexican-Americans know how insulting that statement is. Those of you who live in the five Southwestern states know how useless *that* kind of thinking is if we want to succeeding in doing better than we have in the past.

But it is important for every one of us to realize that that kind of thinking exists—and it is going to be our greatest barrier to action. We will find it at the local level, just as we find it in the White House and in other places in Washington. That is why we are going to have to make the extra effort to educate *adults* before we can begin educating our children.

Schools are at the local level. Change must begin there. Our local and state institutions should be the opening wedge in a program to expand the horizon for all Americans—first adults, and then children.

This is the place to take the first difficult steps.

This is the place to start looking at the children around us—and to make sure our neighbors look too.

This is the place to watch—so that no individual child is injured by his school or by his school district or by his state educational system without our knowing about it.

This is the place to make sure that *every* parent is concerned enough to be involved—in the school, in the district, in the state—and in the nation.

You and I know that we aren't really ready for the change the Court has mandated—we are not ready in Washington and you are not ready in the schools or in the state houses.

But I am ready to begin, and I know you are too.

Let us work together to convince our neighbors that we *must* do now what we have wanted to do for years: create equal educational opportunity for every individual child in this nation.

B-1 BOMBER COSTS SOAR OUT OF SIGHT

Mr. PROXMIRE. Mr. President, current projections of the price of the B-1 bomber have been raised from a program unit cost of $29.2 million in 1970 to an estimated "then year" dollar level of $61.5 million. The B-1 is the first U.S. aircraft to double in anticipated costs.

The 1969 planning estimate for the total program cost of the B-1 program was *$8.8 billion* which did not include logistic support and additional procurement costs or inflation. Inflation somehow was overlooked. By 1970 the total program costs rose to $9.4 billion with a unit cost of $29.2 million.

The June 30, 1972 Selected Acquisition Report stated that the program costs were $11.36 billion.

The September 30, 1973, Selected Acquisition Report showed an increase to a program cost of $13.67 billion in "then year" dollars and a program unit cost of $56 million per plane.

The current estimate in "then year" dollars is $15 billion for the entire program with a resulting unit program cost of $61.5 million per plane.

Mr. President, during a debate on the B-1 in 1970, it was pointed out that Secretary of Defense Melvin Laird projected a unit range of between $25 and $30 million for the B-1. It was also suggested that the unit costs of the aircraft could go as high as being doubled. The Air Force rejected this contention. But now the truth has a way of coming back on us.

Mr. President, I think I can again make a prediction about the B-1. Before, I said the cost could double from the 1970 figures and that has come to be. The B-1 will now cost over $61.5 million each in "then year" dollars. But since the "then year" dollars are calculated with an inflation rate of 3.3 percent through fiscal year 1985, it should be clear to all concerned that the actual "then year" dollars will be much higher. I cannot believe that anyone in the country today would believe that inflation will average 3.3 percent over the next 10 years. Therefore, I can confidently predict that the B-1 program unit costs in "then year" dollars will approach and probably exceed $70 million per plane.

Mr. President, I ask unanimous consent that several recent articles and letters to the editor be printed in the RECORD.

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

B-1 BOMBER ESTIMATE RAISED $1.3 BILLION

The estimated cost of the B-1 bomber program has risen $1.3 billion because of a recent program change and a greater allowance for inflation, informed Defense Department sources said yesterday.

The huge projected increase for the bomber being developed in California by Rockwell International followed a revelation by sources last week of a similar rise in the Air Force's other major new aircraft program—a $1.4 billion increase for the F-15 fighter being built by McDonnell Douglas in Missouri.

The sources said the cost of the 244-plane bomber program is now estimated at $15 billion, compared to the former estimate of $13.7 billion.

Each of the B-1 bombers would now cost the Air Force an estimated $61.5 million, compared to the previous $56 million, Defense Department officials said.

They said the new estimates, contained in a letter sent to Congress last Friday, resulted from a decision to build more research and development prototypes and allow for an annual inflation rate of 3.3 per cent instead of the previous 2.57 per cent.

The officials acknowledged that even the higher inflation allowance might be considered unrealistic in light of the recent rate of inflation, which has been running at more than 6 per cent annually.

The sources said the Defense Department last fall decided to build four or five prototypes of the B-1 bomber instead of three in order to ease the transition of the complicated aircraft from development to production.

Last week, Pentagon officials also estimated that the program cost of the 729-plane F-15 fighter program will increase from $7.835 billion to $9.284 billion because of a production slowdown ordered last fall after problems in the development of a new engine.

The estimated cost of each supersonic fighter would rise nearly $2 million to about $12.4 million because of the two-year stretch-out of production to 1980, the sources said.

B-1 BOMBER: THE $75-BILLION TOY

To the EDITOR: As a former Navy pilot now employed by a major airline, I view with dismay the current military program to build and deploy the B-1 bomber as a replacement for the B-52 series now operational. The aircraft is to be supersonic, have a variable geometry wing similar to the now deployed FB-111 and will have both a conventional and nuclear capability.

The question is: Does the United States in the age of I.C.B.M.'s and détente need a new manned bomber? The evidence says no in either the conventional or nuclear role. By 1980, the fully operational target date for the B-1, the military will possess enough land and sea missiles (and the still operational B-52's) to destroy over 75 per cent of both Russia and China three times over. Four rounds of I.C.B.M.'s could be launched, destroy their targets and be answered by four salvos from the other side before a supersonic bomber could even reach its target. There wouldn't be a target left to defend or destroy.

Virtually every conflict in which the United States has been involved since World War II has been fought or decided in small, developing nations, usually with great devastation to the country and no benefit to our own, except, of course, the companies that supply our war machine. We have seen that this country does not need or want more Vietnams, Cambodias or Koreas, so why build a new bomber for that purpose? For our own defense, studies have shown that the B-52 fleet would be adequate into the nineteen-nineties.

Finally, there is the cost of the B-1 project. Each aircraft is now estimated to cost about $56 million. The total 10-year cost would be in the range of $50 billion, including procurement, operation and a new tanker fleet for servicing.

As in almost all recent military contracts, the costs are steadily increasing with no end in sight. One Princeton study put the total cost at $75-billion and characterized that estimate as conservative.

Food for the hungry, housing for the cold, hospitals for the sick, schools for the young and old alike—yes. But for another military toy which is obsolete before it is even built—no.

KIRK GISSING.

COCONUT GROVE, FLA., *March 16, 1974.*

NIE SEX DISCRIMINATION RESEARCH

Mr. PERCY. Mr. President, as the women's movement for equality grows in size, complexity, and importance, it becomes increasingly difficult for individuals and organizations interested or involved in the movement to accurately determine what is happening in the many areas that concern and affect them. In the absence of a clearinghouse of information for women's concerns, I hope to provide from time to time information that may be relevant to the movement's activities and interests.

One such piece of information is a letter which I received yesterday from Thomas K. Glennan, Jr., Director of the National Institute of Education—NIE—in response to my inquiry concerning the Institute's research activities related to women's concerns. The inquiry was prompted by my work in the Women's Equal Educational Opportunity Act, S. 2959. The dearth of research materials pertaining to sex discrimination—a search by the Education Resources Information Center, the computer information retrieval system for research and reports on education, found only 12 relevant items, none containing any empirical results—struck me as quite unreasonable. I am, therefore, somewhat encouraged by Mr. Glennan's response and commend it to interested parties for their review. It is particularly important to note that NIE issued a request for proposal—RFP-NE-R-74-0014—on March 20, 1974 for the development of conceptual models with related empirical test designs, for understanding the processes involved in sex discrimination in educational systems—see paragraph three of letter. Proposals are due May 16, 1974.

NIE's efforts offer a good beginning—but only a beginning—in tapping the potential of research for valuable insights and tools to tackle one of education's most serious inequities—discrimination against women.

I ask unanimous consent to have the letter and attached statement printed in the RECORD.

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

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., March 21, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: I understand you are interested in the research activities that the National Institute of Education (NIE) has undertaken related to women's concerns and I am pleased to have the opportunity to describe our current plans to you.

At present NIE is supporting from our Fiscal Year 1973 appropriation several projects related to women's concerns at a funding level of about $2 million. NIE plans to initiate several additional studies related to women's rights including a study of sex discrimination in education. (See Attachment)

We intend to obligate $300,000 from our current Fiscal Year 1974 appropriation for a study on sex roles and sex discrimination in education. That study is designed to (a) provide a conceptual basis for understanding the processes involved in sex discrimination in our educational system; (b) develop some models to explain those processes; and (c)

work out the empirical designs for testing those models.

NIE has not yet received its Fiscal Year 1975 appropriation from the Congress. However, I have committed the Institute to obligate $500,000 from whatever level of funds we receive for additional research and development projects on women. The studies are designed to make school administrators and planners sensitive to the special educational needs of women and to make them aware of materials and practices which foster sex discrimination. Specifically, these include:

The continuation of the FY 1974 project described above with funds being used to test several of the empirical designs.

A study of sex discrimination and education based on existing data and hopefully done in a thoughtful way that will provide insights into such fundamental issues as the role of educational institutions in limiting or fostering the full development of women, the extent and causes of discrimination against female school administrators, etc.;

A sex role learning study which would attempt to determine empirically the dynamics involved in this process for normal children;

A set of interdisciplinary comparative research conferences on women's issues which would serve to relate research to social policy formulation and implementation;

Several research projects on topics such as vicarious achievement orientation in females/males from preschool to mid-life;

The impact of the women's movement on educational and occupational aspirations of married women;

A conceptual framework for understanding role de-differentiation as a system response to crisis, with particular reference to women's roles;

Correlation of women's educational and occupational aspiration.

I hope these proposed activities adequately meet your concerns. We will be glad to provide additional information if that would be helpful.

Sincerely,

THOMAS K. GLENNAN, Jr., *Director*.

FISCAL YEAR 1973 FUNDING BY NIE OF WOMEN'S PROGRAMS: 12 PROJECTS—TOTAL FUNDING: $2,002,966

THE CAREER EDUCATION PROGRAM (FIELD INITIATED STUDIES)

(1) "The Role of Women in American Society" $54,646.50 Educational Development Center, Newton, Massachusetts.

To develop a film and related teaching materials on alternative life choices available to women.

(2) "Sex as a Factor Influencing Career Recommendations of Public School Guidance Counselors" $9,691.31, Virginia Polytechnic Institute and State University, Blacksburg, Virginia.

To study whether a student's sex alters the career recommendations of a counselor and other aspects of student-counselor relationships.

(3) "The Impact of Colleges and Universities on Educational and Occupational Aspirations of Women" $9,976.00, University of California, Santa Barbara, Santa Barbara, California.

The study compares the differential effects of attending college or university upon the educational and occupational aspirations of men and women.

(4) "The Impact of Educational Attainment on Fertility and Female Labor Force Behavior" $92,021.00, University of Minnesota, Minneapolis, Minnesota.

To estimate the structural aspects of the labor market to answer the questions:

(a) What are the costs and benefits of education in economic terms?

(b) If women not currently working enter the labor market would they receive benefits similar to those presently working?

(c) What is the economic cost to women of bearing children?

(5) *"Study of Sex Bias and Sex Fairness in Career Guidance Materials"* $35,000 (in-house study) NIE hopes to continue this study in FY 74.

The project has three objectives:

(a) to determine operational criteria for sex bias and sex fairness in career guidance materials inventories

(b) to issue a request for proposals to have the operational criteria applied to published inventories and placed in a consumer's manual

(c) to identify further research needs and secondary analyses

As this study is large in scope, it has a senior consultant and an outside Planning Group to help identify issues to be addressed. A workshop is planned by the end of February in which counselor educators, test constructors, and publishers, psychologists, and others interested in women and counseling will be invited to react to the tentative operational criteria for sex bias and sex fairness.

(6) *"Educational Development Project"* $1,636,000. (NIE hopes to continue this program in FY 74). Educational Development Corporation, Providence, Rhode Island.

This project is designed to appeal mainly to women interested in reentering the labor force, although it does not confine itself solely to women. The program is developing techniques for telephone counseling and guidance, surveying local educational resources, collating information about careers, and updating information and procedures to train and supervise paraprofessional telephone counselors.

The EDC counseling effort is directed at persons who are non-college educated and home-based. Its focus is on career-decision making and career information rather than on job placement.

OFFICE OF RESEARCH GRANTS

(7) *"The Effect of Interest in Material on Sex Differences in Children's Reading Comprehension"* $9,977.00, Illinois University, Urbana, Illinois.

To explore the effect of interest on comprehension by supplying boys then girls high versus low interest reading materials.

(8) *"A Study of Women as Graduate Students"* $44,743, Virginia Polytechnic Institute, Blacksburg, Virginia.

To determine whether or not discrimination against women as graduate students exists, and how it is shown, e.g. male-female differences in admission rates, financial support, treatment as students, types of institutions, and fields of study.

(9) "Modification of Female Leaderhip Behavior in the Presence of Males" $22,000, Educational Testing Service, Princeton, New Jersey.

The three objectives of this study are to:

(a) investigate whether task-oriented leadership behaviors of females differ from those of males.

(b) determine experimentally whether leadership behaviors of females are modified in the presence of males.

(c) validate a novel technique for assessing interpersonal interaction.

(10) "Massachusetts Law, Women and Vocational Education" $69,110, Organization for Social and Technical Innovation, Newton, Massachusetts.

To examine the interaction between a State law and an educational system to learn more about the dynamics of their relationship to each other. The law which is the subject of this study is one which enlarges educational opportunities for girls attending public schools in Massachusetts. The educational system studied is vocational education.

(11) "The Effect of Prenatally Administered Progestins on IQ Achievement, Personality Development and Gender Role Behavior in Children" $9,998, Teachers College, Columbia University, New York, New York.

To examine the effect of such progestins in children in controlled research groups.

(12) "Classroom Interactions and the Impact of Evaluation Feedback: Sex Differences in Learned Helplessness" $9,804, Illinois University, Champaign, Illinois.

The study addresses the problem of children's maladaptive responses to failure on school-related achievement tasks.

FISCAL YEAR 1974 NIE PROPOSED PROJECTS—AWAITING FINAL POLICY DECISIONS BY THE NATIONAL COUNCIL ON EDUCATION RESEARCH

Because of our undecided Fiscal Year 1974 funding, the Council has not yet made firm policy decisions covering new initiatives for the Institute.

CAREER EDUCATION PROGRAM

(1) Continuation of the "Study of Sex Bias and Sex Fairness in Career Guidance Materials" $165,000.

(See the description under FY 73 funding project #5).

(2) Continuation of the "Educational Development Project" $500,000.

(See the description under FY 73 funding, project #6).

(3) "Career Education Needs of Minority Women" $60,000.

The focus of this program is the employment problems minority women face when entering the labor force.

(4) "Study of Linkages for Women between Education and Labor Market with Specific Emphasis on Role of Counseling" $10,000.

To review and synthesize existing literature and evaluate existing programs as they relate to:

(a) the problems women face prior to entering the labor force

(b) a survey of the existing guidance programs for women in high schools and colleges with an emphasis on special counseling programs which are primarily concerned with women

(c) a review of the theoretical and empirical investigations which handle special problems which relate to guidance and counseling for women (achievement conflicts, sex role stereotyping, etc).

GOVERNMENT SALARIES

Mr. McGEE. Mr. President, Mr. George H. Heilmeier, of Alexandria, Va., in a letter printed in Friday's Washington Post, observed that—

> Good management and strong executives are as much of a bargain for the Congress and the nation as they are for large corporations whose stockholders demand positive results and a fair return on investment.

With that statement, Mr. Heilmeier concluded what I believe is a useful contribution to the continuing debate over the question of pay for the Government's top officers. His letter obviously is based on personal experience, for he writes of coming to Government service from industry to find himself impressed with the dedication of his associates who regularly work a 55- to 60-hour week.

Mr. President, there is no question but that Mr. Heilmeier is correct about the sagging morale of Federal supergrade employees and their superiors, too, in the executive salary schedule. It is not 4 years since they last had a raise, but 5. I ask unanimous consent that his obser-

vations which appeared in the morning newspaper be printed in the RECORD.

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

SUPERGRADE SALARIES AND CIVIL SERVICE PAY RAISES

It is not clear to me just how the nation can expect to attract and retain the very best managerial talent at the highest levels of government in the face of the recent congressional action which thwarted attempts to bring salaries for top government officials in line with responsibility and industrial norms. Many supergrade executives have not had a raise for four years and they lack the opportunities to supplement their income which are available to the members of Congress. I now find that my income is below that of many university professors and my last three job offers were $10,000 more than the civil service limit.

Government service can be personally rewarding and stimulating. It offers unparalleled challenges and opportunities to contribute. As a person from industry who accepted these challenges, I have been impressed and inspired by the dedication of my associates who regularly work a 55 to 60 hour week. Recently I have watched their morale sag as a result of the congressional action. They will not starve on $36,000 per year, but many of the very best cannot be retained at this level which is at least 25 per cent below comparable positions in industry.

When are we going to recognize how essential these people are if large programs are to be managed efficiently to meet the needs of a nation with rising expectations? When are we going to learn that we cannot simply legislate successful programs no matter how great the need or how just the cause? It is a fact of life that legislators are not judged by their constituents on the basis of the legislation which they pass; they are judged by the quality of the execution of that legislation. This takes sound management by the best available talent.

Good management and strong executives are as much of a bargain for the Congress and the nation as they are for large corporations whose stockholders demand positive results and a fair return on investment.

GEORGE H. HEILMEIER.

ALEXANDRIA.

AMBASSADOR TRAN KIM PHUONG CALLS FOR FULL IMPLEMENTATION OF THE PARIS PEACE AGREEMENT CONCERNING VIETNAM

Mr. HELMS. Mr. President, so that Senators may have a clearer understanding of the many issues involved in any congressional determination as to the size and amount of United States aid to the Republic of South Vietnam, I yesterday placed in the RECORD a news article concerning the alleged use of U.S. aid in Vietnam which appeared in the New York Times, along with a side-by-side analysis of that article by U.S. Ambassador to South Vietnam, the Honorable Graham A. Martin.

Today, I call to the attention of my colleagues another exchange of views on this vital subject. On February 4 of this year, there appeared on the editorial pages of the Washington Post an editorial entitled "What Are We Underwriting in Vietnam?" Basically, the Post editorial calls on the Congress and the public once more to focus their attention on Vietnam, this time to determine whether U.S. aid to that country is not, in fact, a principal factor in delaying the holding of free elections in Vietnam; and further, whether such aid is, indeed, prolonging military action there.

An answer to the Post inquiries is supplied by the Honorable Tran Kim Phuong, Ambassador from the Republic of Vietnam to the United States. In a letter to the Post, printed in the letters-to-the-editor column on February 26, Ambassador Phuong points out that the Paris peace agreement not only set up a cease-fire in South Vietnam, but also it set up a specific framework for the restoration of peace in that wartorn country through the holding of general elections. He further points out that the communists have rejected three attempts to hold such elections, the last rejection coming only 2 months ago.

Mr. President, Ambassador Phuong's letter clearly shows that it is not continued U.S. aid to South Vietnam which is delaying the holding of free elections in that country, but rather the intransigence of the Hanoi backed PRG which is the cause of this delay.

Further, Ambassador Phuong suggests that a withdrawal of U.S. aid to South Vietnam will only serve to destroy further the hope of holding such elections in the future. He says that—

> A weakened South Vietnam can create only temptations for Hanoi and would prolong the war rather than shorten it.

Finally, Mr. President, it is not U.S. aid which is prolonging military action in this country, Ambassador Phuong points out, but rather aid to the PRG and Hanoi from other Communist bloc nations. If anything, U.S. aid is hastening peace in a wartorn Vietnam by helping the Government of South Vietnam maintain stability in the face of continuing attempts by Hanoi imperialists and their PRG minions to force their will upon the people of Vietnam without free elections.

Mr. President, because these two articles shed additional light on the many issues involved in our consideration of the question of further U.S. aid to the Republic of Vietnam, I ask unanimous consent that they be printed in the RECORD.

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

EDITORIAL: WHAT ARE WE UNDERWRITING IN VIETNAM?

In the first year after the signing of the celebrated Vietnam cease-fire agreement of January 1973, there was good reason for Congress and most of the rest of us to hail America's disengagement from combat, to cheer the return of the POWs, to accept routinely the high cost of continuing military and economic aid to the Thieu government, and more or less to turn a blind eye to the fact that there was in fact no cease-fire and no perceptible progress toward a permanent peace. Soothingly, we were told that you couldn't expect the shooting to stop overnight, but that the foundations of a "structure for peace" were in place, and that the business of building upon this structure to produce elections and a division of territory and a sharing of political power was only a matter of time. With a year's experience, however, it is now clear that it hasn't worked out that way. (Well over 50,000 Vietnamese have reportedly been killed in combat during this "cease-fire" so far.) Worse, there is precious little prospect that it will. So it is not only appropriate but urgent for the Congress and the public to force their attention back to Vietnam. And the new budget, with its provision for continuing heavy military and economic aid for the Saigon government, offers a powerful argument as well as an opportunity for doing so.

In his State of the Union address, the President spoke witheringly of those who would abandon the South Vietnamese by abruptly shutting off all our aid—as if the issue was as simple as that. Of course, it is not. Most people, we suspect, are fully aware of this country's obligation to continue helping Saigon defend itself against flagrant violations of the cease-fire by the North Vietnamese; larger American policy interests over at least a decade and a half, after all, had a lot to do with creating Saigon's heavy dependence on our continuing patronage. But the real issue is much more complex, for it has to do with who is really responsible for the breakdown of the cease-fire. It has also to do with whether our aid, in conjunction with our diplomacy, is working to improve the chances of real peace in Indochina, or whether it is in fact working toward perpetuation of a vicious, costly war by discouraging the kinds of concessions on both sides that might bring about a genuine settlement.

We do not profess to have the answers—and that is just the point. Nobody in Washington seems to have the answers—or even particularly to care. For the past year, the general tendency has been to blame both sides for the myriad violations if not to ignore them; to cancel off these violations against each other; and to conclude somewhat cynically that this is the natural or inevitable or *Vietnamese* way of resolving conflicts. There is, moreover, the formidable difficulty of finding the facts. With their supreme interests at stake, both Vietnamese sides have had powerful incentives to highlight their own observances of the agreement and to hide their own violations. Field conditions limit the capacity of objective observers, such as journalists, to judge for themselves.

All this gives no reason, however, to avoid trying to get at the facts. For it should be understood that avoiding the question of which side is chiefly responsible for the collapse of the agreement is answering the question to the benefit of President Thieu. Time and again, administration figures have drawn public attention to the alleged violations of Hanoi and the Provisional Revolutionary Government (Vietcong). The imminence of a big Communist offensive has been built up as a special bugaboo, while the open threats of some sort of pre-emptive strike by the South, as well as the plain evidence of provocations by the Saigon government, have been presented to us as no more than legitimate acts of self-defense. To this have been added regular and wholly unrealistic suggestions of American re-entry into the war, including the possibility of renewed bombing of the North.

We have been down this road before and we should know by now where it leads—to blind and unquestioning support of a Saigon government lulled into a false sense of security by our aid, with no real capability to defend itself, by itself, and with no incentive to yield up anything for the sake of a compromise settlement. From this, one can safely project an open-ended conflict between the two Vietnams. True, it is largely their war now, which is a lot better than it being largely our war, as it was for seven agonizing years. But we are nonetheless subsidizing a substantial part of it. Thus, it seems only reasonable for the two sets of armed services and foreign relations committees in both houses

of Congress to conduct a searching inquiry into the administration's current Vietnam policy. For this country has a moral as well as a political commitment to the objective of a cease-fire and an ultimate Vietnamese settlement which the administration so proudly proclaimed to be very nearly accomplished facts a year ago. And the American public has a right to know whether, and how, this objective is being served by our continuing aid to South Vietnam. We would not argue that the answer turns entirely on what this country does or doesn't do for President Thieu. Part of the answer obviously must come from Hanoi. Part of it also depends on the efficacy and validity of that larger "structure for peace," reaching from Moscow and Peking to Washington, of which the President had made so much. But a big part of the answer, nonethless, depends upon Saigon. So we think that before Congress approves more billions for President Thieu, it ought to try to find out whether the easy availability of this subsidy may not be prolonging an intensified Vietnam war by consolidating a militant, recalcitrant and repressive regime in Saigon. For there is at least some reason to believe that a more selective and judicious application—or denial—of this money could make it work to far better effect as an integral part of a wider diplomatic effort to bring about something more nearly resembling a Vietnam peace.

LETTERS TO THE EDITOR: "WHAT ARE WE UNDERWRITING IN VIETNAM"

Your editorial entitled "What Are We Underwriting in Vietnam" (Feb. 4) rightly assessed that one year after the Paris Agreement there was no cease-fire and no perceptible progress toward a permanent settlement in Vietnam. However in many other respects, I believe that your editorial ignored certain vital facts which need to be put in perspective.

The Paris Agreement is not only a cease-fire agreement. It also set up a framework and determined a process to restore peace in Vietnam by way of general elections. Therefore the agreement should be considered as a package and general elections as the ultimate step to settle the basic political issue.

It is obvious to everyone that the Communists do not want to fully implement the Paris Agreement to its final provisions. Given the kind of support they have in Vietnam, they have many reasons to fear that general elections would bring them only disastrous results. The records of last year's negotiations at La Celle St. Cloud shows clearly that the Communists steadfastly refused to discuss any proposal by the Republic of Vietnam for internationally supervised elections whether for the presidency, the national assembly or for a constituent. As recently as January of this year, the Communists rejected our third offer, with detailed time table, for general elections to take place on July 20, 1974. Only last week, North Vietnam rejected our new proposal to meet on the foreign minister level, publicly or secretly, to discuss the normalization of relations between North and South Vietnam.

The plain truth is that full implementation of the Paris Agreement would not only bring disaster to the Communists but also perpetuate the coexistence of the two Vietnams which Hanoi leaders have not yet resigned themselves to accept. They are still obsessed by their determination to conquer South Vietnam by armed might.

The illegal heavy infiltration in manpower and offensive weapons from North Vietnam, the complete disregard of the Demarcation Line, the refusal to let the International Commission operate in Communist-held areas and the non-withdrawal of Communist troops from Cambodia and Laos are clearly indicative of Hanoi's intention to continue the war in South Vietnam. The offensive may not seem to be imminent to the American people some thousands of miles away, but in Vietnam Hanoi has brought South Vietnamese population and cities within the range of their heavy artillery

Obviously, during the past year the Communists were seeking only the implementation of the provisions which are advantageous to them and useful for their next military attempts.

For our part we are not interested in only partial implementation of the Paris Agreement. We strive for its full implementation, to its final step which is general elections, the only way for a peaceful political settlement.

As long as Hanoi continues to be helped by Communist countries in its military design, we have the right to seek and hope to receive adequate assistance from friends to defend ourselves and our way of life. Despite all the restrictions imposed by the presently difficult circumstances, our way of life is definitely much better than the Communist way of life and to the many millions of South Vietnamese it is worth defending even at the risk of their lives.

We fervently hope that the "structure for peace" as reportedly arranged by the superpowers will effectively work. But in case it does not work, we have to be ready. A weakened South Vietnam can create only temptations for Hanoi and would prolong the war rather than shorten it. It has to be remembered that the basic issue in Vietnam is still between Hanoi and Saigon and not between the Republic of Vietnam and the so-called Provisional Revolutionary Government. Full responsibility for war or peace lies squarely with Hanoi.

TRAN KIM PHUONG,
Ambassador, Vietnam.

WASHINGTON.

BYELORUSSIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, 56 years ago, on March 25, the Byelorussian people proclaimed their national independence. Throughout a long history, against heavy odds, they have merited the admiration of the world for maintaining their spirit of national integrity and for continung to make important cultural contributions.

On March 25, 1918, it seemed that Byelorussian aspirations for a free and independent life might at last be fulfilled. A provisional constitution was adopted by the newly proclaimed Republic which provided for elections by direct and secret ballot, and for freedom of speech, press, and assembly. Byelorussians were not, however, to enjoy this newly won freedom, as their Republic was soon forced to become a part of the Soviet Union.

March 25 continues, nevertheless, to be a symbol of independence, and we take this occasion each year to join with Byelorussians everywhere in recognizing Byelorussia's legitimate aspirations.

GRAIN RESERVE HEARINGS

Mr. HUMPHREY. Mr. President, yesterday the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices, of the Agriculture and Forestry Committee, commenced hearings on S. 2005, as amended and S. 2831 which propose the establishment of a program of reserves of certain agricultural commodities. The hearing included a variety of statements and very informative testimony.

Mr. President, just as we recently discovered that the world faced a fuel shortage, so also we are now likely to have a world food shortage in the near future if we do not now take the right steps.

We need to have a national food policy which will help avert food shortages here and abroad. My bill, S. 2005 as amended is designed to assure that we have adequate and reliable supplies of food and fiber for American consumers as well as for export markets.

When we speak of consumers, we are thinking only of the housewife in the supermarket. The producers of cattle, hogs, poultry, and dairy products are major consumers of feed grains. They need an assurance of supply. To permit shortages of feed grains would result in great hardship on these farmers as well as the city consumer.

We need to take steps to make certain that we continue to remain a reliable supplier of exports. Exports are extremely important to American farmers and our economy. We need to remain reliable exporters and encourage foreign buyers to become steady buyers. The reserve bill would provide this assured supply.

My bill is designed to prevent the wild price fluctuations that are so harmful to consumers and producers alike. We need a national food policy and we need leadership on this front which the administration is unwilling to provide.

The Government is now asking farmers to step up production and take great risks in terms of possible losses. It is only fair that the Government share in the risks involved.

Mr. President, we cannot wait until disaster is upon us, and it is quite evident what will happen if we wait on the administration to provide leadership. We could have some wild fluctuations in both production and price this year depending on weather, yields and the export market, but we are unprepared in terms of having the necessary tools on hand.

Mr. President, the subject of establishing a system of strategic reserves of food and fiber is certainly not new. The "ever-normal granary" concept goes as far back as the Biblical story of Joseph storing grain against famine, to Confucians in ancient China, to the Mormons of Utah and to 1912 when Henry Wallace first urged upon the United States a similar storage plan.

I have long been an advocate of such a plan. I was one of only four Senators on our Senate Agriculture Committee in 1972 who voted for reporting out H.R. 1163, a House-passed reserve bill which was defeated in our committee at the personal urging of Secretary Butz. I offered the original version of S. 2005 as an amendment to the farm bill last year, only for it to be defeated—mainly in my judgment, because so many of my Senate colleagues at that time did not sufficiently appreciate the relationship that exists between such a reserve policy and supply-price protection for farmers and consumers. Hopefully, many of them by now have improved their understanding of the subject.

The amended version of S. 2005 embodies two of the three major elements I believe we must have to insure an adequate and stable supply of food and fiber in the future, while at the same time, insure our Nation's farm producers that their Government will continue to assume an appropriate share of the financial risk involved in producing those supplies.

Those two elements are: First, establishment of a national system of reserves of wheat, feed grains, soybeans, and cotton; and, second, establishment of market stabilizing mechanisms which become operative only when supplies of these commodities are expected to fall below the reserve levels specified in my bill—or in other words, only in times of short supply.

The third element, which is not now in S. 2005, but which I now propose be added, is an upward adjustment in 1974 crop target price and loan levels, plus application of the new escalator clause beginning with the 1975 crops.

I believe enactment of these three elements into law will provide American grain, soybean, and cotton farmers; American livestock, poultry and dairy producers; American consumers; and regular foreign buyers of U.S. farm products, with stable and reasonable price, income and supply protection.

As to the reserve features of my proposal, I should like to point out that the Government stock levels called for are modest: 200 million bushels of wheat; 15 million tons of feedgrains; 50 million bushels of soybeans and 1.5 million bales of cotton. And I should like to call particular attention to its stock acquisition and resale provisions. Government stock acquisitions would be made only in times of excess production, employing higher loan levels so as to both reduce Government payment liabilities and to provide the taxpayer with something extra for his money; namely, stocks for later use in times of shortage. Once desired reserve levels are reached, loan levels would be reduced to their lower discretionary levels to discourage any further Government takeover of stocks.

Sale of Government-owned stocks would only occur in times of short supply. This is guaranteed by a minimum release price for domestic use of 135 percent of the target price—not 115 percent of the loan level which is all current law now provides.

As for the market stabilizing mechanisms now contained in S. 2005, they include: First, imposition of a 100 percent export licensing requirement for any commodity covered by the bill when total carryover stocks of any such commodity is projected to fall below the levels specified in the bill, which are: 600 million bushels of wheat; 40 million tons of feedgrains; 150 million bushels of soybeans and 5 million bales of cotton; and second, a requirement that whenever a foreign country's purchases of a particular commodity once reach 120 percent of its previous year's purchases of that commodity, prior approval by USDA must be obtained before any subsequent purchases of that particular commodity can be made by that country for the balance of that particular marketing year. However, again this requirement would only become operative whenever the carryover of the particular commodity involved is projected to fall below the total reserve level specified in my bill. Also, this requirement would in no way tie USDA's hands in evaluating or approving such subsequent sales. It merely would require that somebody in Government make a value judgment as to whether and how much such additional sales would be in the best interest of our Nation's combined responsibility to both U.S. consumers and other foreign buyers. In short, such a provision both provides some degree of protection against unexpected raids on U.S. supplies (like the 1972 Russian grain deal) while at the same time providing an incentive for foreign buyers to establish themselves in our marketplace on stable and regular basis. While it is very important for the United States to maintain its integrity as a reliable supplier of farm products in world markets, it is just as important in my judgment, that foreign buyers become equally reliable as regular purchasers in our market.

Now let me turn for a moment to the third element that I indicated must now be added to S. 2005; namely, the upward adjustments in 1974 target prices and loan levels.

Given the tremendous increases that have occurred in farm production costs since passage of the 1973 Agriculture and Consumer Protection Act, adjustments in 1974 crop target prices and loan levels are essential if farmers and their Government are going to continue to equitably share the risk that was contemplated when the 1973 act was enacted. What I propose is that the current 1974 levels be changed effective the first day of the 1974–75 marketing year for each crop involved, following the same general formula that was followed in the 1973 farm bill. This would reset the 1974 target price for wheat at about $3 per bushel; for corn at about $2 per bushel; and for cotton at about 50 cents per pound. Loan rates would be adjusted upward reflecting about the same spread as currently is the case between loan and target price levels.

We are now entering a period which could turn out to be ironically either a period of even greater shortages, or a period of production far in excess of demand. To comprehend such a seemingly contradictory statement, one must remember that a simple political decision by the Russians or by the People's Republic of China today could move us from one end of such a supply spectrum to the other, very abruptly.

This marketing year these two countries are expected to purchase over 500 million bushels of grains from the United States. Communist China has now become this Nation's No. 1 foreign buyer of cotton. Any dent in the so-called détente between the United States and either of these countries could result in an abrupt end to such purchases. Or should either of these countries harvest bumper crops of these commodities, what is to insure that they will continue any level of purchases in our market following such eventuality? None.

On the other hand, should the purchase of these countries continue, at current or higher levels, and additional buying pressure develop against world grain and cotton markets later this year and next due to either fertilizer shortages and other conditions adversely affecting crop production here or elsewhere in the more heavily populated countries of the world, such as India, we can expect a continuation of the current tight supply situation relating to these commodities. Of course, in such an environment, no stocks would likely be acquired under the provisions of my bill, but the market stabilizing mechanisms provided in the bill would become operative, which, in my judgment, would be needed.

A number of noted experts and responsible groups have joined the call for establishing some form of national and international system of food reserves this past year. Let me just name a few: The British-North American Committee (77 noted businessmen and scholars); the Agricultural Committee of the National Planning Association; the Food and Agricultural Organization of the United Nations; 14 experts from the European Community, Japan and North America assembled by the Brookings Institution; and several major U.S. farm and consumer organizations. Also, earlier this year, even the President, in his economic message to the Congress, indicated that such a proposal deserved a closer look.

Former Secretary of Agriculture Orville L. Freeman proposed to the Congress the establishment of such a reserve system several times while serving as Secretary. And, as I mentioned earlier, the U.S. House of Representatives actually adopted a reserve bill (H.R. 1163) in 1972, only for it to be killed here in the Senate.

So the support for enactment of such a proposal has grown in recent years. But being a realist, I know pushing such a proposal through the Senate side will be an uphill battle. But I want to serve notice here and now that I do intend to push—and this year—for full Senate consideration of my proposal. I want every Senator of the 93d Congress to be given one more opportunity to vote upon a food and fiber reserve.

Last year, when a similar proposal of mine was being considered as an amendment to the 1973 farm bill, many Senators were persuaded that the storage costs in connection with the establishment of such a reserve system might be prohibitive. While the true cost of such a program is actually much less than what they were led to believe at the time, I should now like to point out to them the higher food costs incurred both by American consumers and by the Federal Government in increased expenditures for family feeding and child nutrition programs these past 2 years. Combined, I would estimate that an additional $5 or $6 billion were expended these past 2 years for private and Government food

due to the lack of such a reserve program. Given the price level that the Government would acquire reserve stocks under my bill and the higher resale price levels, handling and storage costs for these stocks would be quite minimal in comparison.

In closing, let me say there are some other ideas and proposals bouncing around these days which also may have some merit, but which in my judgment, should not be considered as substitutes for the type of tripartite proposal I have just made. These proposals include such things as the possible establishment of a marketing board similar to the Canadian Wheat Board; development of long-term multiyear contracts; predetermination at the beginning of each marketing year of what will be retained for domestic sales with the balance being made available for export; and, extension of futures contract market periods for grains and soybeans from the present 1-year period to 2 or 3 years—a proposal I favor and have encouraged.

Or we can continue with our current system of total reliance upon the open marketplace, where private U.S. buyers must compete against foreign government buyers, with the ever present threat of export embargoes being imposed every time supplies get a little tight.

Benjamin Franklin once said to be hurt was to instruct. And by those standards, both the American farmer and consumer should by now have received sufficient instruction to avoid being hurt again by returning to the "boom or bust" of the marketplace.

Mr. President, in the statement I submitted for the hearing record of the Agriculture Subcommittee, on legislation on agricultural commodities reserves, I describe in greater detail some of the implications of my bill and the need for it as a vehicle to deal with possible Soviet and Chinese decisions to buy or not to buy, thereby creating great fluctuations in our price structure and commodity availabilities.

Mr. President, I ask unanimous consent that my statement be included at this point in the RECORD.

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

STATEMENT BY SENATOR HUBERT H. HUMPHREY

Mr. Chairman, I want to express my appreciation to you for calling these hearings so promptly on S. 2005 and S. 2831, both of which authorize the establishment of urgently needed reserves of storable farm commodities.

It is true that there is a world shortage of food just now, and we cannot acquire reserves immediately without creating even greater shortages in the markets. But this situation should change according to official USDA estimates, when the 1974 crops are harvested. Therefore, enabling legislation is needed before the 1974 harvest if we are to make the best use of the record crops now in prospect for this fall.

Mr. Chairman, on the basis of the fall seedings of winter wheat and farmers' intentions to plant spring crops, record production of both wheat and feed grains is expected this year, according to USDA. Farmers throughout the world also are responding to current high prices by expanding their 1974 production plans. Unless the weather is unfavorable over large areas or fertilizer shortages are severe, world-wide 1974 harvests will set new records. Some rebuilding of stocks should be possible.

Analysts in the Department of Agriculture project increases in United States stocks at the close of the 1974–75 marketing year of 200 to 400 million bushels of wheat and 15 to 20 million tons of feed grains.

Mr. Chairman, I hope the analysts are correct. I hope we have crops large enough this year to permit some rebuilding of stocks both here and elsewhere in the world. Under existing administration policies, however, if 1974 crops are as large as hoped for prices are likely to fall sharply and the extra supplies may be dissipated at these lower prices rather than held as reserves.

Not only will the extra 1974 supplies be dissipated, but farmers will be discouraged from continuing to strive for maximum production next year. Secretary Butz has pointed with pride to his ability to sell off all government-held stocks. In his view the private grain trade will carry all needed stocks in the future. I, too, am in favor of the private grain trade holding substantial stocks. But I have had more experience with the private grain trade than has Secretary Butz. In light of my experience, if the private grain trade holds a substantial volume of stocks, prices will be so low as to discourage further production.

We face the real possibility of this happening in the next year or two. This Administration has urged farmers to expand production as much as possible this year. But it has refused to raise government non-recourse loan rates for wheat and corn above the ridiculously low levels of $1.37 a bushel for wheat and $1.10 a bushel for corn, the minimums specified in the 1973 Agriculture and Consumer Protection Act. This Administration tried to prevent the Congress from including an escalator clause which would increase the target prices for wheat, feedgrains, and cotton as the index of prices paid for production supplies increased. After hours of argument a compromise was reached. The escalator clause would be applied in 1976 and 1977, but not in 1974 or 1975.

Mr. Chairman, in my view economic events since the Agriculture and Consumer Act of 1973 was approved last August make it imperative that we amend it as promptly as possible. It needs amendment to give both producers and consumers additional economic protection in view of the sharply rising costs and world shortages of food. For instance, in my judgment, both the target prices and loan rates for wheat, corn and cotton should be increased for the 1974 crops. The same should be done for the 1974 loan rate for soybeans. As to what level target prices should be set, I suggest that we go back to the original Senate formula in the 1973 Senate Act. In addition, I believe it is essential that the escalator clause be applied beginning with the 1975 crops, instead of the 1976 crops.

Such a move would likely result in target prices for 1974 crops being set at about $3.00 for wheat, $2.00 for corn and about 50 cents a pound for cotton, with loan rates also being adjusted upward to reflect about the same spread as now exists between target prices and loan levels. The amendment I propose does not change the character of the Act. Rather it reinforces it. My amendment, S. 2005, makes it mandatory for the Secretary to take specific actions, which are now discretionary, to reduce the economic uncertainties facing farmers and consumers.

S. 2005, as amended by my amendment No. 963, introduced on February 19, 1973, provides that if projected carry-over stocks at the end of a marketing year go below 600 million bushels of wheat, 40 million tons of feedgrains, 5 million bales of cotton and 150 million bushels of soybeans, the Secretary of Agriculture is directed to make available loans and purchases on the succeeding crop, at not less than 100 percent of the established or target price for 1974 and 90 percent of the target price for 1975 through 1977.

Projected carry-over stocks at the close of the 1973–74 marketing year of wheat, feedgrains and cotton are below these minimum reserve levels. If this amendment No. 963 were adopted, the government non-recourse loans levels for the 1974 crops would be increased to the target price level as follows:

Wheat from $1.37 to $2.05 a bushel.

Corn from $1.10 to $1.38 a bushel (and other feedgrains in proportion).

Cotton from $.25 to $.38 a pound.

If target prices were revised to the higher level I suggested earlier in this statement, loan levels for 1974 crops would thereby be increased as follows:

Wheat from $1.37 to $3.00 a bushel.

Corn from $1.10 to $2.00 a bushel, and

Cotton from $.25 to $.50 a pound.

This amendment raises the price floor for these commodities very substantially, thus reducing farmers' economic risks as they pay record prices for production supplies this season.

This provision is likely to be even more important next year. It is probable that we will be able to rebuild stocks by a modest amount this year without market prices falling to government loan levels. We will continue to need as much production as possible in 1975 but the economic risks to producers will be very great indeed. If the type of legislation I am recommending is approved, and the stocks are projected to be below minimum desirable levels at the end of the 1974–75 marketing year, as now seems probable, farmers will be assured of government loans at not less than 90 percent of the target prices on their 1975 crops.

At this point I want to emphasize that in my amendment No. 963, I simplified the reserve features of the amendment as much as possible. I left out some features that had been in the original S. 2005 in the interests of submitting a bill which could be passed in this session of Congress. It is my hope that controversial amendments will not be offered which might delay getting a minimum reserve bill approved. In view of the sharp escalation in producers' costs, however, I believe it would be entirely in order to amend S. 2005 to increase 1974 target prices and loan levels and to make the escalator clause applicable to the 1975 crops of wheat, feedgrains and cotton rather than waiting until 1976 for the escalator clause to take effect. If this were done and stocks did not exceed the levels specified, producers would be assured of price floors for their 1974 and 1975 crops at almost twice current levels.

In my view this would be desirable from the point of view of both consumers and producers, for I believe we will need to produce as much as possible again in 1975. And, we should use any supplies not needed in the commercial markets at the higher target prices for rebuilding reserve stocks, to be released when world production again falls below current requirements as it did in 1972.

Opposition to reserve stock programs in the past have been based on two issues—the possibility of excessive government costs and a fear that they would depress producers' prices. S. 2005 was drafted with both issues in mind. It does not authorize the government purchase and segregation of specific reserve stocks. It only provides for their accumulation at times when market supplies are so large that prices otherwise would fall below target price levels.

S. 2005 will not encourage the accumulation of excessive stocks because the discretionary non-recourse government loan guidelines specified in the 1973 Act take effect again just as soon as carry-over stocks reach the desired minimum levels. That is to say,

once reserve levels are reached, loan levels would automatically be dropped to their lower discretionary levels.

S. 2005 prevents the stocks accumulated at the higher floor prices from depressing producer prices. It requires higher minimum Commodity Credit Corporation resale prices when stocks reach or fall below the minimum desirable levels specified. Whenever the Secretary determines that any government sale of wheat, feedgrains, cotton or soybeans will (1) cause the total estimated carryover of such commodity at the end of the marketing year to fall below 600 million bushels of wheat, 40 million tons of feedgrains, 5 million bales of cotton, or 150 million bushels in the case of soybeans, or (2) reduce the stocks of the Commodity Credit Corporation below 200 million bushels of wheat, 15 million tons of feedgrains, 1.5 million bales of cotton or 50 million bushels in the case of soybeans, the CCC may not sell any of its stocks of these commodities for less than 135 percentum of the target prices or 150 percentum of the loan rate in the case of soybeans where no target price is specified. Whenever the total estimated carryover of any of these commodities is in excess of the amount specified in S. 2005, however, the Commodity Credit Corporation may again sell any stocks it may own at not less than 115 percent of the loan level, as authorized in the 1973 Act.

In other words, S. 2005, amended to reflect the additional changes I am recommending here today, would provide both higher market price supports and higher minimum CCC resale prices when stocks are below minimum desirable levels, but authorizes a return to the original provisions of the Act of 1973 when stocks exceed the levels specified. Producers are assured of higher market prices and will be encouraged to maximize production when stocks are low. Consumers are assured stocks will be rebuilt rather than allowing extra production to disappear in the market at low prices when yields exceed market requirements at the target prices.

Mr. Chairman, there is substantial merit in other bills which have been introduced to provide for the accumulation and management of reserve stocks of storable farm commodities. S. 2005 has the merit, however, of simplicity, of requiring the fewest changes in existing policies under the Agriculture and Consumer Protection Act of 1973, yet it does provide positive economic incentives for acquiring and holding minimum reserve stocks of food and feedgrains in a manner which stabilizes prices for producers and increases the stability of both supplies and prices for consumers, livestock producers and foreign buyers.

Let me turn now to another feature of S. 2005, as amended, which is designed to assure domestic consumers and livestock producers their fair share of short supplies when world production fails to meet market requirements, and large exports threaten to exhaust current supplies before the new crop is harvested. S. 2005, as amended, provides procedures which would prevent the recurrence of the situation which developed last year in the case of soybeans and a recurrence of the current wheat supply situation which is causing so much controversy today. And it does this without resorting to export embargoes.

Paragraph (c) of S. 2005 as amended provides that for the commodities listed, whenever the Secretary of Agriculture finds that the combined domestic requirement and export sales at the close of the marketing year would cause the carryover stocks to fall below the desirable minimum levels specified, he shall designate such commodity as a "critical" commodity. Each exporter of a critical commodity is required to obtain a license and report daily all bonafide export sales. Also when projected stocks reach the minimum levels specified, prior approval by the Secretary is required for all sales to a country which would result in total export sales to that country in excess of 120 percent of its previous year's purchases.

Export sales of government stocks of critical commodities are restricted by requiring that, except for dispositions made to friendly countries under the Agriculture Trade Development and Assistance Act of 1954, as amended, the Commodity Credit Corporation may not sell any of its stocks of critical commodities for less than 120 percent of the previous week's cash market price.

Mr. Chairman, in drafting S. 2005, as amended, we at all times kept in mind the following goals:

(1) Providing for increased stability of supplies for domestic consumers and users of our farm commodities.

(2) Reducing the economic risk for producers of farm commodities, thus increasing their incentives for full production and providing increased assurance that reserve stocks will not be permitted to depress market prices.

(3) Authorizing some restraint and control of exports of farm commodities in short supply without interfering with our role as a reliable source of supply to our regular foreign buyers.

I have used my time thus far to explain the provisions of S. 2005 rather than dwelling on the need for such legislation at this time. Let me now mention a few facts indicating the urgent need for this bill.

It now appears that farmers' production costs in 1974 will be fully 50 percent higher than in 1972 and that they will be still higher in 1975.

Minimum non-recourse loan rates specified in the 1973 Act, $1.37 a bushel for wheat and $1.10 a bushel for corn, are less than ⅓ and ½ respectively of the current market prices of these commodities, and far below their production costs.

The entrance of the Soviet Union and the Peoples Republic of China in the commercial export markets for farm commodities is a major unstabilizing factor. The Soviet Union usually produces more wheat than the combined production of the major exporters, United States, Canada, Argentina and Australia, yet its yields are highly variable. If it continues to make up its shortfall in production when yields are unfavorable as it did in 1972, the future export demand for United States grains will be far more unstable in the years prior to 1972.

The extent to which the purchases of the Soviet Union and Peoples Republic of China are contributing to the recent unusually strong export demand for agricultural products is evident from the following facts:

In fiscal 1973, 30.8 million metric tons of wheat were exported as compared to 15.7 a year earlier. Sixty-three percent of the increased exports were shipped to the Soviet Union.

Preliminary estimates indicate that 32.7 million metric tons of wheat will be exported in the fiscal year ending June 30, 1974. Before adjustments in shipping dates because of scarcity of supplies, 89 percent of the increase in the exports this year as compared with fiscal year 1972 exports, were scheduled for the Soviet Union and the Peoples Republic of China.

Feedgrain exports also have increased from approximately 21 million metric tons in fiscal 1972 to 35 million in 1973 and are estimated at 36 million in fiscal 1974. Increased shipments to the Soviet accounted for 11 percent of the increase in 1973 and shipments to the Soviet Union and the Peoples Republic of China will account for 26 percent of the increase in fiscal 1974 over fiscal 1972 exports.

Soybean exports increased from 11.7 million metric tons in fiscal 1972 to 13.8 million tons in 1973 and are expected to increase to approximately 15 million metric tons in fiscal 1974. Forty-four percent of the increased exports in fiscal 1973 over 1972 were sent to the Soviet Union. Approximately a third of the increase in soybean exports in fiscal 1974 over fiscal 1972 will be shipped to the Soviet Union and the Peoples Republic of China.

We cannot be sure at this time that these countries will continue to make large purchases in future years. But I am confident we have the productive capacity in this country to provide ample food supplies for domestic consumers, and meet future commercial export demands, and contribute our fair share of food aid to countries unable to buy needed foods in the commercial markets.

Our farmers and our agribusiness firms are anxious to do this. S. 2005 as amended will provide the legislative authorization for adapting our marketing institutions to these new world requirements. Combining the provisions of Amendment No. 963 to S. 2005 with upward adjustments in loan and target prices and application of the escalation clause beginning with 1974 crops, will give both farmers and consumers the type of income and supply protection to which they both are rightfully entitled.

Mr. HUMPHREY. Mr. President, Secretary Butz appeared as a witness in support of reserves which would be held totally by private interests rather than by the Government, private traders and farmers as my bill provides. His testimony also played down the fluctuations likely to result in our market from an in-again out-again purchase policy on the part of the U.S.S.R. and the Peoples' Republic of China.

His testimony was strongly disputed by former Secretary of Agriculture Orville Freeman, whose main theme was that it is now a new ball game. The real fact of life is that we are now in a period of scarcity and should acquire some reserves, if we can, for future needs.

Mr. President, I ask unanimous consent that the very informative statement of former Secretary Freeman be placed in the RECORD.

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

FOOD SCARCITY: TEMPORARY OR CHRONIC?

(By Orville L. Freeman)

The past year has been a remarkable period for world agriculture. Prices for food products have soared to historic highs as have farm income and farm exports. Principal suppliers of major commodities have relied on export restrictions to an unprecedented degree. Rationing of some foods has been necessary in three of the world's most populous nations—China, India and the Soviet Union. In the fourth, the United States, consumers resorted to boycotts in an effort to fight rising food prices.

The crucial question the world now faces is whether the past year represents a temporary aberration or whether global food scarcity is likely to be a chronic problem. My own conclusion is that the recent scarcities reflect important long-term trends in addition to the temporary phenomenon of drought in the Soviet Union and parts of Asia and Africa. We are experiencing a fundamental shift from an era of large commercial surpluses to an era of tight supplies of essential food commodities. And I do not see a worldwide depression that would throttle demand, or a major technological breakthrough that would significantly accelerate supply.

Despite this fundamental trend, there may be years in which supplies in some commodities will exceed demand. It therefore remains

necessary to keep intact a sound American agricultural policy that will protect farmers from the unsettling effects of sudden price drops. But basic changes in the structure of world demand for food and several important constraints on the expansion of supplies will prevent the emergence of the persistently troublesome surpluses with which we have had to cope over the last two decades. In the future, the world will grapple with scarcity, not surplus.

POPULATION AND AFFLUENCE

During the 1960s, the world food situation was perceived as a food: population problem, centered on the developing countries—a race between food and people. Now it has become clear that, despite the technological breakthroughs that produced the "Green Revolution" in the sixties, two major growth factors remain in world demand for food that will result in overall shortages for the foreseeable future.

On the global level, population growth is still the dominant source of continuously expanding demand for food. With the world's population expanding at nearly 2% per year, merely maintaining current per capita consumption levels will require a doubling of food production in little more than a generation.

In the poor countries, population growth alone accounts for most of the year-to-year increase in the demand for food. In the affluent nations, rising incomes lead to accelerating food consumption.

Cereals, which dominate the world food economy, illustrate the situation. In the poor countries, annual availability of grain per person averages about 400 pounds per year. Nearly all of this, roughly a pound a day, must be consumed directly to meet minimum energy needs. Little can be spared for conversion into animal protein. Even so, consumption climbs over one billion bushels a year.

In the US and Canada, prototype affluent nations, per capita grain utilization is currently approaching 2,000 pounds per year. Of this total, only about 150 pounds are consumed directly in the form of bread, pastries and breakfast cereals. The remainder is consumed indirectly in the form of meat, milk and eggs. All told, the basic agricultural resources—land, water, fertilizer—required to support an average North American are nealry *five times* those of the average Indian, Nigerian, or Colombian.

In the northern tier of industrial countries, stretching from the United Kingdom and continental Europe through the Soviet Union to Japan, dietary habits now more or less approximate those of the US in 1940. As incomes continue to rise in this group of countries, which total some two thirds of a billion people, a sizable share of the additional income will be converted into demand for livestock products, particularly beef. This has already resulted in an explosive increase of imports by these countries of the feedgrains and soybeans needed to expand livestock production.

FOUR KEY RESOURCES: LAND, WATER, ENERGY, FERTILIZER

As the world demand for food accelerates, constraints on efforts to expand food production become increasingly apparent.

The primary means available for expanding supplies fall into two categories: (1) enlarging the amount of land under cultivation; (2) raising yields on existing cropland through intensified use of water, fertilizers and energy. There are problems in both categories.

The traditional approach to increasing production, i.e. expanding the area under cultivation, has only limited scope for the future. Indeed some parts of the world face a net reduction in available agricultural land because of competing uses such as industrial development, recreation, transportation, and residential development, which makes demands on previously agricultural land.

Few countries have well-defined land use policies that protect agricultural land from other uses. In the United States, farmland has been used indiscriminately for other purposes with little thought devoted to the possible long-term consequences. More densely populated industrial countries, such as Japan and several Western European countries, have been experiencing a reduction in the land used for crop production for the past few decades. Other parts of the world including particularly the Indian subcontinent, the Middle East, North and Sub-Saharan Africa, the Caribbean, Central America, and the Andean countries, are losing disturbingly large acreages of cropland each year to severe erosion.

Perhaps even more important in the future than land itself is the availability of water for agricultural purposes. In many regions of the world, fertile agricultural land would be available if water could be found to make the land produce. But most of the rivers that lend themselves to damming and irrigation have already been developed. Expansion of the world's irrigated area is likely to fall into the familiar S-shaped curve as we run out of easy opportunities to expand. Future efforts to obtain fresh water supplies for agricultural purposes will increasingly focus on such difficult and expensive techniques as the diversion of rivers (as in the Soviet Union), desalting sea water, and the manipulation of rainfall patterns.

The other basic method of increasing food supplies—intensification of agricultural production on existing cultivated land—requires a several-fold increase in energy supplies. With world energy prices rising rapidly, the costs of intensifying food production will rise commensurately. In countries already engaged in high energy agriculture, such as the United States, high energy prices and the possibility of fuel rationing will tend to hold down production. The poor countries will simply not be able to afford the increased energy cost.

In addition to arable land, fresh water and energy, the fourth required ingredient for increased production, fertilizer, is also now in short supply and the outlook is for higher prices. The manufacture of nitrogen fertilizer, the most widely used chemical fertilizer, commonly utilizes natural gas as a raw material, and the manufacturing process consumes large amounts of energy. Fertilizer requirements over the remaining years of this century will soar to phenomenal levels, and their costs will spiral.

CONSTRAINTS ON PROTEIN PRODUCTION

In addition to the problems facing food supply overall, there is reason for particular concern about the difficulties of expanding world protein supply.

In the case of beef, a major protein provider, two major constraints are operative. Agricultural scientists have not been able to devise any commercially viable means of getting more than one calf per cow per year. For every animal that goes into the beef production process, one adult must be fed and otherwise maintained for a full year. There is no prospect of an imminent breakthrough on this front.

The other constraint on beef production is that the grazing capacity of much of the world's pastureland is now almost fully utilized. This is true, for example, in most of the U.S. Great Plains area, in East Africa, and in parts of Australia.

A second constraint on efforts to expand supplies of high-quality protein is the inability of scientists to date to achieve a breakthrough in the per acre yield of soybeans. Soybeans are a major source of high-quality protein for livestock and poultry throughout much of the world and are consumed directly as food by more than a billion people in densely populated East Asia. The economic importance of soybeans as a source of protein in the world food economy is indicated by the fact that the crop has become the leading export product of the United States, surpassing export sales of wheat, corn, and such high-technology items as computers and aircraft.

In the United States, which now produces two thirds of the world's soybean crop and supplies about 90% of all soybeans entering the world market, yields per acre have increased by about 1% per year since 1950, while corn yields, for example, have increased by nearly 4% per year. One reason why soybean yields have not climbed more rapidly is that the soybean, a legume with a built-in nitrogen supply, is not very responsive to nitrogen fertilizer.

The way the United States produces more soybeans is by planting more acreage. Close to 85% of the dramatic four-fold increase in the US soybean crop since 1950 has come from expanding the area devoted to it. As long as there was ample idle cropland available, this did not pose a problem, but if the cropland reserve continues to diminish or disappears entirely a serious global supply problem will result. The US Department of Agriculture has already projected a declining rate of increase in the 1974 soybean crop.

The oceans are our third major source of protein. From 1950 to 1968 the world's fish catch reached a new record each year, tripling from 21 million to 63 million tons. The average annual increase in the catch of nearly 5%, which far exceeded the annual rate of world population growth, greatly enhanced the average supply of marine protein per person. In 1969, the long period of sustained growth in the world fish catch was interrupted by a sudden decline. Since then the catch has been fluctuating, while the amount of time and money expended to bring it in rises each year. Many marine biologists now feel that the global catch of table-grade fish is at or near the maximum sustainable level.

In sum, it now seems likely that the supply of animal protein will lag behind demand for some time to come.

DEPLETED GLOBAL RESERVES

Until very recently, the period since World War II was characterized by excess commercial capacity in world agriculture, much of it concentrated in the United States. It now turns out that the world was fortunate to have had, in effect, two major food reserves One was in the form of grain reserves in the principal exporting countries; the other in the form of reserve cropland, virtually all of which was land lying fallow under farm programs in the United States.

In recent years, the need to draw down grain reserves and utilize idle cropland has become increasingly apparent. This first happened during the food crisis years of 1966 and 1967 when world grain reserves dropped to a dangerously low level and the United States brought back into production a small portion of its 50 million idle acres. It happened again in 1971, as a result of the corn blight in the United States. In 1973, in response to growing food scarcities, world grain reserves declined once more, and the United States again resorted to cultivating its fallow cropland, to a much greater degree than on either of the two previous occasions. The grim fact is that world grain reserves have now fallen to their lowest level in two decades, while the world's population has increased by half. The world is down to a 28-day food supply.

On the price front, from the end of World War II until quite recently, world prices for the principal temperate zone farm commodities such as wheat, feedgrains and soybeans have been remarkably stable. In part, this happened because for much of this

period world prices rested on the commodity support level in the United States. Now that world food reserves have become chronically low and the US has no cropland in reserve, world prices for important commodities will be very unstable.

The extent of global vulnerability to food supply is underlined by examining the degree of dependence by the rest of the world on North America. Before World War II both Latin America (importantly Argentina) and North America (United States and Canada) were major exporters of grain. During the late thirties net grain exports from Latin America were substantially above those of North America. Since then, however, the combination of the population explosion and the slowness of most Latin American countries to reform and modernize agriculture has eliminated the net export surplus in the southern part of the Western Hemisphere. With few exceptions, Latin American countries are now food importers.

In contrast, North America, particularly the US, which accounts for three fourths of the continent's grain exports, has over the past three decades emerged as the world's breadbasket, exporting 85 million tons of grain a year, up from five million tons in 1934. Exports of Australia, the only other net exporter of importance, are only a fraction of North America's.

The extreme dependence resulting from this situation leaves the world in a very dangerous position in the event of adverse crop years in North America. Both the U.S. and Canada are affected by the same climactic cycles. As matters now stand, a prolonged drought in North America of the kind we have experienced historically about every 20 years, most recently in the early 1950's, would mean widespread famine in many parts of the world.

THE THREE-PRONGED SOLUTION

I. A global reserve system

The global food outlook clearly calls for an internationally managed world food reserve of some kind. Such a world reserve could be built up in good crop years and drawn down in times of scarcity. In addition to preventing starvation on a mass scale, this would also help to hold down price increases to the consumer during times of scarcity and hold up prices to the producers when production exceeds immediate world demand. In effect, the cushion and stability that surplus American agricultural capacity provided for a generation after World War II would be provided at least partially by a world food reserve system.

II. Using the potential of the poor countries

The greatest opportunities to sharply increase food production now lie in the developing countries.

In developing countries that have the appropriate economic incentives, fertilizer, water and other required agricultural inputs and supporting institutions, the introduction of new wheat and rice varieties has paid off in large production increases. However, the big jump that took place in per acre yields in these developing countries, the famous "Green Revolution," appears dramatic largely because their traditional yields were so low. Today, rice yields per acre in India and Nigeria still average only one third those of Japan; corn yields in Thailand and Brazil are less than one third those of the United States. In these nations, large increases in food supply are still possible at far less cost than in agriculturally advanced nations if farmers are given the necessary economic incentives and access to the requisite inputs. I have myself seen test plots in Asia, Africa and Latin America where production exceeds by four and five times the best yield from the fertile heartland of the U.S. which is not blessed by year-long sunshine these countries enjoy. A convincing case can be made for strengthened support of agricultural development in such populous, food-short countries as Bangladesh, India, Indonesia, and Nigeria. An almost equally convincing case can be made that in encouraging such development, particular attention should be paid to involving small farmers in the production effort. There is evidence that small farmers, when they have effective access to agricultural inputs as well as health and education services, engage in labor-intensive agriculture and generally average considerably higher yields per acre than large farmers. A bipartisan legislative proposal introduced in the U.S. Congress in 1973 to restructure the U.S. Agency for International Development and to increase by at least 50% the support it provides for agricultural and rural development in the years immediately ahead, is a timely and important initiative. It could significantly increase the world's food supply.

Concentrating efforts on expanding food production in the poor tropical countries makes sense. It would reduce upward pressure on world food prices; create additional employment in countries where continuously rising unemployment poses a serious threat to political stability; raise income; and improve nutrition for the poorest portion of humanity—those living in the rural areas of the developing nations.

III. Slowing population growth

The prospect of a chronic global food scarcity resulting from growing pressures on available food resources underlines the need to stabilize and eventually halt population growth in as short a period of time as possible. One can conceive of this occurring in the industrial countries fairly soon given recent demographic trends, particularly if national governments put their minds to it.

In the poor countries, however, it will be much more difficult to achieve population stability within an acceptable time frame, at least as things are going now. For one, the historical record indicates that birth rates do not usually decline unless certain basic social needs are satisfied. A reasonable standard of living, an assured food supply, a reduced infant mortality rate, literacy, and health services seem to provide the basic motivation for smaller families. It is, therefore, vital to the poor nations, and very much in the self-interest of affluent societies such as the United States, to launch a major additional effort directed at helping developing countries to step up food produtcion and generally accelerate the development of rural areas.

Population-induced pressures on the global food supply will continue to increase if substantial economic and social progress is not made. A greatly expanded program to make family planning services available to all who desire them, in rich and poor nations, will be necessary but not enough in itself to break the dismal cycle of ten millenia in which increased food production has been consumed by an ever-expanding number of mouths to feed, leaving much of mankind hungry. The three-pronged solution outlined above might finally do it.

INDEX OF WORLD FOOD SECURITY

Year	Million metric tons— Reserve stocks of grain	Grain equivalent of idled U.S. cropland	Total reserves	Reserves as share of annual grain consumption (percent)	Reserves as days of consumption
1961	154	68	222	26	94
1962	131	81	212	24	88
1963	125	70	195	21	77
1964	128	70	198	21	77
1965	113	71	184	19	69
1966	99	79	178	18	66
1967	100	51	151	15	55
1968	116	61	177	17	62
1969	136	73	209	19	69
1970	146	71	217	19	69
1971	120	41	161	14	51
1972	131	78	209	18	66
1973	105	20	125	10	37
1974 (proj.)	89	0	89	7	27

Mr. HUMPHREY. Mr. President, another very forthright witness in support of legislation to establish a modest program of publicly owned grain reserves was Mr. Charles L. Frazier representing the National Farmers Organization.

He also supported my recommendation that the target price and the loan rate for 1974 be increased to take account of the fact that farm production costs have sharply escalated in the past year.

Mr. President, I ask unanimous consent that Mr. Frazier's statement be included in the RECORD.

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

STATEMENT OF CHARLES L. FRAZIER BEFORE SUBCOMMITTEE ON AGRICULTURAL PRODUCTION, MARKETING AND STABILIZATION OF PRICES, COMMITTEE ON AGRICULTURE AND FORESTRY, U.S. SENATE, MARCH 21, 1974

GRAIN RESERVES LEGISLATION—S. 2005 AND S. 2831

Mr. Chairman and Members of the Subcommittee, I appreciate this opportunity to express an opinion on behalf of the membership of the National Farmers Organization on the proposed legislation. These bills would establish a food bank or reserve of the principal grains and soybeans, and in one case cotton, to protect the overall interests of both producers and consumers.

In our National Convention at Louisville in December, 1973, our delegates resolved to "support a national strategic reserve of grains and cotton provided that producers have an opportunity to store a substantial part of such reserves and its availability for release in the market be tightly controlled by the law to prohibit sales at prices less than cost of production plus a reasonable margin of profit."

S. 2831

This Bill, introduced by Senator Clark in December, contains provisions that have been thoughtfully designed to require the Secretary of Agriculture to accumulate reserves of wheat, feed grains and soybeans when prices decline to about the target price level. Since we are currently receiving respectable prices for grains and target prices are unreasonably low, the purchases would occur under the provisions of the proposed bill only after there is a substantial break in prices.

Use of the previous five-year average or the target price, whichever is greater, as the maximum purchase price rather neatly calls for action at a time when producers might well deserve protection against further price declines and consumers undoubtedly would be benefiting from lower price levels than those currently prevailing in the market.

Features in Section 7 of S. 2831 are unique in comparison with similar provisions of other reserve legislation introduced in recent years. The language contemplates that CCC owned stocks first be designated as a part

of the reserve and that additional quantities called for to establish reasonable reserve levels, would be purchased through the farmer committee system responsible for the administration of the farm program. That feature, combined with the pricing provisions for release of the stocks in times of need, assures the users of these grains that the reserve may be obtained at a reasonable cost when needed. Such stocks would be held largely in the area of production and then will be made available to the market to prevent unreasonably high prices in the event of a short crop or exceptionally large export activity.

The provision in Section 8 limiting the purchase by any single buyer or trade entity to no more than 10% of the reserve stocks in any particular marketing year is highly desirable and should be retained in any bill moved forward by this Committee.

S. 2005

This bill, as introduced in the form of a substitute on February 19 by Senators Humphrey, Aiken and others, is more comprehensive legislation. This bill deals with actions to be taken when the estimated total carryover the major grains, cotton and soybeans, falls below certain critical levels.

The critical supply levels are defined as 600 million bushels of wheat, 40 million tons of feed grains, 5 million bales of cotton and 150 million bushels of soybeans. So it is presumed that those features designed to increase loan rates and impose a system of export licenses to be administered by the Secretary of Agriculture under such circumstances would be immediately tested by practical application.

These provisions would operate in tandem to assure producers of reasonable safeguards in the event of rapidly falling markets and at the same time, serve notice on foreign purchasers that we would not stand idly by and see all of our stocks exported to the detriment of the American consumer.

Although the 'critical commodity levels' established in the bill are higher than the carryover levels considered most practicable only a few years ago, they might now be acceptable to American producers in view of the exceptionally high export sales made in 1972 and 1973. The provision increasing loan rates to target price level when the carryover is below the critical level is well justified.

Success in establishing reasonable supplies and prices would depend heavily upon the attitude and sincerity with which any new legislation is administered in the Department of Agriculture. It should be especially noted that the contemplated change in loan rates would reduce the liability of the Federal government to make payments if and when production far surpasses our needs and prices fall to a lower level.

GENERAL

I have not undertaken to comment on each of the provisions of the bills before you. Various proposals to establish and isolate a reserve of these major commodities from the market for the overall benefit of the American consumer have been up for discussion a number of times. Certain viewpoints seem to have changed, however.

When grower representatives wanted to establish a reserve with safeguards against dumping in the market to break producers' prices, several industry groups steadfastly opposed the legislation.

I think it safe to say that they were all for open competition and free enterprise so long as the Government held CCC stocks to assure them of adequate supplies. They were permitted to carry only minimal reserves of their own from month to month to meet their needs.

Some of these industry segments are now reported to be in support of the reserve concept. This points up the absolute necessity of safeguarding any reserves to be established by new legislation against dumping in the market by the Secretary of Agriculture or any other political officer of the Government. We cannot support legislation that does not have clear cut provisions on prices at which the reserves would be released.

We may logically expect the consuming industries to protect themselves by more forward buying and to carry larger inventories as a matter of good business practice. I am certain, however, that we cannot expect them to take a substantial surplus out of the market in times of overproduction nor can we expect them to carry a sufficient reserve to protect the buying public against runaway prices in times of temporary shortage. It may be a new ball game but the profit motive is still properly a part of the rules.

We believe it important to consider the number of producers who are definitely shifting from dairy and livestock to a cash grain type of operation. Milk production in 1973 was off 3½% from 1972. Although milk prices have improved in recent months and the rate of decline may have slackened, many observers believe there will be continuing loss of production in 1974.

Numbers of cattle on feed, March 1st, in the seven big feeder states were down 4% from a year earlier. Hogs were quoted this week at $32.40 and choice steers at $41.75, both prices being well under a year ago. These are not profitable levels by any means.

Legislation that will establish reserves of grain at a time when prices are off from present levels would give some reassurance to dairymen, poultry producers, and livestockmen who need to be encouraged to stay in the business. If it is considered to be in the best interests of all our people to have such a reserve, I suggest to you that the action should be accompanied by an increase in target price levels and loan rates.

We need action on the total feed grain allotment, as contemplated in a recent hearing before your Subcommittee, and a change in legislation to update the distribution of grain allotments among states, counties and grain producers under the new target price concept.

A positive decision by your Subcommittee on these related provisions of the program would be a strong signal to both grain and livestock producers that programs would be used to stabilize these markets at profitable levels in the future. In the absence of some concrete action of this nature, we will continue to have uncertainty and skepticism at the producer level.

I will be happy to work with you or members of your staff if it is your decision to move on this whole package of legislation.

Mr. HUMPHREY. Mr. President, another very forceful witness, and a supporter of the proposal to have a modest government owned food reserve, was Mr. L. C. Carpenter, vice president, Midcontinent Farmers Association and member, board of directors, National Corn Growers Association.

Mr. Carpenter also agreed on the need to raise the target price and the loan level, building on the 1973 Agriculture Act.

Mr. President, I ask unanimous consent that Mr. Carpenter's statement be included in the RECORD.

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

STATEMENT OF L. C. "CLELL" CARPENTER IN GENERAL SUPPORT OF THE PROVISIONS OF AMENDMENT 963 TO SENATE BILL 2005 AND SENATE BILL 2831 RELATING TO GRAIN AND COTTON RESERVES

Mr. Chairman and Members of the Committee:

My name is L. C. "Clell" Carpenter, Vice President of Midcontinent Farmers Association, with headquarters in Columbia, Missouri. Our membership approximates 152,000 in Missouri and adjacent states. I am also appearing as a board member of the National Corn Growers Association and have been asked by that association to express their approval of the general provisions of these reserve bills you are hearing today.

For a number of years the MFA, the National Corn Growers, and many other members of the National Farm Coalition have been urging the Congress to enact enabling legislation to provide for agricultural commodity reserves. With your permission, Mr. Chairman, may I just review some of this testimony briefly.

In 1971 MFA President Fred Heinkel testified before this committee on November 10 as follows: "The Midcontinent Farmers Association, along with other farm organizations, have on previous occasions strongly advocated the enactment of a strategic reserve bill to permit orderly and effective administration of supply management and price support programs in agriculture."

Mr. Heinkel proceeded in part as follows: ". . . It would have allowed a realistic appraisal of the possible blight threat. The reserve stocks on hand would have provided the "insurance" needed. There should have been no need to trigger with the feed grains program . . ." As you will recall, on this date, November 10, 1971, we were struggling with the corn blight problem in the United States and its effect upon the feed supply. And, as you no doubt, further recall farmers were encouraged to increase acreage substantially in 1972 which resulted in a huge crop with price depressing effects.

Again, referring to past testimony, Mr. Heinkel presented to the Senate Committee on Agriculture and Forestry on March 8, 1973, on behalf of the National Farm Coalition the following statement on this subject which states in part as follows:

". . . Establish a strategic reserve of all feed grains, wheat, soybeans, and cotton which will protect consumers and producers alike. This is probably the most effective device whereby consumers can be assured of an adequate supply at a rather consistent price level from year to year. And farmers can be protected against production goals that are too high and may result in huge surpluses and price collapse . . ."

I have before me numerous other testimony and statements that both Mr. Heinkel and I have made in support of such legislation as we are considering here today.

With your permission, Mr. Chairman, I would like to quote one section from our Report of the Resolutions Committee adopted at our MFA Convention of August 6, 1973. This quotation is found on page 3 which states in part as follows: ". . . Left unresolved is the question of need for a national reserve of storable farm commodities. We strongly urge Congress to establish a farm and consumer commodity reserve which would be isolated from the market. Such action would complement and strengthen present programs. It would make it possible to adjust annual farm production more closely to expected national domestic and export needs while providing asurance of adequate supplies to meet emergencies. A commodity reserve would prevent recurrence of the serious situation facing us now due to the temporary short supply of grains and animal protein."

Mr. Chairman, I apologize for taking the commitee's time to review some of the past occurrences, but I am doing this to leave no question in anybody's mind that the establishment of a strategic reserve is not a new idea, but one that has been advocated strongly by a great number of organizations over the past many years. The two bills being considered here today authored by the distinguished senators from Minnesota

and Iowa are seeking basically to attain the same objective but through substantially different approaches.

Mr. Heinkel and I have discussed at some length the various approaches and have decided that with the facts and figures that are available and the expertise that exists in both the Senate Agriculture Committee and in the Department of Agriculture it would be best that you folks make the determination as to the amount of the reserve that will work most satisfactory and also to determine the price level and under what conditions these reserves may be used.

I think everyone who has ever studied the reserve proposals realizes that the major problem will be our ability to devise legislation and procedures that will completely isolate this reserve from the market and prohibit same from being a price depressent. Conditions today are entirely different from those at the time we offered our previous testimony.

Grain supplies of both the United States and the world are the lowest they have been for 20 years. This is a result of an increased world demand and a short-term reduction in world production. Fortunately, however, the shortage of grain supplies comes at a time when the actual production of the United States farms have the capacity to produce at the highest level ever.

Declining supplies of grain, support loans, gyrating feed prices, and of course, higher food prices have caused much concern and have led to the furthering of the movement to establish a national grain reserve program. Yes, concern for prevention of starvation in developing countries has caused concern for establishment of an international grain reserve. Until recently, the United States had two basic reserves, or realistically they might be called surpluses. One has been the supply of grains owned by the U.S. Government; the other reserve has been the potential capacity provided by idle farmland.

Millers, commercial grain traders and foreign countries have relied upon these surplus reserves. At times, these surplus reserves have been managed in such a manner as to, in effect, put a ceiling on farm prices. We insist that one of the provisions of this bill will assure that any reserve program be so developed and administered as not to depress farm prices.

There is now being advanced an idea favoring a national strategic reserve. With the expanding world demand for food and with the need to stabilize the dollar by offsetting nonfarm imports with farm exports, it is essential reserves be established to permit the United States to meet export demands on a consistent and continuing basis. The dependability and the reliability of the United States as a major supplier cannot otherwise be established.

Secondly, it is essential to establish a national grain reserve in order to prevent wild fluctuating prices such as those experienced the past two years. The United States had really not treated the government supplies as a reserve but rather as a surplus. When these surpluses no longer were available, prices jumped up and down as buyers were competing for the available grain supply. Our unfortunate experience last spring and summer with soybeans wherein the government found it necessary to place an embargo upon the sales was not a desirable experience, and should make everyone involved more aware of the need for a domestic grain and cotton reserve. These fluctuating prices are not to the best interest of the producer or the general public.

It is also essential to establish a national grain reserve in order to meet the emergency needs of this country such as drought, blizzards and flood. The flood conditions in the Midwest last year were disastrous. Climatologists are predicting the cycle of weather is now right for a major drought. Such a calamity in 1974 would indeed be a disaster.

We further recommend the establishment of a national grain reserve which can assist in many international situations. This may include helping developing nations who encounter adverse climatic or other conditions. We may wish to use our food as a diplomatic tool to improve our relations.

We would hope a substantial portion of such a reserve as we are discussing here might be held in the hands of farmers. An international grain reserve supported by all nations and established to provide for world emergency needs is also a desirable goal. Many of the developing countries have come to rely on U.S. Government aid programs in emergencies. The United States in the past has always been willing to do its fair share. However, it would seem no more than right for other nations to assume like responsibility.

It is interesting to note that some farmers and farm groups who have previously supported this proposal are now taking a second look and appear to have receded in their position. However, we are convinced this is a short sighted view and largely the desire of those persons to "have their cake and eat it too". Nobody's been able to accomplish this feat as yet. It is, however, also interesting to note that a great number of persons and organizations who previously opposed strategic reserves are now proponents. Some grain exchanges are advocating such a program. Many consumer organizations are strong advocates. Only last week I was visiting with Don Paarlberg, chief economist of the USDA here in Washington, who stated that the Department of Agriculture was taking a favorable view, particularly as it applied to international reserves.

Mr. Chairman, I will not belabor this subject further. I sincerely hope that we have made our position clear—that we strongly support enabling legislation to provide for strategic reserves and possibly some accounting at least of our major exports of strategic commodities.

Again, may I say that we are probably not as helpful to you as we should be in suggesting a reserve level, how the reserves would specifically be acquired and more definitive as to how they should be released. We have full confidence in the ability of this subcommittee, the entire United States Senate Agriculture and Forestry Committee and your capable staff members to arrive at these decisions which will be in the best interest of not only producers and consumers, but the world in its entirety. Thank you very much for the privilege of appearing here today.

Mr. HUMPHREY. Mr. President, another witness speaking in support of my bill and in opposition to the position of Secretary Butz was Mr. Lauren K. Soth, representing the National Planning Association.

Mr. Soth brought a useful historical perspective to the hearings in recalling how reserves had been useful in the past in meeting emergency requirements such as World Wars I and II, the Korean War and the drought in India.

Mr. President, I ask unanimous consent that Mr. Soth's statement also be included in the RECORD.

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

STATEMENT OF MR. LAUREN SOTH

A NATIONAL POLICY ON GRAIN RESERVES

The Committee has copies of the National Planning Association pamphlet entitled "Feast or Famine: The Uncertain World of Food and Agriculture and Its Policy Implications for the United States." This report was prepared by Dr. Willard W. Cochrane, professor of agricultural economics at the University of Minnesota. The pamphlet includes a policy statement by the Agriculture Committee of the National Planning Association. Dr. Cochrane was unable to attend this hearing, because he is out of the country.

The National Planning Association is an independent, private, nonprofit, nonpolitical organization. It engages in economic and social research, aimed at making the best possible use of resources to achieve the material and cultural goals of Americans. NPA was founded in 1934. It is financed by contributions and by grants for research projects from foundations, government agencies and international organizations.

National grain reserve policy is not a new subject for the Agriculture Committee of NPA. In all our policy statements concerning United States agricultural policy for the last 25 years or so, we have given consideration to the accumulation of grain reserves and their disposition onto domestic and foreign markets.

In recent times, with very large gyrations in export markets, the use of food as aid for under-developed countries and the continuing hazards of weather affecting crops the world around, the committee has concluded that grain reserve policy is more important than ever. I know I speak for the committee as a whole when I say we are very glad to see this Senate Committee considering a definite program of maintaining reasonable reserves of wheat, feed grains, and soybeans.

In a statement on farm and food policy that the NPA Agriculture Committee issued last year, we urged that the nation should explicitly affirm a policy of maintaining reserve stocks and of using them to stabilize markets. The pamphlet and statement I just referred to reassert the committee's belief that a national policy for grain reserves is needed.

The committee asked Dr. Cochrane to prepare the basic document which you have before you. I consider it one of the best analyses of this subject now in existence, and I recommend it highly to the Senate Committee. I might point out that of 31 members of the NPA Agriculture Committee, all but one member signed the statement accompanying the Cochrane report. This is a very unusual indication of support for the general idea in this publication.

Only one member of the committee signing the statement disagreed with the general thrust of the argument in the committee statement. The NPA Agriculture Committee is made up of farmers, representatives of agribusiness including farmer cooperatives, representatives of the leading farm organizations, agricultural economists and even a couple of newspaper editors. I think we represent a broad cross-section of knowledge and interest in American agriculture.

Mr. Chairman, if I may, I should like to say a few words of my own about the importance of establishing a clearly defined grain storage and supply stabilization policy.

First, the experience of this country in the last 40 years indicates to me that we have had a fairly effective grain stabilization policy at critical times, but it has been done by accident and not by plan.

In the 1930s, you will remember, under the crop loan programs following the severe drought years of 1934 and 1936, there was a considerable accumulation of grain. These so-called "surpluses" were viewed with great apprehension by those who thought the government should not intervene in the marketplace.

Actually, the accumulation of supplies under government loans and government ownership was not large by any reasonable standard of protection against shortage. But the stocks seemed large, because they were so much larger than the private trade had ever carried. For example, in the fall of 1939,

we had about 600 million bushels of corn as a carryover prior to harvest of the new crop. In 1940, this carryover had gone up to nearly 700 million bushels.

In the late 1920s, and up to 1933, by comparison, corn reserves under private warehousing never got above 280 million bushels.

I am using figures for corn only, for simplicity's sake, but they reflect the entire grain storage situation, although the peak storage of wheat was reached later, in 1942. Corn, of course, as you know, is the most important grain in this country in volume of production and use.

This great "surplus" of corn in 1940, overhanging the market, as was said at the time, proved to be a resource of very great value to this country when World War II broke out and the demand for food rose sharply among the allied nations. Reserves of corn and other grains were depleted rapidly to fill war needs.

Reserves of grain also accumulated in the years following the war, reaching a high point in the case of corn in the fall of 1950 at around 850 million bushels. This reserve also proved to be a valuable asset when the Korean War increased the demand for food. In spite of increasing harvests of corn in the next couple of years, the reserves were reduced.

In the late 1950s, grain reserves piled up to the highest level ever, under the farm program then in operation under the management of Agriculture Secretary Ezra Benson.

Price supports and loan values of grain were kept at a high level, but there was no crop acreage control. The result was that corn reserves accumulated to the extent of 2 billion bushels by Oct. 1, 1961. These reserves were lowered during the next few years by stimulation of large exports and by crop acreage controls limiting production. Even so, we still had a reserve of corn on Oct. 1, 1964, of 1.5 billion bushels.

Here again, a "burdensome" surplus turned out to be a very useful reserve when grain production fell off drastically in South Asia in 1965 and 1966. In those years, in fact, the three largest grain producing countries in the world—China, Russia and India—all suffered drought conditions.

The United States, fortunately, had a big supply of grain on hand, including 1.2 billion bushels of wheat in July, 1963, and was able to meet the needs of South Asia, while Canada and Australia were selling wheat to China and Russia.

The fourth example I should like to mention is the short crop in Russia in 1972 and the entry of the Soviet Union into the world market on an unprecedented scale to buy wheat. Here again, the United States had large reserves and was able to sell 400 million bushels to Russia.

I won't go into the question of how this sale was handled and how it was allowed to distort American markets and result in skyrocketing food prices. My only point here is that the U.S. *did* have a big supply of grain on hand, and this supply turned out to be useful in a time of world shortage.

In all these cases, but particularly in the last one, a well-understood policy of government management of stocks would have improved the situation. In 1971 and 1972, for example, Agriculture Secretary Earl Butz seemed to view our reserves as a horrible surplus, something to get rid of by any means whatsoever and as quickly as possible. Dr. Butz is a child of the era of surplus psychology in American agriculture, like many of the rest of us. He also is a doctrinaire believer in free markets and keeping the government out of them. A person with this philosophy is not the right person to deal with the handling of grain surpluses and shortages, because his heart is not in the job.

If we had had a clear policy of retaining a minimum reserve stock of grain in this country, Secretary Butz could not have dumped it overseas to the Russians at cut-rate prices the way he did. He would have had to think of a balancing operation, not just getting the government out of the grain business.

Many people feel that the private grain trade is able to handle the balancing function of holding grain reserves in time of plenty and disseminating them in time of shortage. The 1972 case is a good one to examine from this point of view. Several of the big grain companies were operating individually, in secret, making deals with the Russians. Presumably, no one firm or agency, not even the Department of Agriculture, knew exactly what was going on.

There is no reason why private grain companies and farmers cannot handle a good deal of the grain storage function. However, a central planning agency, the Department of Agriculture, must overview the whole situation and decide what is the reasonable reserve to be carried under the circumstances and to see that it is carried. Someone also must decide, on the basis of understood rules of pricing and in-storage targets, when grain is to be moved out of storage. That cannot be left to private business. Individual business firms cannot be expected to undertake, on their own, to provide a reserve for market stabilization.

The sensible operation of a national grain reserve or ever-normal granary policy can minimize the need for acreage adjustments. As far back as 1935 and 1936, Henry Wallace was saying that grain reserves could help stabilize prices and reduce the need for changes in acreage. However, the nation never has adopted such a policy consciously.

Many people think that we will never have agricultural surpluses again and that food will be scarce from now on. If this is so, all the more reason, from the consumer viewpoint, why adequate reserves must be built, because some years are going to be shorter than others, and we will still need a balancing supply for emergencies. In my own view, we could have surpluses again, and not far in the future, either.

Russia had a big crop in 1973. If Russia has another big crop this year, and if North America harvests more grain than ever before, as seems likely, world grain prices could tumble very sharply. At such a time, grain reserves should be built up, on farms and in elevators in terminal distribution points. We should know by now that such stocks of grain will come in handy sometime ahead because of drought or unusual export demand.

During the accumulation of such stocks, of course, prices will be supported, protecting and stabilizing the income of farmers. Farmers need to recognize, however, that when grain reserves are disseminated during a time of shortage, their prices will be reduced. The overall advantages of stabilization to them are great.

Opposition to this legislation is being aroused among farmers on the usual argument that market "overhang" is injurious to farmers, making them subject to capricious action by the government to wreck their markets. The answer to such fears is to establish specific rules for acquiring and letting go the stocks, including price standards for releasing grain. I think farmers are wise enough to see that they suffer from wild ups and downs in prices, the same as consumers do.

The improvements in farming technology in the last few decades, including the improvement of varieties of wheat and rice for South Asia (the "green revolution"), take some of the hazards out of grain production. The development of more new lands for wheat in the Soviet Union, announced by Chairman Leonid Brezhnev the other day, also adds to the grain production potential of the world and reduces the risk of famine.

However, I should like to stress that weather is still the biggest factor in the variability of food production. Unless the major grain producing and consuming nations can develop adequate reserve carrying policies, the world will again face, periodically, severe deficits in supplies, with soaring prices and hunger.

Both the U.S. and Russia should develop better reserve policies. Adding new land will not solve the Russian problem, and taking off the acreage controls here does not solve ours.

The legislation proposed by Senator Humphrey and others is certainly the right direction to take. My own hunch is that the target figures for reserves are too low—600 million bushels of wheat and about 1.5 billion bushels of feed grains are small figures by comparison with the stocks accumulated in past years from price support programs. I believe larger stockpiles will prove advantageous in the future.

Mr. HUMPHREY. Mr. President, very useful and important testimony was also provided by James McCracken, representing Church World Service, and Sandra DeMent and Robert Eisenberg, representing the National Consumers Congress.

Mr. President, I remain hopeful that both the subcommittee and the full committee will take favorable action on this legislation.

In my view, the proposed bill addresses important needs for both farmers and consumers in the United States and our export customers abroad. We need to establish a program which effectively meets those responsibilities.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has morning business been closed?

The ACTING PRESIDENT pro tempore. Morning business has not been closed.

Is there further morning business? If not, morning business is closed.

CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending business is the Mondale-Nelson amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that amendment be temporarily laid aside for not to exceed 3 minutes and that I be permitted to offer an amendment, and I ask that the clerk state it.

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

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 114, line 2, strike out "BUDGET" and insert in lieu thereof "CERTAIN".

On page 114, line 12, immediately after "Committees on", insert "Appropriations, Finance (or Ways and Means) or".

On page 114, line 12, immediately after "Committee on", insert "Appropriations, Finance (or Ways and Means) or".

On page 114, line 14, immediately after "Committee on", insert "Appropriations, Finance (or Ways and Means) or".

Mr. ROBERT C. BYRD. Mr. President, this amendment has been discussed with Mr. ERVIN, Mr. PERCY, and Mr. MUSKIE, the managers of the bill.

The amendment would provide that it shall be the duty and the function of the Congressional Office of the Budget to furnish three kinds of assistance to the three committees—the Appropriations Committee, the Finance Committee, and the Budget Committee.

The Congressional Office of the Budget would have to provide to these three committees information with respect to the budget, appropriations bills, other bills authorizing or providing budget authority or tax expenditures, and with respect to revenues, receipts, estimated future revenues and receipts, and changing revenue conditions. It would also have to provide such other related information as the committees may request. Finally, the office would be directed, at the request of the committees, to assign personnel to assist the committees on a temporary basis.

The amendment would help to assure that the Congressional Office of the Budget will be responsive to the needs of the three committees most directly involved in revenue and spending matters. At the same time, pursuant to other provisions of the bill, the office will be able to assist other committees and Members, as well.

I hope that the managers of the bill will accept the amendment.

Mr. ERVIN. Mr. President, I favor the amendment, and I hope the Senate will adopt it. I think it improves the bill and makes the Congressional Office of the Budget more helpful in achieving a practical budgetary system.

Mr. PERCY. Mr. President, by the very nature of the bill, the responsibilities of the Committee on Finance and the Committee on Appropriations would be increased tremendously. They would be given certain directions and duties and obligations as a result of this change in procedure. It is only right and proper, therefore, that they should have a professional staff available to them for that purpose. On this side of the aisle, we certainly support the amendment.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Minnesota and the Senator from Wisconsin. Who yields time?

Mr. NELSON. Mr. President, apparently the Senator from Minnesota (Mr. MONDALE) was not notified of the change in the hour. He is a cosponsor of the amendment. I ask unanimous consent that there be a quorum call not to be charged against the time on the amendment.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MUSKIE. Mr. President, I ask unanimous consent that the pending business be set aside, and I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The amendment will be stated.

The legislative clerk read as follows:

On page 142, line 7, after the word "new", insert the following: "or increased".

On page 143, line 13, after the word "new" insert the following: "or increased".

Mr. MUSKIE. Mr. President, this is a technical amendment dealing with that provision of the bill which provides for information on tax expenditures. The purpose of the amendment is to make clear that what is involved is not only new tax expenditures, in other words, new tax loopholes, as they are referred to, but increases in current tax expenditures. This is a technical amendment that has the approval of both sides, and I move the adoption of the amendment.

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

The amendment was agreed to.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum on the same basis.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the recognition of the Senator from Wisconsin (Mr. PROXMIRE), there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

Mr. ERVIN. Mr. President, when I stated at the outset of the discussion on the bill the names of those who had been of assistance in bringing the bill to its present state, I failed to note that Nick Bizony, a former member of the staff of the Committee on Government Operations, had been of most material assistance in the development of the bill. He has been a tireless worker for me in connection with the bill, so I wish to have this statement appear in connection with the statement I made concerning others whose assistance has been so great.

AMENDMENT NO. 1046

Mr. NELSON. Mr. President, I call up amendment No. 1046, which has been proposed by the Senator from Minnesota (Mr. MONDALE), the Senator from Kansas (Mr. DOLE), the Senator from Delaware (Mr. BIDEN), and myself.

The ACTING PRESIDENT pro tempore. That amendment is the pending question. It has already been laid before the Senate as the pending question.

Mr. NELSON. I thank the Chair.

The amendment proposes to have the Budget Committee established on a rotation basis. It provides that of the 15 Senators to be appointed, 5 shall serve for 2 years, 5 shall serve for 4 years, and 5 shall serve for 6 years; and that thereafter all the members of the committee shall serve for 6 years, and at the end of their 6 years they must leave the committee, but would be eligible to return to the committee at the expiration of another 2 years.

Under this amendment, two-thirds of the committee at all times would be experienced members of the committee with from 2 to 4 years of service. Furthermore, under the amendment, members of the committee would not have to give up membership on any one of the other categories of committees. I think we are going to run into trouble in getting experienced Senators to serve on the Budget Committee if it is going to require that they give up membership on one of their two major committees. In fact, I have asked nine Senators, two on the Republican side and seven on the Democratic side, and all of them responded that they would not give up either one of their major committees—category A committees—to serve on the Budget Committee. If that is any indication, we are going to have great difficulty in getting any experienced Senators to serve on the Budget Committee. That, I think, would be unfortunate.

Furthermore, I think it would be a mistake to establish a Budget Committee with permanent membership, with no rotation, for two reasons. One of them is that the Budget Committee is going to make determinations respecting the budgets of all the authorizing committees. It seems to me that that responsibility ought to be spread as broadly as possible, and that by rotating membership on the committee with five new members

every 2 years, that responsibility will be more broadly assumed by more Senators, as it should be, because budget questions and budget problems are the responsibility of every Senator.

Second, if a Budget Committee is appointed, and the caucus of either body is not satisfied with the performance of the committee, there is very little that the caucus can do about it; whereas, if there is a rotation every 2 years, with five new members on the committee every 2 years, the respective Senators in each caucus could have some voice in the nature and philosophy of the membership of the Budget Committee. So the caucuses can have some input in making a change, which they are likely to desire from time to time.

So I think it would be a much more effective and sound procedure to establish a committee in which the members are rotated and are not required to give up membership on either one of the category A committees.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. NELSON. Mr. President, how much time do the proponents of the amendment have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin has 21 minutes remaining.

Mr. NELSON. I yield whatever time he desires to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, I am pleased to join in offering the amendment to provide the Senate Budget Committee with a rotating membership.

The idea of having new members joining the committee at the start of every new Congress is a very healthy and refreshing concept. It means that this very important committee would not become an exclusive, rigidly structured bastion of entrenched ideas or dominated by the laws of survival in the seniority system. Rather, it would be a committee where Senators could serve long enough—6 years—to become knowledgeable in budget matters but not so long that they would become stale as the years go on. The provisions permits a Senator to return to the committee after a 2-year absence, and thus would allow those with a special interest and unique qualifications to give longer service if they chose to do so.

Because the amendment also allows a Senator to retain his other major committee assignments while serving on the Budget Committee, it will encourage senior as well as junior Senators to serve on it.

The practical effect of the amendment—when combined with retirements and the results of the electoral process—would be to turn over at least one-third of the Budget Committee's membership at the beginning of each new Congress. I believe such a flow of new faces, ideas, and outlooks would be highly beneficial, and might prove to be a pattern which would bear extension to the full committee system as we gain experience with it.

Since the establishment of the Budget Committee will mark a new departure in congressional operations, it would be entirely appropriate for the Senate to try out a new concept of membership at the same time. Being new, the committee has no carryover membership or traditions, no established patterns of privilege, or individual kingdoms. We can undertake this experiment without stepping on anyone's toes or divesting anyone of his rights gained through seniority.

I believe the rotating membership would benefit the entire committee system as more and more Senators gain budget experience which they can apply to their work on other committee assignments. As this experience becomes more widespread it cannot help contributing to smoother and more effective functioning of the entire Senate committee system.

I believe this rotating membership amendment is highly appropriate and fully in keeping with the spirit of reform which is behind the budget bill. I am pleased to join in submitting it and I urge its adoption by the Senate.

I yield back the remainder of my time.

Mr. NELSON. Mr. President, I yield the Senator from Minnesota whatever time he may require.

Mr. MONDALE. Mr. President, I rise in support of the amendment offered by distinguished colleague from Wisconsin (Mr. NELSON) to the pending bill.

Under the pending bill, membership on the Budget Committee would be determined—as with other standing committees of the Senate—by majority vote of party caucuses.

Our amendment would modify this procedure to provide for rotating membership on this crucial committee—with service limited to 6 years.

If the budget control procedures in the pending bill are to be successful, this committee will be among the most important in the Senate. It will have a major influence over our decisions regarding the appropriate levels of Federal expenditures and Federal revenues. It will have a strong influence over the priorities attached to the expenditure of Federal dollars.

The committee membership provision of the pending bill represents a major improvement over the original proposal of the Joint Committee on Budget Control. The committee's recommendations would have restricted two-thirds of the Budget Committee's membership to members of only two committees—Appropriations and Finance.

And these members would be selected by their respective committees. The pending bill opens membership freely to all Members of the Senate, and provides for determining membership in the regular way through vote of the party caucuses.

But this will be a powerful committee. It will have tremendous influence over the work of every other committee in the Senate. It will have a major influence over the work of every Senator and committee. And therefore I believe the system of rotating membership which we are proposing has at least three important advantages.

First, it will allow participation by a larger number of Senators over the years in this very crucial work—and it will give every Senator who has served a perspective which I believe will make him more effective in his work on other Senate committees.

I think it is fair to say that the work of this Budget Committee will be effective to the extent that it has the respect of the Senate, and to the extent that it does not the committee will be ineffective. For that reason, I believe that a committee which is broadly drawn from the Senate and then constantly renewed by new membership and strengthened by the knowledge of those who have served on it for the requisite 6 years will be a committee which, by its very nature, will be more responsive to all Members of the Senate than one which is drawn up and whose membership sits on the committee according to the traditional rules of committee membership.

Second, it will assure a flow of fresh ideas into the Budget Committee, which I believe is found to assist it in its complicated work. Third, since all the members of the committee will be temporary, it will help to assure that the Budget Committee continues to view itself as representative of the Senate and its committees as a whole.

And fourth, changing membership on the committee will help assure that all the views are represented fairly on the committee, as opinions and viewpoints change in the Senate itself and its committees as a whole.

I believe the notion of rotating membership is uniquely applicable to the Budget Committee, because it is essentially a body designed to reconcile the competing goals and priorities established by the substantive bodies of the Senate. It is in many ways a procedural committee, not designed so much to take up work now being performed by other committees, as to see that the Senate as a whole faces the fact that actions we take on individual measures from individual committees are interrelated in ways which we have too often failed to recognize before. That is the whole idea of this committee, and the degree to which it is able to do its job depends entirely upon the respect that it enjoys in the Senate.

Since this is a procedural committee—and such an influential one—I think it is appropriate to assure that its membership will be open to as many as possible, and will continue over the years to be as representative as possible of the broad range of views that make up the Senate at any time.

Mr. President, the concepts in the pending amendment were introduced as part of amendment No. 601 to S. 1541 last October by myself and the distinguished Senator from New York (Mr. JAVITS). I believe they would represent a constructive addition to the pending bill, and I urge adoption of the amendment proposed by the distinguished Senator from Wisconsin (Mr. NELSON). I believe they are a very valuable and important contribution to the workings of this committee.

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

Mr. ERVIN. Mr. President, if rotating the members of the committees had been desirable, it would have been done sometime between the time the first Congress met in 1789 and the present date. However, we have had this uniform experience all during that time, and this proposal is totally out of line with that experience and with the Senate rules concerning the membership of committees.

I think that all of the rules governing membership on committees should be uniform, and not be varied for any particular committee. If this committee has rotating membership, my friends may call it a major committee, but it is going to be the most minor committee in the Senate. That is because most persons who come to the Senate go on a committee and stay on that committee. They have the aspiration of sometime being its chairman, or the chairman of an important subcommittee of that committee. If one got to be chairman of the Budget Committee, he would rotate off after 6 years. Even if he got to be chairman of a subcommittee, he would rotate off after 6 years. As a result, the committee would have virtually no prestige. This is a certain way to make it a minor committee.

Down in my county a man used to have to pay $3 for a marriage license. A certain man went into the court house, paid his $3, and got a marriage license to marry a woman by the name of Mary. Before he got around to using the license, he met another old flame and changed his mind. So he came back and said, "I have changed my mind. I want to marry Martha instead of Mary. Just strike out Mary's name in this license, and write Martha there."

The register of deeds, who issued the license, said, "I cannot do that; you have to get another license if you want to marry Martha."

The man asked, "Do I have to pay another $3?"

The register of deeds said, "Yes."

The man said, "Well, I will just go ahead and marry Mary, then, because there is not $3 difference between the two girls."

If we are going to allow a Senator to be a member of the Budget Committee for only 6 years but retain membership on other committees, I think he is going to say there is not $3 difference between them.

The Budget Committee will be a minor committee if a man can stay on another committee and become its chairman or chairman of a subcommittee, and acquire great prestige and great experience on it, but not be allowed to remain on the Budget Committee for more than 6 years.

Now, some years ago, I heard Dr. Gallup make a speech in which he said we would have better government in this country if we did not allow a Senator or a Representative to be elected more than one time. He said that we would get new ideas and new blood into the picture. Someone in the audience noticed I was there and said, "I see one of our Senators here. I should like to know what he thinks about your proposal."

I said that I disagreed with Dr. Gallup, that Dr. Gallup was a great prognosticator, but if I did not allow Dr. Gallup to prognosticate for more than 6 years, he would not be much of a prognosticator. I further said that I believed experience was the most efficient teacher of all things, even prognosticating and legislating.

I believe that applies with equal force to serving on a committee. This is a committee that demands a strong chairman, strong chairmen of subcommittees, and strong members—experienced men. Why throw away a man's experience after 6 years? Why take away the incentive to serve on this committee? If there is any committee of Congress that needs experience it will be the Budget Committee, because these men will be the men on whom the fiscal responsibility of this Nation will rest. Hence, for that reason, I respectfully submit that this amendment should be rejected.

It should be rejected in the first place because it is out of harmony with the uniform rules applying to all other committees. It should be rejected because it is out of line with the experience of Congress in the field of committee work. It should be rejected because it would convert this committee, which should be one of the major committees of the Senate like the Finance Committee and the Appropriations Committee, into a minor committee. It should be rejected because it takes and does away with the practice which has been recognized as being valid all the time the Senate has been in existence; that is, that experience is the most efficient teacher of all things. That is particularly true with respect to such important matters as setting the Federal financial house in order.

Mr. President, I now yield to the Senator from Illinois (Mr. PERCY) whatever time he may require.

Mr. PERCY. Mr. President, I find myself in complete agreement with the distinguished chairman of the Government Operations Committee, the Senator from North Carolina (Mr. ERVIN). Possibly it is because we have gone through this process now on three or four different occasions, considering amendments which have been offered in committee for the membership of the committee itself. We started out with recommendations by the joint study committee on budget control, it was the feeling that there should be a fixed number from the Finance Committee and from the Appropriations Committee. Only one-third of the committee was to be chosen at large. After a good deal of debate, we finally rejected that thought.

I would pay great tribute to the distinguished Senator from Minnesota and the distinguished Senator from Wisconsin whose thoughts were transmitted to us at that time, that this committee should be open to all and should not be the special province of any standing committee. So it was in response to that thinking that we looked around for another formula.

The Senator from Minnesota was articulate in presenting his viewpoints. The Government Operations Committee arrived at one formula. The formula was further improved in the Committee on Rules and Administration so that there would not have to be a decision at the outset by any Member of the Senate as to whether they would give up some other standing committee and take membership on a committee whose operation and importance remained to be seen.

We have now determined, as a result of all that deliberation, that there would be this grace period so that experience could be gained; but that the committee is to be made up, like all committees of the Senate, by a vote of the caucuses of the two parties.

After all that deliberation, and for all those reasons, given on many occasions during the deliberations, regretfully, I shall vote against the pending amendment and urge that it be rejected.

Certainly I would vote against it because it would tend to make service on the committee a transitory experience. It would tend, possibly, to be looked upon as a good place for someone to get training, and this committee is no place to get on-the-job training.

As the distinguished chairman of the committee has said, we need the most experienced men because we are dealing in this particular fiscal year, 1975, with a $304.4 billion budget. We would be weighing the priorities of where that money should go and making recommendations to the Senate for an overall spending limit as well as the targeted amounts to establish for each of the functional breakdowns.

This is where we need the great experience of Senators to be brought to bear on this problem. We would certainly not want to have the feeling, in relationships between the Senate Members and the staffs, that the men rotate out and they are going to be there only to gain the kind of experience they would gain on other committees. We may end up that this committee would be too much dominated by the permanent staff because of the rotating nature of the membership; also my concern that the committee members, knowing they would only be there for a limited period of time, would give the committee less attention. They may not really pour themselves into the job as a member of the Budget Committee the way they would on another committee, where they would know that they would probably be spending to good portion of their Senate careers on that committee. That would be a tragedy because every committee in a sense is fighting for priority in the time of every Member of the Senate. Naturally we gravitate toward that committee where we feel a greater sense of responsibility, duty, and obligation. I have noticed, through the period of 7 or 8 years now, that it is generally the chairman and the ranking member that is in the Chair at a hearing and they have a sense of obligation and duty, and that sense of duty and obligation might simply not be there with the rotating nature of the membership.

We want this committee to have the same devotion, the same sense of responsibility that other standing com-

mittees have. I think that during the whole course of this dialog we have tried to indicate, with one exception, that the committee should be considered like all other committees.

For that reason, with all due respect to the authors of the amendment who, of themselves, have already contributed and had a great input into the final decision made by the Government Operations and Rules Committees, I should hope they would feel that input was sufficient and that this additional element of rotating membership would not contribute to it.

So I would have to vote against the amendment. Again, I thank the authors of this amendment for the contributions they have already made, a large part of which has already been accepted and incorporated into the provisions of the bill from their basic thinking.

Mr. NELSON. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. BURDICK). The proponents have 15 minutes remaining.

Mr. NELSON. Mr. President, there is no question that there is substantial merit to the position taken by the committee which was just spelled out in some detail by the Senator from Illinois and the Senator from North Carolina. There are good arguments on both sides.

As a matter of fact, there are Members who believe that, in fact, we ought to have only one committee assignment, one major committee, and proposals will be made to that effect. But I think that at least we ought to be clear about the nature of this committee.

I do not think it is valid to compare this committee with another committee of the Senate, such as Finance or Appropriations or Labor and Public Welfare or Commerce or Foreign Relations or Armed Services, because it is not the same. This is, in fact, a supercommittee. It will be dealing with appropriations that have been authorized by every authorizing committee of the Senate, and it will be establishing policy of great consequence, determined by what it decides to do respecting the authorizations and appropriations of all the authorizing committees. So it is quite a different kind of animal.

If this committee should become totally unrepresentative of the Senate, as from time to time committees of the Senate have, then we would have a committee which would be dealing with all authorizing committees, and it would have a much greater significance than if a single committee of the Senate should become unrepresentative.

I believe most people would say that as of a few years back—not very far back, either—if one counted the votes in the Senate versus the votes in, say, the Finance Committee, the Finance Committee was much more conservative than the Senate as a whole. But it would be quite another matter if this supercommittee were to be unrepresentative of the viewpoints of the Senate as a whole.

We may have to revise the statute, based upon experience. If, by rotating and allowing the members of the Budget Committee to retain their major committee assignments, we found that it did not work, we would nave to modify it. But I think that is the place we ought to start.

As I mentioned earlier, of nine Members, by my recollection—I said two of them on the Republican side, but it was three on the Republican side, and six on the Democratic side—not one would give up a major committee to serve on the Budget Committee. If we start out this way, we may have a very serious situation. Not all of the nine were senior Members. Some had been here 4 or 5 years, some 10 years, and some 15, 16, or 18 years. So I think we ought to spread this responsibility around and be sure that we have a mix of representation of the Senate, that represents the general view of the Senate, with an opportunity to change that representation by one-third every 2 years, in any event.

One more point: The distinguished Senator from North Carolina made the point that if this were a committee with a rotating membership, because of the transitory nature of service on the committee, it would not have prestige. I submit that neither this committee nor any other office gets its prestige from the length of time an individual serves in it. Prestige to an office or prestige to a committee comes from two sources: the authority, or power, of the office, the authority, or power, of the committee, and the manner in which the members of the committee or the holders of the office exercise that power.

Surely, nobody would suggest that the office of the President of the United States is a weak office because it is transitory and the President cannot serve more than 8 years. That is not what makes the office significant. What makes it powerful is the constitutional authority that office has. It will have prestige in accordance with the authority of the office and the manner in which the holder exercises that authority. So the fact that the term of the holder of the office is temporarily extended to not more than 6 years does not determine the prestige or the authority of that office.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes and a small plus.

Mr. NELSON. I reserve the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I should like to propound a unanimous-consent request.

I ask unanimous consent that after the distinguished Senator from Maine (Mr. MUSKIE) and the distinguished Senator from Montana (Mr. METCALF) have had an opportunity to discuss the pending measure for 5 minutes, which will be yielded out of the time of the opponents of the amendment, the pending amendment then be set aside until 11 a.m. today; that we then proceed, when this amendment is set aside, to a discussion of the amendment by Mr. Roth; that we stay on that amendment until 11 o'clock, at which time we go back to the Nelson-Mondale amendment, with whatever time remains on that amendment, so that Senators who come into the Chamber for the vote will be apprised of the nature of the Nelson amendment; that we then vote on that amendment, following which the Senate resume consideration of the amendment by Mr. Roth.

Mr. ERVIN. Mr. President, I have no objection, except that I have consulted with the distinguished Senator from Illinois, and we may call up a little technical amendment after the colloquy.

Mr. NELSON. Do I understand correctly that the vote on the pending amendment would occur—at what time?

Mr. ROBERT C. BYRD. Following the consumption of the remaining time, which again will begin running at 11 a.m.—the remaining time after the Senator from Montana and the Senator from Maine have consumed their 5 minutes.

Mr. NELSON. How much time does each side have remaining?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time I have consumed not be charged against either side.

The PRESIDING OFFICER. Is there objection?

Mr. NELSON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 7 minutes.

Mr. NELSON. How much time remains on the other side?

The PRESIDING OFFICER. On the amendment, 17 minutes remain on the other side.

Mr. NELSON. I have no objection.

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

Mr. ROBERT C. BYRD. I yield.

Mr. DOLE. I ask for the yeas and nays on the Nelson amendment.

The yeas and nays were ordered.

Mr. ROTH. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. I yield.

Mr. ROTH. When we return to my amendment at 11 o'clock, at the completion of the vote, would the time that remains on my amendment, which is an hour under the unanimous-consent agreement, continue from that point?

Mr. ROBERT C. BYRD. It would still remain.

After the colloquy between Mr. METCALF and Mr. MUSKIE, we would then go to the amendment of the Senator from Delaware. We would stay on that amendment until 11 a.m., at which time we would resume the debate on the Nelson-Mondale amendment. They would have 7 minutes remaining. Mr. PERCY and Mr. ERVIN would have 12 minutes remaining, after the 5 minutes used in the colloquy. At the conclusion of that time, the Senate would then vote on the Nelson-Mondale amendment. After the vote, the Senate would resume debat on Mr. ROTH's amendment, with the remaining time still under his control and the control of his opponents.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. METCALF. Mr. President, I believe that under the agreement, I am recognized for 5 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. METCALF. Mr. President, I have asked for this time to enter into a colloquy with the Senator from Maine.

If I may, let me give just a little background. The Senator from Illinois has described how this amendment for limited terms was considered both in subcommittee and in full committee. I recall when the Senator from Minnesota came over and testified on this proposal very persuasively, very eloquently. It was so persuasive that the Senator from Maine offered the proposal in subcommittee and I offered it in full committee—or one very similar to it.

However, subsequently I testified before the Committee on Rules and Administration and suggested that the most important thing in this bill was to be sure that this committee was a prestigious committee of the highest category.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from my testimony before the Committee on Rules and Administration.

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

Equally critical—if we are to significantly improve our handling of budgetary decisions—is the method of selection and composition of the Committee on the Budget. No other aspect of this budgetary control legislation received more careful committee review. I am sure we considered every realistic alternative—including the possibility of having no such committee—before deciding on the provisions for this important new committee that are contained in S. 1541.

For example, we considered and rejected language limiting Budget Committee members to 6 years' service, a limitation I favored, to insure that the committee—which has responsibilities affecting all other committees—would remain representative, reflecting the diversity of interests, geographical areas, and seniority groups in the Senate.

As you know, H.R. 7130, the House bill, includes such a provision limiting service on the House Budget Committee to two Congresses in any 10-year period.

The House measure also allots 10 seats on the 23-member Budget Committee to the Appropriations and Ways and Means Committees, with these financial committee representatives to be selected, also by the caucuses, "at large," and 2 seats will go to members of the majority and minority party leadership.

Provision in S. 1541 for a 15-member Senate Budget Committee, selected in the usual manner—and classified as a "major" but not "exclusive" committee—is a compromise approach. As was the case where proposals for limiting terms of service were concerned, we considered and rejected various formulas for allotment of seats to the financial committees. However, it was—and is—our expectation that, in the normal course of events, the respective party caucuses will select Senators whose experience on these committees equips them to contribute the kind of expertise that the Budget Committee must have if it is to function properly.

Let me emphasize this point: Classification of the Budget Committee with the major standing committees in paragraph 2 of rule 25 of the Standing Rules of the Senate is essential.

I strongly support retention of this status for the Budget Committee, with full applicability of paragraph 6 of rule 25.

In accordance with the rule, Senators selected to serve on the Budget Committee can serve on only one other of the "major" committees named in paragraph 2. This does not preclude Appropriations and Finance Committee members from serving on the Budget Committee. However, it does mean that a member of either committee, if he desired to continue on Appropriations or Finance, would have to relinquish any other paragraph 2 committee he might be on in order to serve on the Budget Committee. The same principle applies where other paragraph 2 committees are concerned.

Mr. Chairman, any amendment that would permanently waive application of paragraph 6 to the Budget Committee—and I am almost certain that there will be some sentiment for such an amendment—will seriously diminish the effectiveness of this committee.

Surely, the time of most Senators is too heavily committed now. Simply adding on another committee responsibility would spread the time and attention of the Senators selected to serve even more thinly.

The problem of meeting conflicts—and the already grave difficulty of getting members together for a quorum on some committees—would be exacerbated.

The unique character and functions of the Budget Committee cannot help but demand the continuing attention and interest of individual Senators serving on it. Will Senators already discharging important responsibilities—holding subcommittee chairmanships, for example—on two other major committees have the time or energy to devote to a new "add-on" Budget Committee? In most instances, the answer is "No"—and, whatever the skill and dedication of its staff, the prospects for effective performance by this committee would suffer accordingly.

I recognize the difficulties in applying paragraph 6; adjustments will be required in the size of some standing committees, because 15 Senators going on the Budget Committee will be leaving one of their major committee assignments. And for the Senator presently serving on two major committees in which he has an important State interest or in which he has attained considerable seniority, the choice could well be a painful one to make.

Nevertheless, there are compelling reasons for forcing such hard choices. Surely, as the time and other pressures continue to increase for the individual Senator, we ought to be distributing the workload—and important responsibility—more widely throughout the Senate.

We must insure that the Budget Committee includes the less senior Senators who are not now fully preoccupied with myriad other committee duties and who can therefore devote the necessary attention to its important functions. I believe that application of paragraph 6 will contribute toward this objective.

Mr. METCALF. After its deliberations, the Rules and Administration Committee provided for a temporary suspension of paragraph 6, and it was my feeling that this was a better solution than anything that had been developed in the Committee on Government Operations.

Then, yesterday the amendment of the Senator from Massachusetts (Mr. KENNEDY) modified the Rules and Administration Committee's language so that the suspension of paragraph 6 will only last until January 1977. I certainly approve that modification and I feel that was a service to the bill.

But to make sure the provisions of the Legislative Reorganization Act are carried out after January 1977, I have asked for this time to discuss with the Senator from Maine what happens as a result of the Kennedy amendment and the action of the Rules Committee.

I expect that the temporary suspension of paragraph 6 of rule 25 is to provide for an orderly transition so that Senators initially serving on the Budget Committee will have until January 1977 to decide whether they will relinquish one of their other Class A standing committees or remain on the Budget Committee. Is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. METCALF. It is clearly the intent of this temporary suspension that those serving on the Budget Committee will have to choose at the beginning of the 95th Congress. Do we have any assurance that suspension of paragraph 6 will not be extended at that time?

Mr. MUSKIE. Of course, the Senate at any time could change the rule. That is the prerogative of the Senate. But I expect that once this formula is approved by the Senate as a whole, it will hold.

Mr. METCALF. But is it the contemplation of the floor managers, after agreeing to the amendment of the Senator from Massachuetts, that there will be an extension after 1977?

Mr. MUSKIE. Not at all. May I add a few observations at this point?

Mr. METCALF. I will appreciate any remarks that the Senator may make, to make certain the record is clear on this point.

Mr. MUSKIE. The Senator from Montana and I have both at separate times supported the concept of the Nelson amendment. I think our support of that amendment sprang from the original proposal of the joint study committee.

The joint study committee provided for a budget committee for each house with a percentage of members required to be drawn from the appropriations and tax-writing committees. In addition, there were special rules as to the chairmanship.

We felt that such limitations as to composition of members and chairmanship could result in an imbalance of representation of Congressional views as to the budget and as to spending priorities, and that what we were doing was establishing a committee which in some ways would impinge upon the jurisdiction and prerogatives of each committee, and the authorization committee as well.

So, we concluded that every Member of the Senate should be eligible for membership on the Budget Committee. It was for that reason that the proposal now advanced by the Senator from Wisconsin had the support of the Senator from Maine in subcommittee and the Senator from Montana in full committee.

One drawback of that proposal from the beginning seemed to me to be a constant changing of the membership of the Budget Committee, a constantly changing membership of the committee so that members of the committee would not develop the kind of background, experience, and expertise that members of standing committees customarily develop in connection with their responsibilities.

So with the changes that have been made, I expect, with the Senator from

Montana, that the 1977 date will hold. At that point those who are members of the Budget Committee would make the decision whether or not to stay on that committee and give up another class A committee or the alternative.

Mr. METCALF. I thank the Senator from Maine. I think that makes clear the point I was trying to nail down: That it was not contemplated by this temporary suspension that we set aside the provisions of the Legislative Reorganization Act of 1970, nor curtail the prestigious nature of this committee by making it a third committee or a committee with less stature than the other class A standing committees.

Mr. MUSKIE. That is right. It is our purpose that the eligibility for service on this committee be extended to all Members of the Senate, and by making it a class A committee we insure that those Senators who already have established positions do not simply accumulate this new responsibility in addition. That may be one of the purposes of the Nelson amendment, and I think it is well served by the present status of the bill.

Mr. METCALF. I thank the Senator from Maine for the contribution he has made.

Mr. CRANSTON. I would like to ask the distinguished Senator from Maine (Mr. MUSKIE) about a provision of the committee report on page 7 where it states that the party caucuses shall select the membership of this Budget Committee in a similar manner to their roles for general selection of committees. Is it the intention of the managers of this proposal to give the party caucuses more than a passive role in determining the membership of this important committee?

Mr. MUSKIE. As the distinguished Senator knows, the Senate rules provide no specific authority for party caucuses, but in effect the majority and minority members of committees are determined by the respective caucuses and comity is provided so as not to disturb the recommendations of the respective caucuses.

The committee report on this bill recognizes the role of the caucus in an explicit way. The party caucus represents in each new Congress the current and prevailing attitude of each party toward the many issues to come before the Senate. The membership of each committee should reflect as closely as possible the prevailing view of the respective caucus. Only in that way can the Members of the Senate as a whole—the committee of the Senate—have their recommendations consistent with the prevailing attitudes of the Senate.

The committee report encourages the practice that has existed with respect to the caucus in the committee selection and indeed encourages a more active role on the part of each caucus. By explicitly mentioning a role for each caucus, there need be no hesitancy for each caucus to play an active role in these determinations. The efficiency and effectiveness of the Senate committee, and the Senate, as a whole, will be enhanced with this added dimension of each party caucus.

Mr. ERVIN. Mr. President, the distinguished Senator from Delaware (Mr. ROTH) has kindly consented that I might present a very minor amendment at this time, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. Without objection, the amendment is in order.

The amendment will be stated.

The assistant legislative clerk read as follows:

On page 184, lines 22 and 23, strike the words "as a Representative of Congress".

Mr. ERVIN. Mr. President, on Tuesday I presented a number of technical amendments which had been prepared by legislative counsel, and this amendment was the last of those amendments. But in some way the Xerox machine did not copy this amendment, and the RECORD does not show that it was a part of the amendment adopted. This is just to clear up that inadvertence.

This amendment merely strikes out words that the Comptroller General shall sue under the act "as a Representative of Congress." It was thought that these words should be deleted for two reasons. In the first place, they could be interpreted to imply that Congressmen might not have authority to bring suit as individual Congressmen. This bill is not intended to deny anybody the right to bring suit except the Comptroller General. In the second place, it was thought that they might be construed to exclude express authority for the Comptroller General to sue in his own right for the purposes of title X of this act. The sole purpose of the amendment is to clarify the intent of title X.

The PRESIDING OFFICER. Do both sides yield back their time?

Mr. ERVIN. I yield back my time.

Mr. PERCY. 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. ROTH. Mr. President, I rise today to call up my amendment No. 1055 to the pending bill, S. 1541.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 119, in the matter preceding line 1, strike out "September 25" and insert "September 22" and before the line beginning "October 1" insert the following:

"September 25____Congress completes action on bill to effectuate new budget authority."

On page 122, strike out lines 5 through 14.

On page 122, line 15, strike out "(2)" and insert "(1)".

On page 122, line 21, strike out "(3)" and insert "(2)".

On page 122, line 25, strike out "(4)" and insert "(3)".

On page 131, line 20, before "At" insert "(a) PERMISSIBLE REVISIONS.—".

On page 131, after line 25, insert the following:

"(b) TWO-THIRDS VOTE REQUIRED IN CERTAIN CASES.—If, at the time a vote is taken in either the Senate or the House of Representatives on agreeing to a concurrent resolution on the budget which revises or reaffirms the concurrent resolution on the budget most recently agreed to (including a concurrent resolution on the budget required to be reported under section 310(a)), the appropriate level of new total budget authority or total budget outlays contained in such concurrent resolution is higher than the appropriate level of total new budget authority or total budget outlays set forth in the most recently adopted concurrent resolution on the budget for such fiscal year, then such concurrent resolution may be agreed to in that House only by a vote of two-thirds of the Members voting, a quorum being present.".

On page 143, line 2, before "In" insert "(a) ACTION BEFORE BEGINNING OF FISCAL YEAR.—".

On page 143, line 14, strike out "and".

On page 143, line 18, strike out "25" and insert "22", and strike out the period and insert "; and".

On page 143, after line 18, insert the following:

"(3) not later than September 25 preceding the beginning of a fiscal year, the Congress shall complete action on a bill required to be reported under section 310(e).

"(b) REQUIRED PROVISION IN NEW BUDGET AUTHORITY LEGISLATION.—Every bill or resolution providing new budget authority for a fiscal year (other than supplemental, deficiency, and continuing appropriations bills and resolutions) shall contain a provision that the new budget authority provided in such bill or resolution shall not become effective until a bill required to be reported under section 310(e) for such fiscal year has been enacted into law.

"(c) LEGISLATION FAILING TO COMPLY SUBJECT TO POINT OF ORDER.—It shall not be in order in either House to consider any bill or resolution providing new budget authority (or any conference report on any such bill or resolution) which fails to comply with the provisions of subsection (b).".

On page 146, line 10, strike out "25" and insert "22".

On page 146, after line 11, insert the following:

"(e) BILL TO EFFECTIVE NEW BUDGET AUTHORITY.—

"(1) REQUIRED REPORTING OF BILL.—The Committee on the Budget of each House shall, after a concurrent resolution on the budget for a fiscal year reported under subsection (a) has been agreed to, and, if a reconciliation for such fiscal year is required to be reported under subsection (c), the Congress has completed action on such bill, immediately report to its House a bill providing that the new budget authority for such fiscal year in bills and resolutions previously enacted (as changed by such reconsideration bill) shall become effective.

"(2) ACTION REQUIRED BY SEPTEMBER 25.—Congress shall complete action on a bill required to be reported under paragraph (1) not later than September 25 immediately preceding the beginning of the fiscal year commencing October 1.

"(3) TWO-THIRDS VOTE REQUIRED IN CERTAIN CASES.—If—

"(A) a reconciliation bill is required to be reported under subsection (c) for a fiscal year, and

"(B) the total budget outlays for such fiscal year under available budget authority (as changed by such reconciliation bill), reduced by the amount of increase in revenues for such fiscal year provided by such reconciliation bill, is greater than the appropriate level of total budget outlays set forth in the concurrent resolution on the budget agreed to pursuant to this section,

the bill required to be reported in each House under paragraph (1) may be agreed to by that House only by a vote of two-thirds of the Members voting, a quorum being present.".

On page 146, line 12, strike out "(e)" and insert "(f)".

On page 146, line 19, before the period insert "and to the consideration of bills reported under subsection (e) and conference reports thereon".

On page 146, line 20, strike out "reconciliation".

On page 146, line 21, after "(e)" insert "or (e)".

On page 147, line 3, strike out "(f)" and insert "(g)".

On page 147, strike out lines 12 through 17, and insert the following: "unless the Congress has completed action on a bill required to be reported under subsection (e) for the fiscal year beginning on October 1 of such year.".

On page 147, line 18, strike out "(g)" and insert "(h)".

On page 147, line 24, beginning with "all", strike out all through "bill" on line 3, page 148, and insert "a bill required to be reported under section 310(e) for a fiscal year".

On page 181, strike out lines 10 through 13.

On page 181, line 14, strike out "(c)" and insert "(b)".

Mr. ROTH. Mr. President, this amendment is a straightforward attempt to put some teeth back into this legislation, after a long and hotly debated path through several congressional committees, amounting to literally thousands of man- and woman-hours of work.

In short, it would require Congress to make some deliberately difficult choices should it want to exceed the spending levels approved in the first budget resolution. It makes firm the spending limits in the first concurrent resolution unless the Congress determines at a later date to increase it by a two-thirds majority. This two-thirds requirement will make the debate more meaningful than the original concurrent resolution. My amendment reintroduces the mechanism of a spending trigger, adopted by the full Government Operations Committee. But, it stipulates that if Congress has exceeded the spending limits set in the most recent concurrent resolution, it cannot adopt the necessary trigger bill unless two-thirds of the Members agree. If Congress had heeded their earlier resolution or if the Congress had provided for additional revenues to offset the added expenditures then the trigger bill could pass on a simple majority. My amendment would permit the House or Senate to resolve their differences over the upcoming year's budget by forcing a meaningful debate over the total impact of our decisions.

It uses the present version of the bill as a foundation, sticking to the principles of new committee structures, a congressional budget office, revised fiscal year and a set timetable for the Congress to move through its annual consideration of bills. It permits Congress to express its feelings several times, if necessary, but it holds new spending in escrow. And, it permits Congress to adjust individual spending bills—up or down—and to call for tax increases should the debate over annual surpluses or deficits conclude that Congress would prefer to trim back its prior decisions or fund spending through additional taxes.

It is not an easy approach to the problem. It is not meant to be. It would put Congress' feet squarely in the fire, but I am one Member who feels that we, as an institution, need this somewhat painful discipline, or we will never really achieve the goal this legislation seeks.

JOINT STUDY COMMITTEE

I must begin my argument today by reminding my Senate colleagues that it has been a little more than a year since the Joint Study Committee submitted its preliminary ideas to Congress on the need for a more disciplined system of budgetary controls. In a sense, that charge was really a misnomer, for what Congress needs first is a system—we cannot improve what we do not possess.

I was deeply privileged to be asked to serve on that Joint Committee, for I felt I could help represent a growing faction in the Congress which has nearly given up faith in our ability to take a more business-like approach to the taxpayers' revenues. During our first meetings we heard from several expert witnesses who brought us the same critique, despite their obviously divergent political and professional backgrounds. That message was abundantly clear—if Congress truly wanted major structural and procedural reform, it would have to suffer some initial growing pains as it became accustomed to the new regimen.

The Joint Committee, by its very nature, could hardly be dubbed a partisan panel. It was led by two highly respected members of the majority party—Representatives ULLMAN and WHITTEN—and was composed largely of the most knowledgeable and experienced Members who write our tax bills and pass on annual appropriations. With this wide representation, it is most significant that the committee's April 1973 report received the unanimous endorsement of those present to vote it out. It was a welcome and somewhat miraculous demonstration of congressional unity, given the substance and sweep of the Joint Committee's recommendations. The announcement hit the press and suddenly the financial and political communities began to have an inkling that Congress really did intend to mend its ways.

The essence of that proposal was a new budget resolution to be introduced and debated in each House, and when reconciled, would become the working blueprint for Congress during the following months. The legislation further called for a rule of consistency which, in simple terms, would require that each vote on a spending bill would have to be reconciled with previous actions. So, for example, if Congress was serious about curtailing military expenditures, it could not fund new programs without cutting back existing appropriations for other, less essential, activities. The arithmetic looked to be a bit cumbersome but the message was all too clear—if reform was to come, Congress could not continue up the blind alley to fiscal catastrophe. Where economic, social, or political events demanded new Federal approaches to problem solving, the outmoded methods of yesterday, and their budget dollars, would have to give way to superceding rather than duplicating programs.

Let me stress here that members of that panel were fully aware of the organizational prerogatives and seniority benefits which they sought to change. Who could know better the advantages of tenure than men whose congressional service has elevated them to positions of committee chairmen and ranking minority? This was no effort by freshmen to change the system for their benefit. It was a panel of mostly senior Senators and Congressmen who recognized that the status quo could only nurture further imbalances in the annual budget. So, despite their positions as influential architects of Federal programs, they were willing to accept the need for some individual sacrifice in order to achieve a collective benefit, not only for the Congress, but much more importantly, for the country as a whole.

To summarize the committee's major point, let me quote from its report:

There should be a mechanism for Congress to (a) determine the proper level of expenditures for the coming fiscal year after full consideration of the fiscal, economic, monetary, and other facts involved,

(b) provide an overall ceiling on expenditures and budget authority for each year, and

(c) determine the aggregate revenue and debt levels which appropriately should be associated with the expenditure and budget authority limits.

But, the limitations referred to above should be provided *only* if Congress also makes provision for a system whereby it can make the decisions on budget priorities that will guide it as to where reductions are to be made in the event that this becomes necessary.

THE QUESTION OF PRIORITIES

Mr. President, that language from the Joint Study Committee's report really spotlights what is at issue in the controversy over a reform which may become more cosmetic than comprehensive. The real question we must ask ourselves is whether or not Congress is capable of making choices between competing programs.

It is no secret that our system of government helps prompt the Congress toward making promises that may be socially desirable in the abstract, but that are financially impossible when measured against all the other claims on the Federal Treasury.

The late Senator Harry Byrd, Sr., who served with great distinction for many years in this body, once propounded that—

In politics, one tries to please everybody, and votes can be lost by courage. Our Senate and House of Representatives hold some men who never in their legislative lives have cast one vote for economy. They have built public careers on spending and more spending. To displease a group by cutting an appropriation is to these men a torture like being dragged through a keyhole.[1]

That profound observation holds more truth today than it did 25 years ago when the public debt was $252 billion, a little more than half its present level, and the deficit was a scant $1.8 billion. The institution then suffered from the same conflict between the congressional

[1] "Is Bankruptcy Our Goal?" *Country Gentlemen*, Sept. 1949, p. 91.

desire to spend and the simultaneous reluctance to tax.

Mr. President, let me call to my colleague's attention the grim facts of our past spending excesses. The red ink is spread all over table 1 of the Budget in Brief, for fiscal year 1975. For those who may have it on their desks, this chart appears on page 46.

I ask unanimous consent at this time to have a copy of that chart included in the RECORD at this point.

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

TABLE 1.—BUDGET RECEIPTS, OUTLAYS, FINANCING, AND DEBT, 1965-75

[In billions of dollars]

Description	Actual									Estimate	
	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Receipts and outlays:											
Receipts:											
Federal funds	90.9	101.4	111.8	114.7	143.3	143.2	133.8	148.8	161.4	185.6	202.8
Trust funds	29.2	33.0	42.9	44.7	52.0	59.4	66.2	73.0	92.2	105.5	115.8
Interfund transactions	−3.3	−3.6	−5.2	−5.8	−7.5	−8.8	−11.6	−13.2	−21.3	−21.1	−23.6
Total budget receipts	116.8	130.9	149.6	153.7	187.8	193.7	188.4	208.6	232.2	270.0	295.0
Outlays:											
Federal funds	94.8	106.5	126.8	143.1	148.8	156.3	163.7	178.0	186.4	203.7	220.6
Trust funds	27.0	31.7	36.7	41.5	43.3	49.1	59.4	67.1	18.4	92.1	107.4
Interfund transactions	−3.3	−3.6	−5.2	−5.8	−7.5	−8.8	−11.6	−13.2	−21.3	−21.1	−23.6
Total budget outlays	118.4	134.7	158.3	178.8	184.5	196.6	211.4	231.9	246.5	274.7	304.4
Surplus or deficit (−):											
Federal funds	−3.9	−5.1	−14.9	−28.4	−5.5	−13.1	−29.9	−29.1	−25.0	−18.1	−17.9
Trust funds	2.3	1.3	6.2	3.2	8.7	10.3	6.8	5.9	10.7	13.5	8.4
Total surplus or deficit	−1.6	−3.8	−8.7	−25.2	3.2	−2.8	−23.0	−23.2	−14.3	−4.7	−9.4
Budget financing:											
Net borrowing from the public or repayment of borrowing (−)	4.1	3.1	2.8	23.1	−1.0	3.8	19.4	19.4	19.3	3.5	12.5
Other means of financing	−2.5	.7	5.9	2.1	−2.2	−1.0	3.6	3.8	−5.0	1.2	−3.1
Total means of financing	1.6	3.8	8.7	25.2	−3.2	2.8	23.0	23.2	14.3	4.7	9.4
Outstanding debt, end of year:											
Gross Federal debt	323.2	329.5	341.3	369.8	367.1	282.6	409.5	437.3	468.4	486.4	508.0
Held by:											
Government agencies	61.5	64.8	73.8	79.1	87.7	97.7	105.1	113.6	125.4	139.8	148.9
The public	261.6	264.7	267.5	290.6	279.5	284.9	304.3	323.8	343.0	346.5	359.0
Federal Reserve System	39.1	42.2	46.7	52.2	54.1	57.7	65.5	71.4	75.2		
Others	222.5	222.5	220.8	238.4	225.4	227.2	238.8	252.3	267.9		

Mr. ROTH. Gentlemen, look at the havoc we have wrought. In every one of the last 10 years, we have run this burgeoning Federal machine at a deficit. One hundred and seventy-three billion dollars' worth, and we are headed for at least $18 billion this coming year. Now I challenge my colleagues here to defend the notion that we have been in an economic slump every year since 1965. Even the most liberal economic interpretations of our National income accounts recognizes that good times, and bad, have been sandwiched into the last decade. And yet, our legislative response has been consistently to spend more. We are like a needle stuck in the wrong groove. The message is constantly the same.

That evidence bespeaks my incredulity. Those deficits, that have helped fuel the inflation that has eroded the purchasing power of the dollar 43 percent in the past 10 years; that lack of fiscal commonsense; that institutional willingness to forget about economic reality; that is the very reason I stand here today, berating a Congress which simply has not faced the difficulty of saying no to continued demands for funds, as appealing and politically comfortable as motherhood and apple pie.

I am convinced that the American people have factored these devastating economic scorecards into their perceptions and prejudices about the Congress. At a time when the Presidency of this country has been heavily battered as a result of the Watergate scandals, the American people have still given the institution of Congress a vote of confidence equal to only 21 percent. This is less than the Executive, and to my knowledge, the Senate or House has not been accused of criminal acts. But, we are patently guilty of helping to bring about severe economic hardship, as the result of our indolence. We have become the wastrels rather than the watchdogs. We have both acquiesced to Presidential spending initiatives and added our own fuel to the economic fire.

Mr. President, few Members of this body would be apt to turn their heads away from a genuine economic crisis if it developed. Congressmen and Senators keep a weather eye on the unemployment figures, and we would be quick to respond to emergency needs if they developed. I do not stand here today calling for a balanced budget every year, regardless of the state of the Nation's economic health. In a genuine recession, I recognize that tax cuts and/or a quickened pace of spending can help pull a sluggish economy out of the doldrums. And, I would not hamstring the Congress from reacting to such a situation, should it develop after the year's spending program has begun.

But, the clear facts are in front of me here. Congress and the Executive have not been willing to adjust their spending habits to the peaks and valleys of the country's economic cycle. In the past decade, we have spent more every single year and have posted some of the worst deficits in times when industrial activity, employment, and the entire private business sector have been operating at or near capacity.

We have been unwilling to provide surpluses, or even budget balances in fat years, and now, we are paying the price for those excesses. We will pay three times the amount of interest this year on our borrowings as we did in 1965. Each budget season, we must reach deeper and deeper into our operating income to provide a payout on the tremendous debt we have incurred.

But, Mr. President, a new system which provides only spending targets does not truly speak to Congress past appetite and future desires. It gives us the mistaken inner comfort that we have forsaken earlier ways and gives our constituents news of a totally revamped system, promises of reform which will be more cosmetic than comprehensive unless we take the bit in our teeth and amend this bill. Without a provision such as this, Congress will be like the leopard that has deluded itself, and its spectators, into believing it has actually changed its spots.

The mechanism envisioned earlier by the Joint Study Committee began with a formalized study of our entire fiscal posture and a subsequent debate in both Houses over the totals of income and outgo. It was to be a full-scale investigation of our existing programs and a decision whether or not to continue them unamended or to make changes to allow for new initiatives.

I might remind my colleagues that the national goals and priorities bill, sponsored jointly by Senators JAVITS and MONDALE, has twice come before this body. It has been passed once and is waiting floor consideration in this Congress after referral through two committees. That bill seeks to establish an office reporting to the Congress on the status of our Nation's progress toward achieving far-reaching social and economic

goals. That very analysis, and subsequent debate, would have been an integral part of the budget reform had this bill not been watered down in the course of its hearings and markups.

Several excellent studies recently have proved beyond doubt that each year, the President and Congress face a dwindling fiscal dividend as old promises devour more revenue each year. Our ability to work within the country's tax base has become steadily eroded by the nature and magnitude of entitlement programs, numerous program guarantees, and the absolutely staggering slice that interest takes out of the divisible pie. If we want to begin to reorder our priorities, let us face the economic and political necessity of keeping these payouts at a level we can manage, and perhaps revising some that no longer serve the people's needs as best they might.

We have become like a business enterprise that is topheavy with financial overhead. Our options become diminished as we become locked in, to the detriment of the taxpayer and to the dismay of conservatives and liberals alike, who find no room for their new initiatives because the system does not permit them.

Those who seek to change the distribution of Federal spending can only do so responsibly if Congress has a meaningful budget within which it is forced to work each year. Further, the vigor and sincerity of any budget debate will surely wane unless every Member knows that a resolution adopted today cannot be easily changed tomorrow. We should recognize that the way to streamline our assistance efforts, and to replace outmoded programs with new innovations, is to clamp down the lid on the till and force Congress to decide just how politically and economically valuable many programs really are.

A LESSON OF HISTORY

For the incredulous listener, it might be useful to look at a close fiscal analogy, the public debt ceiling. Though the original act in 1917 was designed to help facilitate the mechanical process of the Government's borrowings, the later Public Debt Act in 1941 introduced some debate over the impact of a debt ceiling as a fiscal tool.

At the time of its passage, then President Roosevelt acknowledged the value of a debt limit as a "fiscal monitor," and Members from the minority argued that the debt ceiling should be used cautiously, since, in their words, "an unnecessarily large increase in the National debt limit would doubtless give rise to an unfortunate inflationary psychology, and would be conducive to further extravagance."

The point, Mr. President, is that those words have not been heeded. In the 33 years since the act was passed in 1941, the debt limit has been changed 40 times, last November being the most recent occurrence. In only 6 of those 40 occasions has the Congress actually reduced the ceiling, and even then for only short periods of time except the span between 1946 and 1954. Those who were interested in the ceiling because they believed it could be used as a fiscal brake were genuinely disappointed.

As everyone here knows, we routinely acquiesce to the financial realities when the Treasury and OMB arrive here to give us the news it is time for another increase in the ceiling. We, who are ultimately responsible for the pace and level of spending, are presented with a fait accompli. There is no use in even pretending that a simple majority will vote to keep spending in line with earlier targets if we use the debt ceiling bill as a model.

For those who would argue that Congress will respect their first budget resolution, I am prompted to quote my good friend and most distinguished colleague, the senior Senator from Utah, Mr. BENNETT. On several occasions I have shared his frustration over the sad evidence of Federal deficits. When presented with the debt ceiling facts, he has sometimes argued that debating the issue is like locking the barn door after the horses have been stolen. He tells the story of the bartender who calls to the innkeeper to ask if WALLACE BENNETT is good for a drink. The innkeeper asks if he has already had it, and the bartender answers "Yes." "Then, he is good for it," comes the answer.

THE WORTH OF DISCIPLINE

The example, it seems to me is abundantly clear. A resolution that can be changed at any time by only a simple majority in each body will have no more significance for our fiscal posture than the debt ceiling which changes so fast that the Library of Congress is kept busy updating its historical series.

Just imagine an election year when Congress resolves a target budget ceiling by June 1. As the pressure to please constituents mounts, appropriations and other spending bills are amended on the House and Senate floor, reconciled in conference, and sent to the White House. If they are signed, under this latest Senate version, they will not be allowed to go into effect until a second resolution—and possible reconciliation bill—have cleared both Houses.

Here is the crucial decision point. Will a majority in the House and Senate vote to undo what they have already done, maybe 3 or 4 months before? For purposes of illustration, will a Member who has voted for $6 billion in education, food stamps, or pork barrel funds reverse himself to lower any one of them to $5 billion when the final accounts are tallied? Can any of us here expect either body to retrench when constituents' hopes have been pumped up for several months, in anticipation of new or additional funds for favorite projects? Will election eve stands for special programs not produce the same kind of last minute push for extra spending we see now? In short, cannot we all look forward to the House and Senate rubberstamping their previous actions by simply refusing to rescind and adopting a new resolution consistent with the sum of their previous, separate, appropriating decisions?

If this becomes the case, what credence will Members and the American people place in that first debate over the budget resolution? If everyone knows that their vote in May or June need only be a token gesture for economy, why not vote for a responsible spending lid? The Congress will be able to have its cake and eat it. Sacrifices will be apparent, only until the push for additional programs, considered too essential to postpone for another year. And, when the "push comes to shove" Congress will look the other way and accept the larger deficit.

Those who feel this present system contains the necessary element of discipline argue strongly for the worth of additional information provided by the Congressional Office on the Budget. New scorekeeping procedures will give the Congress an up-to-date analysis of their spending actions. But even the most elaborate and accurate scoreboard can not curtail the age-old political desire to please the voters. In the wake of last-minute efforts to grab up the budget and/or get home to politics, sound economic arguments will offer little opposition to the wave of enthusiasm for expanded Federal participation.

Mr. President, I strongly believe that the most pressing need is for Congress to gain control over total spending and to require that its many separate spending decisions be in accord with its own ceiling. If the June 1, concurrent resolution is really only a target, it will quickly become a base from which various interests will campaign for still higher spending. It will lack effect and Members of both parties be on notice that Congress is not serious about reforming its budgetary procedures.

A ceiling which is the real focal point for congressional debate must be taken seriously. This legislation, now in its 11th formal draft, has never once strayed from the notion that we need a new concept, a new methodology, if we are going to get our hands back on the steering wheel. Unless we make the budget resolution create a pitched battle over this Nation's spending needs, we will not have done this past 15 months of work real justice. If the process is only going to assuage some guilty consciences, it is not worth the trouble or the cost.

Mr. President, I want to make it quite clear that I consider much of this legislation to be an enormous step forward. I have followed this bill through every step of its gestation, and have been pleased and privileged to have contributed to its development and learned a great deal about the complexities of our budget machinery. Earlier versions, which would have severely limited floor debate and the opportunity for Members to be heard, have given way to a series of wrap-up or reconcilation measures, designed to make earlier congressional actions consistent with the overall budget resolution.

But, as I have argued, a resolution easily changed is no resolution at all. That is why I offer this amendment today.

It would allow all spending bills to move through Congress as they do today, but would not permit them to go into effect until a triggering bill was voted upon. Congress would have to accept the total of this spending by showing itself willing to stand behind the economic necessity for its programs. If spending conforms to the last concurrent resolution,

this trigger should prove no hardship. It could pass on a simple majority. But, if the sum of congressional actions exceeds the ceiling in the first resolution and the excess is not offset by additional revenues Congress must then show the American people that the urgency is truly there by mandating the excess with a two-thirds vote.

If Congress is unable to reach such an accord, the spending will not go into effect. The reconciliation bill prescribed in this version would then become the vehicle for cuts in planned spending, additional tax increases, or both. What my language would do is simple. It would allow a majority of Congress to make the first budget resolution a meaningful and revealing debate.

It would permit Members to challenge any spending excesses above this ceiling and to force Congress to deal with their opposition. It would have the effect of making a majority of the Members pay attention to the so-called targets as they worked their way through various spending bills during the summer.

Mr. President, those who have championed a liberalized version of this new bill contend that the process, as they see it, can work. I, for one, say that legislative control over the budget must work if it is to be worth its salt. I would prefer that we get right to it, by adopting this amendment and making the language effective this year, rather than waiting for several years. If Congress is so anxious to prove itself, why not show it with actions, rather than words.

I can not in good conscience endorse this as meaningful budget reform unless it is strengthened with these provisions. Without some real constraint, Congress will have created new committees, a new staff office, and new rules of procedure, but it would not have changed the fundamental imbalance between the political pressure to spend and the economic consequences of deficit financing. If we are really serious about putting the Nation's economy back on an even track of healthy growth without serious inflation, we must be able to assure the American public, and the world, that Congress is doing its part by being a responsible leader in fiscal affairs.

Mr. PERCY. Mr. President, I yield myself such time as I may require.

In response to the distinguished Senator from Delaware, I should first like to say that his contributions to the budget legislation have been invaluable. He has participated with the distinguished chairman of the Committee on Government Operations (Mr. ERVIN) and the distinguished Senator from Tennessee (Mr. BROCK) in continuing to resist every attempt to weaken the present legislation. I trust that both of those distinguished Senators will be appointed to the conference committee, so that we may stand together to continue to get a strong budget reform bill.

I think, second, the contribution that has been made this morning in the speech we have just heard will stand us in good stead over a period of time, because the whole process will be an evolutionary one. We are going to learn from experience.

Our concern is that we might build in provisions that would be so rigid at the outset that we might find that we had defeated our purpose by such rigidity.

I address myself, first, to that particular provision in the pending amendment which would require a two-thirds vote to raise the spending limit in the reconciliation bill, and which also requires a two-thirds vote to raise the spending limit in subsequent concurrent resolutions. The U.S. Senate has invoked the cloture rule, which requires a two-thirds vote, 16 times since the adoption of the rule in 1917. No one knows better than does the distinguished chairman of the Committee on Government Operations (Mr. ERVIN) the power of the filibuster, the power of continuity, the ability of a Senator to continue to argue, persuade, and hope to almost exhaust the opposition and wear them down.

In this regard, I think it would be unfortunate to build in such rigidity that, with changing circumstances and conditions, we could not be flexible. For example, there could be a war that the majority of the Senate felt was necessary to protect the security of this country, and yet there could be a coalition of Senators that would just be against that war or virtually any war, and they could prevent the will of the Senate from being exercised in increasing appropriations and expenditures to defend the country.

I hope that is an absurd example, because I do not like to feel that we would ever have, in a time of national need, a third of the Senate that would not wish to respond to that national need, but we have to take into account conditions that could exist.

Or, in another matter that would be of deep concern to a number of Senators, if, say, we moved into a recession or a depression, or a situation such as the energy crisis, where revenue came down sharply and precipitously and we needed to adjust, I could envision that there would be a certain number of Senators who would simply say that under no conditions that they could visualize should we ever exceed that ceiling or have a budget that was not in balance, and a minority could be put together that could again frustrate the will of the majority in that particular case.

So I feel that the two-thirds requirement is very rigid, and the rigidity of it is certainly demonstrated by the fact that in all of the pieces of legislation over which we have had controversy over the years, only 16 times have we ever invoked cloture by requiring that a two-thirds vote on a particular measure be necessary to have the arguments prevail.

With respect to the triggering mechanism, as the distinguished Senator from Delaware knows, the Government Operations Committee provided for this in our measure. We felt that it was a desirable feature, and I must say that at this moment I am most influenced by the amount of give and take which we have experienced as we worked very closely indeed with the members of the Committee on Rules and Administration and the members of the staffs of not only that committee, but of all other committees that participated for a period of an exhaustive month in trying to reconcile our differences; and, though I generally do like to cling to our original ideas and find fault with anyone who would seek to persuade us otherwise, I did become almost persuaded that the provisions that we had made in the Government operations bill could be modified and were improved by the Committee on Rules and Administration in this regard.

The Committee eliminated from S. 1541 the provision that appropriation bills must contain a clause that the new budget authority would not become effective until Congress has enacted a ceiling enforcement bill shortly before the start of the fiscal year.

As the report clearly indicates, as S. 1541 was referred to the Committee on Rules and Administration, it provided that no appropriation could become available until it was "triggered" by a later enforcement bill. The result would have been to hold the various appropriation bills hostage to Presidential action on the enforcement measure.

If the President vetoed the enforcement bill, all appropriations for the new year would be held in limbo until Congress accommodated itself to the Presidential action. In effect, a year's effort on appropriations would have hinged on a single set of determinations made in the crucial last days of the budget cycle. When Congress voted on an individual appropriation, it would not know how much money really would be available, nor would the President know this when the bill was sent to him. Everything would ride on the single enforcement measure and the likelihood of deadlock and confusion would be multiplied. Moreover, there would be an invitation to "pad" appropriations in the expectation that they would be cut in the later reconciliation, so that rather than producing fiscal discipline, the new process could weaken congressional responsibility.

The committee very wisely, however, indicated its recognition that as Congress gains experience with its new budget process, it may consider it desirable to supplement the procedures established in S. 1541 with additional enforcement methods. The substitute bill provides that the first budget resolution may require—for the fiscal year to which it applies—additional procedures such as an omnibus appropriation bill, a triggering clause in appropriation bills, or holding appropriation and spending bills at the enrolling desk until Congress has approved the second budget resolution and any required reconciliation measure. Thus, the substitute bill allows for the evolutionary development of the congressional budget process, rather than an all-at-once implementation.

So I would hope, as we gain experience, that we would see that here, on balance, we have a bill now that is strong enough so that we can resist those forces that are going to try to move the expenditure limit up above the limitation established in the first concurrent resolution, despite the fact that no evidence would cause us to believe we should change the original economic forecasts and the assumptions that we had made; and we will have

to resist those efforts. But I would be very concerned about now building in a rigidity which would cause, if it were so built in, a situation where we might even lose the support, concurrence, and enthusiasm that we now have gained through this process of education and evolution as the bill has developed among the Members of the Senate.

So, for that reason, I regretfully oppose the amendment; but once again I commend my distinguished colleague from Delaware for the outstanding contribution he has made to the bill and the outstanding contribution he continues to make by even offering this amendment and pointing out that certainly we should not by any means weaken this bill, and if anything we should continue to move in the direction of strengthening it as we gain experience with the provisions that have been outlined in S. 1541 as it now stands.

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. Mr. President, I just want to say that the Senator from Illinois has made such a fine argument against this amendment that I do not feel I can add anything to it.

I would also like to say, as he did, that the distinguished Senator from Delaware has been one of the most diligent members of the Government Operations Committee, and it would be impossible for me to overmagnify the many contributions which he has made to the work of the committee, both in respect to this particular bill and in respect to the other legislation which has come before the committee during this session of Congress.

I feel that I ought to express those thoughts because it would be impossible for any committee to have a more faithful and more diligent member than the Government Operations Committee has had in the person of the distinguished Senator from Delaware.

Mr. ROTH. Mr. President, I shall yield time in a moment to the Senator from Georgia, but I would just like to thank the distinguished chairman of the Committee on Government Operations. It has been a great pleasure to work on this legislation. As in many other areas, he has certainly provided great leadership to the committee, and I thank him for his generous remarks.

I yield the Senator from Georgia such time as he may require.

The PRESIDING OFFICER (Mr. CLARK). The Chair would remind Senators that under the previous order, at 11 o'clock the Senate will return to the consideration of the Nelson-Mondale amendment, and that is about 1 minute from now.

Mr. NUNN. Mr. President, I think I can finish my remarks in 1 minute.

I join the Senator from Illinois and the Senator from North Carolina in commending the Senator from Delaware. He and I have spent many hours in this work on the Senate Budget, Management, and Expenditures Subcommittee measure.

In working on this legislation, although it is not as tough or as disciplined as he would like or I would like, without his presence, without his great effort, we would have a much looser bill than we have now. I commend him and I also commend him on his amendment.

I agree with some of the criticisms which have been made but I, for one, will vote for the amendment, because its virtues certainly overwhelm its disadvantages. The Senator from Delaware has made a magnificent contribution toward making this legislation meaningful and capable of providing real discipline for the first time in the budgetary process.

The PRESIDING OFFICER (Mr. CLARK). Under the previous order, the Senate will now resume consideration of amendment No. 1046.

Who yields time?

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HUGH SCOTT. I ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, I regret to have to oppose the amendment offered by the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Wisconsin (Mr. NELSON), but I am opposed to it. It would limit a member from serving for more than 6 years on the new budget committee. It would prevent members from gaining the same kind of experience over a longer period of time in the areas of the committee's jurisdiction. Members would not be able to become as expert as, say, the members of the Finance and Appropriations Committees would. For instance, they would only serve for 6 years. Additionally, if they can only serve on the committee for a brief period of time and would then retain ad infinitum their membership on two other major standing committees, obviously the time of the Budget Committee members would be badly fragmented and split and they would not be able to give the budget committee the kind of time and attention, the energy and the talent, the dedication and the service that they would otherwise give if they served only on that major committee and one other major committee, as is presently the rule in the Senate.

Second, by so doing, by having a rotating committee, the stature of that committee would be greatly reduced. This legislation, once it becomes law, will be difficult to implement. So while I believe it can possibly be a workable act, it remains to be seen whether it will work. A great deal will depend on the human element in both Houses.

If this committee is looked on as just a temporary committee on which one may serve and get a little exposure and a little experience, and then shift back to another committee, it will reduce the stature of that committee. This committee needs stature. The Appropriations and the Finance Committees already have stature. We have a new committee here and it will be a vitally important committee which will need equal stature with that of the Appropriations and Finance Committees and other committees.

It will detract from the stature of that committee if it becomes a sort of rolling stone committee on which members will rotate. It would be just another committee assignment for a member—just another chore, another burden—and not one of his most important committee assignments.

Third, the amendment would preclude the development of long-term personal relations with members of the new committee and the other standing committees whose legislative work would have to be coordinated with the new budget committee.

The Finance Committee has a long history, and the Appropriations Committee has a history which goes back deep into the roots of this institution. They both have great stature. The members of these committees, because of their seniority on such committees, generally, not only have great stature within the committee structure but also within the Senate. If we are going to set up a committee now that rotates its membership, its members will be deprived of the opportunity to gain valuable experience and would not be as dedicated in their service to that committee, because of that fact, nor be able to accumulate the expertise in their field, which all members of other committees are able to gain with long and continuous service.

I am afraid that they will not then have the prestige that will enable them to act with the kind of comity that will be needed between the budget committee and the Appropriations and Finance Committees, if we are going to make this legislation work.

The members of the Appropriations and Finance and other committees may otherwise view those who will be working on the Budget Committee as just messing into the business of the Appropriations and Finance and other committees. It will damage chances of favorable implementation of this act, once it becomes law.

Finally, I do not believe we should veer away from the normal procedure governing the service on standing committees in this body.

If this is really going to be a major standing committee, then it should stand on an equal basis with all other such standing committees, and its members should understand that.

Mr. President, I trust, for these various reasons, that the Senate will not agree to the amendment of the distinguished Senators from Wisconsin and Minnesota, Mr. NELSON and Mr. MONDALE.

Mr. HUGH SCOTT. Mr. President, I should like to say that I agree with the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the distinguished Republican leader.

Mr. ERVIN. Mr. President, if we have

any time left on our side, we yield it back.

Mr. NELSON. Mr. President, how much time remains?

The PRESIDING OFFICER. Six minutes remain.

Mr. NELSON. Mr. President, unless someone else wishes to speak on behalf of the amendment, I am prepared to yield back our time.

Mr. ROTH. Mr. President, I ask unanimous consent that my aide Bruce Thompson be allowed the privilege of the floor during the vote on the amendment.

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

Mr. NELSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeeing to the amendment—No. 1046—of Senators NELSON and MONDALE.

On this question 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 Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Lousiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senatcr from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 24, nays 56, as follows:

[No. 82 Leg.]

YEAS—24

Abourezk	Dole	Nelson
Bayh	Hart	Packwood
Biden	Hughes	Pastore
Brooke	Humphrey	Pell
Case	Javits	Stevens
Chiles	Mansfield	Stevenson
Church	McGovern	Tunney
Clark	Mondale	Williams

NAYS—56

Allen	Fannin	McIntyre
Baker	Fong	Metcalf
Bartlett	Goldwater	Montoya
Beall	Gravel	Muskie
Bennett	Griffin	Nunn
Bentsen	Gurney	Pearson
Bible	Hansen	Percy
Brock	Hartke	Proxmire
Buckley	Haskell	Roth
Burdick	Hathaway	Schweiker
Byrd, Harry F., Jr.	Helms	Scott, Hugh
Byrd, Robert C.	Hollings	Scott, William L.
Cannon	Hruska	Sparkman
Cotton	Huddleston	Stennis
Cranston	Inouye	Taft
Curtis	Jackson	Talmadge
Domenici	Magnuson	Tower
Eastland	Mathias	
Ervin	McClellan	
	McGee	

NOT VOTING—20

Aiken	Johnston	Ribicoff
Bellmon	Kennedy	Stafford
Cook	Long	Symington
Dominick	McClure	Thurmond
Eagleton	Metzenbaum	Weicker
Fulbright	Moss	Young
Hatfield	Randolph	

So the Nelson-Mondale amendment was rejected.

Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. Under the previous order the Senate will now return to the consideration of amendment No. 1055.

Who yields time?

Mr. CURTIS. Mr. President, it was my understanding that time was reserved for me to speak on the bill.

Mr. MANSFIELD. How much time does the Senator desire?

Mr. ROBERT C. BYRD. Mr. President, I think there was an understanding yesterday that the distinguished Senator from Nebraska (Mr. CURTIS) would be assured of, I believe, 15 minutes on the bill. But at this moment, operating under the unanimous consent request, the Senator from Delaware (Mr. ROTH) has an amendment before the Senate and is under controlled time. Perhaps the managers of the amendment would agree to yield some time now to the Senator from Nebraska.

Mr. CURTIS. No. I am willing to let the amendment proceed. I do wish to speak on the bill.

Mr. ROBERT C. BYRD. Yes. We have an understanding that the Senator will have 15 minutes.

Mr. CURTIS. Will that be before or after the vote?

Mr. ROBERT C. BYRD. Before the vote.

[Laughter.]

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. I yield.

Mr. STENNIS. As I understand the situation now, the amendment I shall offer will follow the Roth amendment. Is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has nine minutes remaining. The Senator from North Carolina has 18 minutes remaining.

Mr. ROTH. Mr. President, I do not intend to use all that time, but I do want to summarize why I think my amendment is so important.

I wish to remind my fellow Senators that the reason the Joint Study Committee on Budget Control was established over a year ago was due to the problem we were having with deficit spending. I wish to read the recommendations of the joint committee on which served many distinguished Members of this body, as well as Members of the House of Representatives.

In that study it was concluded that the Joint Study Committee believed that the Congress' failure to arrive at congressional budgetary decisions on an overall basis has been a contributing factor to the size of these deficits.

As a result of our not considering spending together, it pointed out, we were not determining the relative priorities of the various spending programs.

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

The Senator may proceed.

Mr. ROTH. My concern with the legislation in its present form is that it will not bring about meaningful debate on the overall budget. But just as in the case of the debt ceiling, the debate on the overall budget both at the beginning and at the end of the year will become an exercise in futility because people will know it can be easily overturned.

I say again, that if the Congress votes for increased spending in June, July, or August, it is not going to vote to cut back those programs in October, particularly in an election year.

Our most pressing need is the control of inflation and its cause, deficit spending. My amendment would control excess Federal spending. What I propose is a two-thirds requirement to increase Federal spending after—and I emphasize the word "after"—we establish the original concurrent resolution budget.

Under the legislation, Congress, by a majority vote, must create a Federal budget by June 1. What I propose is that if we want to increase that budget, it ought to take a two-thirds majority; otherwise we are not going to pay much attention to the original budget.

It has been said that this method is inflexible; that a one-third plus one majority could hobble the intent of Congress.

No. 1, I am not a man of such little faith that I do not believe Congress is going to do what is necessary in the event of a major catastrophe, whether it be war or depresssion. I think we would live, under those circumstances, up to our responsibilities. But I would also point out that if that did happen, it takes only a majority to change the rules of the Congress. So we would not be locked into a situation that cannot be changed.

What I am asking is this: That the original budget be adopted by simple majority; any future increase would have to be adopted by a two-thirds vote. I do not think it is too much to ask this Congress to stand by a decision it made on June 1 for the next 4 months. It seems to be only commonsense.

Finally, the triggering mechanism, much like that contained in the Government Operations version of the bill, can also be adopted by simple majority if it does not exceed the original budget or if it adds increased revenues through increased taxes.

These are tough measures, but they are necessary. If they are going to control inflation or if we are going to reestablish confidence in the American dollar, this Congress has to make hard decisions.

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

The yeas and nays were ordered.

Mr. ERVIN. Mr. President, I yield such time as he may require to the distinguished Senator from Tennessee (Mr. BROCK).

Mr. BROCK. Mr. President, the Senator from Delaware is second to none in this body in his dedication to fiscal responsibility and to the economic soundness of this Nation. He carries the respect of all of us in that regard. His continuing effort with reference to this particular bill has been unique in its contribution. He is one of ability and honesty, and he is, in my opinion, usually right.

In this particular instance I support that section of the amendment which deals with the trigger clause that was in our bill, and I wish we could restore it, but there is another part of the amendment which I find it difficult to accept, and that is that section which relates to a two-thirds vote on a continuing resolution.

Mr. President, when I started to work on this legislation something over 2 years ago, one of the things we first did was to study the actions of the Congress in 1946, 1947, 1948, when a similar effort was made and a similar bill was passed only to have it fall of its own weight because that bill was so drawn as to be unacceptable or unworkable to the Members of either body.

I kept that example well before me, because I do not want to see this legislation fail again. It is too important to the people of this country. There is no way to calculate the burden on the American taxpayer of a $304 billion budget. It is too much to bear.

It is long past time that we addressed our national priorities in a more responsible way. It is not for lack of integrity that we have not done it; it is for a lack of a structure in which to do it. This is just the first step. I think we ought to recognize that this is just the first step. The process is going to have to continue for years, but it is a revolutionary first step, and I am deeply concerned that the acceptance of this amendment would so burden the bill, the implementation of the bill, that it would follow the example of Congress in 1948 and fall of its own weight. The Members of Congress simply did not abide by it because they could not abide the restrictions imposed on them.

This Congress operates by majority vote, and if a majority of the House or Senate decided they were going to take a certain course of action, nothing in the world would defer or change them from doing just exactly that. That is the way the system works. There is nothing wrong with that. There may be something wrong with the decision or judgment of the individual Members, but there is nothing wrong with the majority vote.

And that is the question we have before us: Are we going to inhibit that opportunity for change? Are we going to so burden the process of prioritizing our national needs in limiting our national expenditures, to establish criteria for honest budget reform, that it will not work? That is the particular concern I have at this particular moment, and despite my enormous sense of respect and admiration for the Senator from Delaware and my sharing of his objective, I hope the amendment is not accepted in this particular case.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I am opposed to the amendment.

The two principal features of the amendment are: First, to require that a trigger provision be included in all spending bills, and second, to require a two-third vote to increase any spending figures agreed to in the first concurrent resolution on the budget, or to approve an increase in the debt, as set in the first resolution.

The trigger proposal was embodied in an amendment by Senator NUNN. It was not agreed to because it would create a situation in which the President could, with a single veto, wipe out the whole session's work on spending bills.

A delay in completing action on a reconciliation bill would force the Congress to rely on continuing resolutions to keep the Government going, thus negating the advantage in changing to an October 1 fiscal year.

It might increase the likelihood of legislative-executive stalemate, because so much importance would be attached to a single measure, whose approval would be essential to the orderly functioning of the Government.

The required two-thirds vote to increase the spending figures set in the first resolution fails to take account of the gross inaccuracies which are characteristic of budget forecasting. As noted in the Rules Committee report—page 13—the average level of supplemental appropriations enacted over the past decade has been almost $10 billion per year. In addition the report also indicated—on page 21—that underestimates of expenditures for nonappropriated programs—such as interest on the debt and social measure trusts—have equalled almost $3 billion per year, over the past 5 years.

Thus, the facts of life are that we will have incomplete or inaccurate information when we adopt the first concurrent resolution. To permit one-third of the Senate to insist on the spending limits set in that resolution would deny a majority the right to "work its will." It could cause very serious disruptions in established programs, by forcing drastic reduction in so-called controllable programs when expenditures in other programs rise unexpectedly. It would subject the Congress to rigid set of procedures which are incompatible with its operating methods and with the prerogatives of a majority of the Senate.

I hope the amendment will be rejected.

Mr. ROTH. Mr. President, I will take only just one or two further moments.

I recall back in 1969 when the then senior Senator from Delaware, Mr. Williams, introduced a spending limitation accompanied by an increase in taxes. I also recall very vividly how time after time that ceiling was violated as this Congress added more spending to it.

A great deal has been said that what I am proposing is inflexible. I point out that there is nothing to prevent this Congress from adopting as large a budget as it desires. All I am saying is that when we make that decision by June 1, we ought to be willing to live by it for the next 4 months; otherwise we have gone through an exercise that history shows will have very little or no impact.

Much has been said about the evolutionary development of budgetary reform, and I hope that those who anticipate major reform prove to be correct. But to me it is a tragedy that this Congress is not willing to take strong reform steps right now. This morning we see news to the effect that inflation increased this past month by more than 1 percent. I do not think any leading economist would deny that deficit spending has been a major factor in that inflation.

In any event, what I am asking is for this Congress to not only have meaningful debates on the overall budget but to know that, having adopted the national priorities, they will have to live within that budget for the following year.

Mr. President, I am willing to yield back the remainder of my time.

Mr. ERVIN. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ROTH. I yield back the rest of my time.

The PRESIDING OFFICER. All time has been yielded back. 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 Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Idaho (Mr. McCLURE), the Senator from South Carolina (Mr. THURMOND), the Senator from Connecticut (Mr. WEICKER), and the Senator from New Hampshire (Mr. COTTON) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from South Carolina (Mr. THURMOND) would each vote "nay."

The result was announced—yeas 23, nays 57, as follows:

[No. 83 Leg.]

YEAS—23

Baker	Dole	Nunn
Bartlett	Domenici	Proxmire
Beall	Fannin	Roth
Bennett	Griffin	Scott, William L.
Biden	Gurney	Taft
Buckley	Hansen	Tower
Byrd, Harry F., Jr.	Helms	
Curtis	Hruska	
	McClellan	

NAYS—57

Abourezk	Gravel	Metcalf
Allen	Hart	Mondale
Bayh	Hartke	Montoya
Bentsen	Haskell	Muskie
Bible	Hathaway	Nelson
Brock	Hollings	Packwood
Brooke	Huddleston	Pastore
Burdick	Hughes	Pearson
Byrd, Robert C.	Humphrey	Pell
Cannon	Inouye	Percy
Case	Jackson	Schweiker
Chiles	Javits	Scott, Hugh
Church	Johnston	Sparkman
Clark	Magnuson	Stennis
Cranston	Mansfield	Stevens
Eastland	Mathias	Stevenson
Ervin	McGee	Talmadge
Fong	McGovern	Tunney
Goldwater	McIntyre	Williams

NOT VOTING—20

Aiken	Hatfield	Ribicoff
Bellmon	Kennedy	Stafford
Cook	Long	Symington
Cotton	McClure	Thurmond
Dominick	Metzenbaum	Weicker
Eagleton	Moss	Young
Fulbright	Randolph	

So Mr. ROTH's amendment (No. 1055) was rejected.

Mr. MAGNUSON. Mr. President, I wish to express my support for the efforts of the senior Senator from North Carolina in his efforts to draft legislation designed to reaffirm congressional intent in the whole area that has come to be known as "impoundments."

I understand that title X of the Budget Reform Act of 1974 is intended to reaffirm and reassert the congressional intent that the President shall be prohibited from impoundments or any such activities involving the refusal to obligate to the full extent, or any action with similar effect, the appropriations provided by the Congress. This is my understanding of title X. Does the Senator believe and intend that title X should resolve this impoundment problem?

Mr. ERVIN. The Senator from Washington is correct in his statement that title X is intended to reach the problem of impoundment, reserves, and apportionments in all its forms.

The purpose of title X is to define, clarify, and thereby limit the authority under which the President and any other officer or employee of the executive branch may take any action which places appropriated funds in reserve, or has that effect for any period of time.

I would like to emphasize the intent of the committee that the word "reserve" is to be interpreted in its broadest sense. As the Senator from Washington knows, the President and his officers have become increasingly resourceful at making new interpretations of the intent of the Antideficiency Act as well as the appropriations acts insofar as they concern administration arguments which would allow the President to legally impound funds. Fortunately, the Federal courts have recognized consistently that Congress has intended that appropriations be obligated and expended and have not allowed semantic arguments of the executive branch to frustrate such congressional intent.

In this respect, the committee intends the provisions of title X to reach all the past and future mechanisms which this President or any other Executive has devised or will devise.

We intend the language in title X to mean any action by the executive branch which would have the effect of establishing a reserve, or otherwise delaying or making unavailable for obligation or expenditure appropriations made by the Congress in a manner inconsistent with achieving the full scope, intent, and objectives of Congress in enacting that appropriation.

Mr. MAGNUSON. I fully agree and support the statement of the Senator from North Carolina, and I wish to insure that the record clearly reflects that the interpretation and purpose of the committee is the same as the entire Senate, if and when title X becomes the law of the land.

I am particularly concerned that the President or any other member of the executive branch not be allowed to adopt a narrow interpretation of the word "reserves" as it appears in title X. Is it the intent of the committee that "reserves" be interpreted to mean any action which has the effect of establishing a budgetary reserve? This would include, for example, the delaying of the obligation of appropriated funds by the impoundment of positions, which is a new variation of the impoundment theme now being proposed and contemplated in the executive branch.

One way this works is to fire or transfer the staff so as to so disorganize the grant-processing organization of a department or agency as to make it impossible to award the grants and obligate the funds before the close of the fiscal year. The net effect is the same—impoundment.

Another variation of impoundment that is being proposed by some executive agencies is called forward funding or multiple-year grant periods. One way this works is for an agency to obligate the funds in a way that spreads the expenditure over a period of years instead of the usual practice of awarding funding for 12-month grants. The net effect is that the level of funding is lowered—another devious method of impoundment.

So, I ask the distinguished Senator, is it the intent of the committee that "reserves" be interpreted to mean any action which has the same effect as establishing a budgetary reserve?

Mr. ERVIN. Yes. The phrase "In apportioning any appropriation, reserves" clearly encompasses any effort or action by the executive branch which has the effect of delaying the appropriation, obligation, or expenditure of funds, or which has the effect of reducing the program level below the level contemplated by the Congress in the enactment of an appropriations bill or budget authority. Any such delay in expenditure of appropriations is, in effect, the creation of a "reserve" within the meaning of title X of the bill.

As the Senator knows, the administration proposed rescission of $328.8 million in funds in the fiscal 1974 budget that had been appropriated by Congress for the Department of Health, Education, and Welfare and the Department of Labor. The administration apportioned the funds to the agencies, with instructions not to obligate or spend the money until Congress acted on the rescission proposals.

Since the funds were apportioned, and thus not in a "budgetary reserve," the Office of Management and Budget did not include those funds in its report on "impoundments." But the proposed rescissions were functionally identical to the withholding of funds so reported, thus delaying by many months the implementation of progams enacted and funded by Congress. The committee does not countenance such practices. The apportionment, obligation, contracting, or personnel practices of the executive branch cannot be used as a method of withholding funds. All such actions are properly characterized as having the effect of establishment of a "reserve" and fall within the mandate and directives of title X.

Mr. MAGNUSON. I thank the Senator from North Carolina for his comments. It is reassuring to know that the clear congressional intent in the word "reserve" as used in title X is to include any action by any executive branch officer which has the same effect as the establishment of a budgetary reserve of appropriated funds.

Is it correct to say that under title X, the executive branch may not take any action to delay or withhold appropriations or budget authority, whatever the method or semantic description of the method?

Mr. ERVIN. That is correct.

REFORMING THE WAY CONGRESS HANDLES THE FEDERAL BUDGET

Mr. MATHIAS. Mr. President, it is my hope and my expectation that the Senate will pass overwhelmingly today a comprehensive bill to reform the haphazard manner in which we have, for far too long, dealt with the Federal budget. I shall vote for it with both enthusiasm and conviction. This is certainly one of the most important pieces of legislation of this Congress, and may well be of more permanent significance than anything done here for a decade.

For many years I have urged this reform. Over 16 months ago, I chaired an ad hoc series of congressional hearings on the need for this reform. Last year I introduced, together with Senator STEVENSON, a bill which contained the principal provisions of this legislation. I have

spoken about this measure to groups throughout my State of Maryland and have been encouraged by the widespread support which this action has received.

There are many serious problems facing the Congress at this time, but three of the most pressing are: First, the need for a more orderly and wiser expenditure of public moneys, and the related need for a means of considering our national priorities; second, the requirement that fiscal responsibility be maintained; and third, the question of the division of power between the executive branch and Congress.

These three problems come together in the consideration of the procedures Congress employs in passing the Federal budget. The procedure we have followed in the past may only be described as chaotic. Appropriations bills are considered seratim, as if they were unrelated to available revenues and unrelated to the total amount of expenditures. The size of the Federal budget and the amount, or even the existence, of a surplus or deficit are almost mystical events; we find out about them only at the end of a session by totaling up the amounts we have appropriated and comparing this total to estimated revenues. As far as the Congress is concerned, the budget is not planned. Instead, like topsy, it just grows. And without planning there can be no rational congressional consideration of competing national priorities. The final budget will be fiscally sound under the present practice by good fortune rather than by good judgment. Nor can there be the reasoned balance of powers between the executive and legislative branches of our Government which was envisioned by our Founding Fathers when they entrusted the power of the purse to the Congress.

If America could in the past afford a Congress which held the purse strings taut or slack with little rhyme or reason, it clearly can do so no longer. Today the Federal budget exceeds $300 billion. The projected budget deficit is approximately $10 billion. Inflation is soaring at a rate of almost 10 percent a year. Unemployment is increasing. And international confidence in fundamental economic traditions is questioned.

The bill before us gives us the tools we need to meet these challenges—to bring prices down, to end budget deficits, to increase employment, to restore confidence. In short, this bill permits us to know what we are doing, and to anticipate the consequences of our acts. It will remain for us, of course, to demonstrate that we have the will to wisely use these tools.

Dr. Arthur Burns, Chairman of the Board of Governors of the Federal Reserve Board, has told me that in his opinion this bill will do more to control inflation than any other single action that Congress could take. Economists, businessmen, consumer representatives, and international diplomats and financiers have expressed similar views. This bill will be a large deposit in the bank of confidence in America and in our political and economic institutions.

The bill before us is long and complex. In brief, however, it will accomplish the following:

First. Create a new committee on the budget to oversee general congressional budgetary matters.

Second. Establish a congressional office of the budget to provide the Congress, its committees, and its Members with the information, expertise, and resources to understand and control the budget.

Third. Require the Congress to establish firm ceilings on all expenditures, and to respect those ceilings throughout the entire session of the Congress, accounting for every penny of receipts and expenditures at the end of the Congress.

Fourth. Establish a new timetable of congressional and executive action which would insure that appropriation bills would be passed before the new fiscal year begins; too often now, agencies do not receive a new budget until the budget year is more than half over.

Fifth. Increases the oversight role of the Appropriations Committee. As a member of the Appropriations Committee, I have been pleased that we were able to reduce the appropriations requested by the executive branch by a net total of more than $3 billion last year; this bill will help us continue such fiscal commonsense.

These are the highlights of a complex and lengthy bill—a bill of extreme importance. I congratulate the committee members and staff who have labored so hard to refine each provision of the bill. I believe Americans will be pleased with the results of their effort. I am thankful that this long overdue reform is about to be taken. I believe that we are taking a giant step toward restoring the Congress to the coequal status the Founding Fathers intended for it, permitting us to again fully meet the responsibilities imposed on us by the Constitution and to merit the full faith of the American people in the legislative branch and in their Nation's economic well-being.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the text of the bill (H.R. 13025) to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, with an amendment, in which it requested the concurrence of the Senate; and that the House had agreed to the amendment of the Senate to the title of the bill.

The message also announced that the House had passed a bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi.

Mr. STENNIS. Mr. President, I call up an amendment which I have at the desk.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats.

The amendment will be stated.

The assistant legislative clerk read as follows:

Viz: On page 184, between lines 4 and 5, insert the following:

PAY RATES OF CERTAIN SENATE EMPLOYEES

SEC. 906. (a) The Secretary of the Senate, the Sergeant at Arms of the Senate, and the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $39,615. The Secretary for the Majority (other than the incumbent holding office on March 15, 1974) and the Secretary for the Minority shall each be paid at an annual rate of compensation of $39,330. The four Senior Counsel in the Office of the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $38,475.

(b) The Secretary for the Majority (as long as that position is occupied by such incumbent) may be paid at a maximum annual rate of compensation not to exceed $39,330. The Assistant Secretary of the Senate, the Parliamentarian, the Financial Clerk and the Chief Reporter of Debates of the Senate may each be paid at a maximum annual rate of compensation not to exceed $38,475. The Administrative Assistant in the Office of the Majority Leader and the Administrative Assistant in the Office of the Minority Leader may each be paid at a maximum annual rate of compensation not to exceed $37,905. The Administrative Assistant in the Office of the Majority Whip and the Administrative Assistant in the Office of the Minority Whip may each be paid at a maximum annual rate not to exceed $36,765.

(c) An individual occupying a position on a committee of the Senate to which the highest rate of annual compensation may be paid under section 105(e) of the Legislative Branch Appropriation Act, 1968, as amended and modified, may be paid at an annual rate not to exceed $37,905.

(d) An individual occupying a position in a Senator's office to which the highest rate of annual compensation may be paid under the second sentence of section 105(d)(2) of such Act may be paid at an annual rate not to exceed $37,905.

(e) Section 105 of such Act is amended—

(1) by striking out of subsection (d)(2)(ii) "the salary of one employee may be fixed at a rate" and inserting in lieu thereof "the salaries of two employees may be fixed at rates";

(2) by striking out of subsection (e)(3)(A) "two such employees" and inserting in lieu thereof "four such employees"; and

(3) by striking out of subsection (e)(3)

(B) "three such employees" and inserting in lieu thereof "four such employees".

(f) The provisions of this section do not supersede (1) any provision of an order of the President pro tempore of the Senate authorizing a higher rate of compensation, and (2) any authority of the President pro tempore to adjust rates of compensation referred to in this section under section 4 of the Federal Pay Comparability Act of 1970.

Mr. STENNIS. Mr. President, I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, in the interests of carrying out our unanimous-consent agreement which requires a final vote on this bill 2 hours and 7 minutes from this point, and realizing that Mr. HUMPHREY has three amendments, Mr. CHILES has an amendment, Mr. TAFT has an amendment, and Mr. JAVITS has an amendment, I ask unanimous consent—and this has been cleared with the offeror of the amendment—that the time on this amendment be limited to 30 minutes instead of 1 hour, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, is the agreement the same with respect to amendments to amendments?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. STENNIS. Reserving the right to object, Mr. President, I do not expect to take long, and I do not know of more than one or two Senators who wish to speak, so I am willing to agree to a limitation of 15 minutes on each side, beginning now.

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

Mr. STENNIS. Mr. President, this amendment, I think, is of interest to every Member of this body, because it goes right into the bosom of his own office. The amendment will not increase the amount of the allowance—I have to ask my friends again, Mr. President, to let us have their attention or be quiet so that those who wish may listen.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. It does not increase the amount to any Senator for clerk hire, but it is a sad fact of life that the salaries of our top men, our leaders in our offices, have been frozen now for 4½ years, or virtually so, with the exception of little increases of a few hundred dollars, because they have had this $36,000 ceiling. And where all others on the staffs have been receiving these periodic increases, the ones that we put the chief responsibility upon have not received anything. I have the figures here to show that, and I shall come back to it.

In the committees, this amendment would remove the same ceiling for the two top men, and I shall increase that to four on the major committees. This is all a discretionary matter; Senators still have control of what the salaries will be as to the top men, or all of them, and it is likewise true with the committees that Senators will still have control of setting the salaries. But the way this amendment operates—as I say, it goes into the very bosom of everyone's staff—these automatic periodic increases occur, and everyone receives them except the top person.

I have a record here where I have figured out that since January 1, 1971, we have had three cost-of-living salary increases, but because of this restriction that I have mentioned, our administrative assistants have not participated fully. By the first increase paid to them a year later, they would have received $1,934 if they had been comparably increased with the rest of the staff, but as it is, they actually received then only $564. A year later, if their increase had been comparable to that of the other members of the staff, they would have received $1,907, but as it was, they received $163. Then in October 1973, when there was another automatic increase, they would have received an additional $1,861, but as a matter of fact, they received $5. Five dollars—think of that. A $5 increase.

The same thing applies in the committees. I say that on a comparability basis, we have waited too long already to remedy this situation, and that is what prompts me, and it is the only thing that prompts me, in moving for this amendment at this time.

Of course, we have officers of the Senate, and we have our senatorial employees, and the amendment is written in such a way as to make it applicable to them as well, in the same sense of fairness. There is no criticism of the House of Representatives, but all their major committees have 12 staff members that they can put at this top level, whereas our committees have 2 and only 2 that we can put at the top level. So when we develop a man over here, and he shows an aptitude and a familiarity and becomes really learned in the subject matter of the committee, they can offer him these much higher salaries over in the House of Representatives, and they do it.

I have had that experience here within the past few weeks—on the Armed Services Committee, I mean. So I think that we should lean out ourselves, not to make any comparisons as to what a Senator is worth compared to an administrative assistant, although a great deal of the time I believe that my administrative is worth, to my State and to the Nation, more than I am. But that is not the test. The question is whether we can continue on the basis of fairness and comparibility. These top men we rely on so strongly. Put it on no other program but that of self-defense for Senators, the Senate, and its committees, we should make a modest reduction of this situation. It is a modest reduction. The increase is only $2,000. Someone said something about a sense of fairness for the minority on committees. The Rules Committee has set all of that. We know this does not disturb them one bit. I cannot speak for any other chairman, of course, but it would be in a spirit of fairness to the minority. It is required, in effect, by the spirit of the rules, so that there should be a sense of fairness prevailing. I am sure that would not be a stumbling block or an argument against the amendment.

Now, Mr. President, I would be glad to answer any questions I could. Time is short.

Mr. PERCY. Mr. President, as I understand it, there would be no increase in allowances for the committees. This would not cost the taxpayers 1 penny. This just gives us some discretion to make an increase and every committee can decide in its own discretion whether to take money out of somewhere else and move it up to the top people.

Mr. STENNIS. The Senator is correct. That is, no new money will be allowed. No new money is given the Senator, but it will cost some more money, if he puts two at the top level, as that will spend more of his allowance.

Mr. PERCY. But his allowance is not raised.

Mr. STENNIS. No, but, for instance, a man who turns back some of his allowance, there will be less coming back to the Treasury. Many of us represent States which are not so populous as others. I have turned back money every year since I came to the Senate.

Mr. PERCY. Second, with respect to equal treatment in accordance with the Reorganization Act, I concur fully with this. It is not being implemented in some of the committees, but it should be. We should move toward that. Having talked with the minority leader and the assistant minority leader, we would be anxious to see, as the number of jobs are increased from two to four, that they do not all go to the majority. The minority has an equal responsibility to maintain a high professional level. I agree these are underpaid positions so that we cannot expect to get the caliber of men and women we would like to have.

Would the Senator entertain a modification, as to such employees, that two such employees shall be employees appointed at the request of the minority members of the subcommittee, the committee, or ranking minority members?

Mr. STENNIS. On a personal basis I would not object, but that gets into the field of legislation and that is a matter primarily to be passed on by the Rules Committee. We are foreign to that. This is all within the limits of the present law, except for changing the ceiling. I think every committee is given some latitude in those rules. There is a minimum. We in the Armed Services Committee have tried to avoid the idea of a minority or a majority staff member. But this is a sense of fairness, and if it is adopted, it will be on that basis and that is far enough to go and I believe that will meet the situation.

Mr. PERCY. Would the Senator feel, however, that it would be unfair for the Senate to approve this and then have all four positions taken by the majority?

Mr. STENNIS. It would. I do not say I advocate that a minority member, an unseasoned member and not especially prepared should be given the top salary to start with just because he is nominated by the minority. He must work his way up like the rest.

Mr. PERCY. Yes, he has to be proven. All minority members have to be ap-

proved by the committee. They have to be professionals. They have to demonstrate they are worthy of that.

Mr. STENNIS. I wanted to make that point.

Mr. PERCY. That is a worthy and a good point.

I thank the Senator from Mississippi.

Mr. CANNON. If the Senator from Mississippi will allow me to interject here, the Senator has made an erroneous statement and I wanted to correct the record——

Mr. STENNIS. I wanted to yield first to the Senator from Hawaii (Mr. FONG)——

Mr. PERCY. If the Senator from Nevada wishes to correct an error I may have made, I yield to him for that purpose.

Mr. CANNON. If the record is left as it is now, it would show that there would be no increase in cost to the taxpayer. That is simply not correct. There might be no increase in cost in the sense of Senators or their individual budgets, which are at a fixed figure, but the first move that would occur would be for them to go before the Appropriations Committee to try to get that amount lifted. That has been done several times over the past few years. Second, on the committee staffs, there would be an increase in the cost to the taxpayers now, without any action taken by the Appropriations Committee, because the staffs are fixed in number and pay structure, and to pay them at a higher level would be of immediate cost to the taxpayers.

Mr. STENNIS. In response, I said that it could cost additional money, not an additional allowance, but additional money out of whatever money a Senator or committee decided to put these increases on, at whatever level.

Mr. FONG. Mr. President, I commend the distinguished Senator from Mississippi for this amendment. As one who fought hard to implement the President's recommendations for executive, legislative, and judicial salary increases the Senator is following along the lines of those recommendations for the employees represented in his amendment. I hope, however, after passage of this amendment that we will look to the passage of an amendment to take care of GS grades 15, 16, 17, and 18, now at the levels of $36,000. They have not had an increase for the past 5 years whereas the cost of living has increased almost 30 percent over the past 4 years. According to the Commission on Executive, Legislative, and Judicial Salaries, at this rate that would mean an erosion of another 20 percent in another 4 years for a total of 54 percent when these salaries will next be reviewed. That time the pay level for GS-14, 15, 16, 17, and 18 employees would be the same, $36,000. So I commend the Senator from Mississippi for this amendment. I shall support it, and after the amendment passes, I hope we will reconsider what we did on the President's recommendations.

Mr. STENNIS. The Senator from Hawaii has made a powerful statement on this subject. If this keeps going on the way it is now, we will be in worse trouble every year. I want to make it clear that I am not fighting the committees or trying to get a free ride on the bill or anything like that. This is just to meet a situation as I have fully discussed it.

Mr. President, how much time do I have left?

The PRESIDING OFFICER (Mr. HASKELL). The Senator has 2 minutes remaining.

Mr. STENNIS. I will yield 1 minute to anyone that wants it.

Mr. FONG. Mr. President, let me say that the regular Government employees have received an increase of approximately 40 percent in the past 5 years. Military personnel have received an increase of approximately 80 percent over the past 5 years. The increase in salaries within the private structure has been around 30 percent during the past 5 years, yet these employees have not received a single dollar increase within the past 5 years.

Mr. STENNIS. Mr. President, may I hold back 1 minute? I yield the floor. I hope that we may have a quick vote.

Mr. ERVIN. Mr. President, there is no Member of the Senate for whom I entertain a deeper affection or higher admiration than the distinguished junior Senator from Mississippi (Mr. STENNIS).

But I cannot vote for this amendment for two reasons: The first is that this matter falls within the jurisdiction of the Post Office and Civil Service Committee. This proposal should be incorporated in the form of a separate bill, and the committee which has the jurisdiction should pass on the matter.

In the second place, I am not impressed by claims of great financial distress among the top employees of the Federal Government, the executive branch, or those on Capitol Hill. As a matter of absolute truth, the top employees in both categories are in a better fix than U.S. Senators, because their net earnings are more, as compared with the earnings of Senators.

Also, we are giving these people salaries higher than the salaries of the Governors of many States, higher than the salaries of supreme court justices of many States, and higher than the salaries of many other State officials.

I hear a lot about comparability. I do not know about the earnings of civilians generally, but my impression and my conviction are that Federal salaries are all out of line, being highly in excess of those which people are receiving for working in non-Government employment and industrial employment.

I just cannot conscientiously vote for this amendment, for those reasons.

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

Mr. ERVIN. I was going to yield to the Senator from Nevada.

Mr. CANNON. I defer to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I join in everything that the manager of the bill has said.

Apart from the fact of jurisdiction, that this matter belongs to the Committee on Post Office and Civil Service, I think it would be a travesty for us to do this in a piecemeal manner. Senators are paid $42,500 a year. That is a lot of money. In anybody's country, that is a lot of money. But when you realize that a Senator has to maintain two homes, that he has to contribute to about every church bazaar in his State, that he has to make contributions that other individuals are not being called upon to make, you realize that if we raise these top staff members within a range of $3,000 or $4,000, we are doing an injustice.

This entire matter has to be studied, and the Senator from Wyoming (Mr. MCGEE) has already promised that a study will be conducted by his committee. I do not think now is the time, nor is this the place, for us to be discussing this matter. I am for doing what is right. On the other hand, I do not see these people resigning or quitting in droves. I do not see any Senators retiring from the Senate simply because of the salary.

I think we have to take a long view, a very in-depth study, of this matter, and at the proper time and proper place we ought to consider all the elements that are involved. But at this time to say to a Senator that he is worth only about $2,000 or $3,000 more than somebody who works for him is an insult to the Senator.

Mr. ERVIN. Mr. President, I yield the remaining time to the distinguished Senator from Nevada.

Mr. CANNON. Mr. President, I agree completely with the distinguished Senator from North Carolina and the distinguished Senator from Rhode Island.

I point out one additional fact that has not been mentioned: We have other people on the Senate staff who are top level now, who are not even covered by this amendment. In addition, we are leaving out the civil service people, who are bunched together—as the distinguished Senator from Hawaii mentioned—the grades 15 through 18, who cannot get raises because of the structure at the top level.

Furthermore, if we do this, we are doing nothing for the members of the judiciary, who are already fixed and who were very hopeful of getting a raise, and we are simply moving the top level staff people up closer to the amount the judiciary gets.

So far as it costing the taxpayers is concerned, let no one make a mistake that this is not going to cost the taxpayers, and cost very substantially—both on our individual staffs and on the committee staffs. It will do so without any further action on the committee staffs. So far as our personal staffs are concerned it will do so, because at the first legislative appropriations hearing, there will be people in to testify that they need an additional money allowance to pay for these raises to the staff.

Mr. President, I would prefer to see this matter treated in an orderly fashion, to go to the committee having jurisdiction, to be considered, and then let them come back with a report. Absent that, if the matter is to be pressed, I may say, in all frankness, that as soon as the time has expired on this amendment, I would propose to offer an amendment to it to include in this category the journal clerk of the Senate, the legislative clerk of the Senate, and the Assistant Parliamentarian of the Senate, all of whom

are at the top level and who are not covered in the proposed amendment.

I would also propose—and am going to propose at the proper time, if this amendment is really considered—that the GS grades 15 through 18 shall be included, so that their pay rate shall not exceed the sum of $39,615, which is top level permitted in this amendment.

I simply point out to my colleagues the type of situation we are getting into by trying to legislate on something that is completely nongermane to a most important bill on the floor of the Senate.

I hope the Senator will see fit not to press this amendment; but if it is pressed, I have already given my colleagues notice of what I intend to do by way of an amendment.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, if the Senator will yield, I hope he will not offer his amendment. I hope that we will defeat the pending amendment. If necessary, I am going to move to lay it on the table. I think this is not the time to be discussing this matter. If there is no further colloquy——

Mr. PERCY. Mr. President, I ask this question of the distinguished Senator from Mississippi: He has clearly indicated that the intent of his amendment is to fairly treat the minority, but the definition of it is subject to a great deal of discussion.

I would think that no one could argue with the fact that out of four such employees, at least one would be assigned to the minority. So at least that indication would be that the minority would be dealt with fairly.

I feel very strongly that we are treating these top staff members very poorly, and we are treating ourselves poorly, because we have lost any number of men and women who have simply been forced out by the fact that the salaries have been frozen.

I certainly appreciate the fact that this is not a germane amendment to this bill; but it makes one wonder when we are going to get around to straightening out this situation, which is grossly inequitable, and we all know that.

I ask the Senator whether he would accept the following amendment: Following the words "in lieu thereof for such employment," add "at least one of which shall be employees appointed at the request of other minority members of that committee."

Mr. STENNIS. Let me respond to the Senator this way: Under the present rules of the Senate——

Mr. ERVIN. Mr. President, is this time being charged against the opposition?

The PRESIDING OFFICER. This time is being taken out of the time of the Senator from North Carolina.

Mr. ROBERT C. BYRD. On the bill or on the amendment?

The PRESIDING OFFICER. On the amendment.

Mr. PERCY. Mr. President, I ask for 3 minutes on the bill.

Mr. STENNIS. Mr President, I refer to the Legislative Reorganization Act, which provides for six professional staff members It does not set the salary. Two of such professional staff members may be selected for appointment by majority vote of the minority members. So they have that right now, as a matter of hard law, for a third. I do not know whether the Senator's committee is getting it or not, but it is written into the law. In the Committee on Armed Services, we follow that rigidly.

Mr. PERCY. The slots are provided to the minority, two out of six, but not the pay. Here, specifically, the Senator is providing for jobs at a pay level. If by legislative history we can make it certain enough that at least one person would be assigned to the minority the Senator from Illinois would be satisfied.

Mr. STENNIS. I beg the Senator's pardon. This does not set the salary; it provides it may be set at the top level.

I do not want to be fussy about this matter. I would agree that one be nominated by the minority at such salary as the committee may set. That is the way it happens now. That would take care of the situation.

Mr. ROBERT C. BYRD. Mr. President, I intend to vote for the amendment of the Senator from Mississippi. If this other aspect is brought in, which I think is a matter for the Committee on Rules and Administration to decide, I shall vote against it. I think it should go to the Committee on Rules and Administration.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I hope we will vote one way or another because we are going to get into a terrible crunch at 2 o'clock. We have seven amendments pending.

Mr. ERVIN. Mr. President, I yield back my time in opposition to the amendment.

Mr. HUGHES. Regular order.

The PRESIDING OFFICER. The Senator from Mississippi has 1 minute remaining.

Mr. STENNIS. Mr. President, just by way of review for those who have come to the Chamber, this proposal is merely to meet a situation of comparability, of fairness, whatever it may be called, within the Senator's own staff where we have let a situation develop by putting a ceiling on the man who is presumably in the most responsible position in the office and at the same time we have passed laws to give automatic increases to all others on his staff. It is not fair, it is not right, it is not compatible, and already it is leading us to very serious trouble. The same thing applies within the committees, with some difference of application. I feel certain that the minority will be treated fairly in this matter.

The PRESIDING OFFICER. All time is expired.

Mr. PASTORE. I move to table the amendment.

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

Mr. HUGHES. The yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. PASTORE. Who asked for the yeas and nays? I did not ask for the yeas and nays.

The PRESIDING OFFICER. The Chair understood the Senator from Iowa to ask for the yeas and nays.

Mr. HUGHES. I withdraw the request.

Mr. STENNIS. Mr. President, I ask for the yeas and nays on the motion to table.

Mr. PASTORE. The yeas and nays, Mr. President.

The PRESIDING OFFICER. The yeas and nays are ordered. The question is on agreeing to the motion of the Senator from Rhode Island. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BEALL (after having voted in the affirmative). On this vote I have a pair with the Senator from New Hampshire (Mr. COTTON). If he were present and voting he would vote "nay." I have already voted "yea." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Alabama (Mr. SPARKMAN), are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN), is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG), are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND), would vote "nay."

The result was announced—yeas 48, nays 29, as follows:

[No. 84 Leg.]

YEAS—48

Abourezk	Dole	McGee
Bartlett	Ervin	McGovern
Bayh	Fannin	Montoya
Bible	Gravel	Muskie
Biden	Gurney	Nelson
Brock	Hansen	Nunn
Buckley	Hartke	Packwood
Burdick	Hathaway	Pastore
Byrd, Harry F., Jr.	Hollings	Proxmire
Cannon	Huddleston	Schweiker
Case	Hughes	Scott, William L.
Chiles	Humphrey	Taft
Church	Jackson	Talmadge
Clark	Magnuson	Tower
Cranston	Mansfield	Williams
Curtis	Mathias	
	McClellan	

NAYS—29

Allen	Hart	Pearson
Baker	Haskell	Pell
Bennett	Helms	Percy
Bentsen	Hruska	Roth
Brooke	Inouye	Scott, Hugh
Byrd, Robert C.	Javits	Stennis
Domenici	Johnston	Stevens
Eastland	McIntyre	Stevenson
Fong	Metcalf	Tunney
Griffin	Mondale	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Beall, for

NOT VOTING—22

Aiken	Hatfield	Sparkman
Bellmon	Kennedy	Stafford
Cook	Long	Symington
Cotton	McClure	Thurmond
Dominick	Metzenbaum	Weicker
Eagleton	Moss	Young
Fulbright	Randolph	
Goldwater	Ribicoff	

So Mr. PASTORE's motion to lay on the table Mr. STENNIS' amendment was agreed to.

Mr. TAFT. Mr. President, I call up my amendment No. 1050, on behalf of myself, the senior Senator from Alabama (Mr. SPARKMAN), the senior Senator from Wisconsin (Mr. PROXMIRE), and the senior Senator from Texas (Mr. TOWER).

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read the amendment as follows:

On page 170, line 23, delete "(3) Federal Financing Bank;" and renumber the items which follow accordingly.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from New York (Mr. JAVITS) has indicated a willingness to reduce his time on his amendment from 20 minutes to 10 minutes. I ask unanimous consent to do that.

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

Mr. TAFT. Mr. President, I ask unanimous consent that the senior Senator from Utah (Mr. BENNETT) be added as a cosponsor of the amendment.

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

Mr. TAFT. Mr. President, this amendment to S. 1541, which I explained on page 7398 of yesterday's RECORD, would delete reference in section 606 to the Federal Financing Bank, and thus keep the Bank out of the budget.

Section 606 would repeal a number of provisions of law which have exempted from the budget certain Federal programs and agencies, including the Federal Financing Bank.

Including the outlays of the Federal Financing Bank in the budget totals, as would be required by section 606, would mean that each time the Federal Financing Bank purchased an obligation guaranteed by another Federal agency a new budget outlay would occur. Thus the Federal budget and the Federal deficit would be increased by the amount of Federal Financing Bank purchases of guaranteed securities.

There has been a great deal of misunderstanding about the effect of section 606 on the Federal Financing Bank. I agree that when the Bank purchases an obligation issued by a Federal budget agency, such as TVA, there would be no net effect on Federal budget totals; this would simply be an intragovernmental transaction. I also recognize that obligations guaranteed by Federal agencies would not be directly affected by S. 1541, and they could continue to be financed outside of the budget.

The problem created by S. 1541 is simply that guaranteed obligations could not be financed by the Federal Financing Bank except by increasing budget outlays. Thus, since guaranteed borrowers could not count on the ready availability of Federal budget funds, the Financing Bank would not be the assured source of financing that the Congress intended it to be.

The total amount of securities issued or guaranteed which would be eligible for purchase by the Federal Financing Bank in the fiscal year 1975 is estimated at $20 billion, of which guarantees account for $17 billion. Consequently, the Federal budget deficit of $9.4 billion estimated for fiscal 1975 would be increased by $17 billion if the Bank purchased these securities, and the deficit would be $26.4 billion. I do not think it is realistic to expect that this would occur.

Rather, many guaranteed borrowers who are eligible to borrow from the Federal Financing Bank would generally feel obliged to continue their own market borrowing operations so as to avoid the uncertainties of relying on sufficient funding when they need it from the Financing Bank. Thus, these guaranteed borrowers would continue to pay more on their borrowings, and the intent of the Congress in the Federal Financing Bank Act of 1973 would not be achieved.

The additional interest cost incurred in financing guaranteed securities outside of the Federal Financing Bank will in many cases be a direct cost to the Federal Government and thus to the taxpayer, since many guaranteed obligations, such as in the subsidized housing programs, involve direct Federal interest payments.

Who else will pay the cost of including the Federal Financing Bank in the budget?

The rural electric cooperatives, whose bond issues will be guaranteed by REA under the new program enacted by the Congress in May of last year, would be required to pay more by borrowing in the market rather than through the Federal Financing Bank.

A higher interest rate would also be required on the Farmers Home Administration guaranteed obligations to finance farmers, rural housing and a variety of other rural development purposes.

The new Student Loan Marketing Association established by the Congress to lower the costs of financing the student loan program would also have to pay more on its borrowings.

The residents of Maryland, Virginia, and the District of Columbia would bear a higher cost for the new subway because the Washington Metropolitan Area Transit Authority would pay more on its borrowings which are guaranteed by the Secretary of Transportation.

The cost of financing would also be higher for small business investment companies, health maintenance organizations, hospital facilities, new communities and a variety of other housing, education, and transportation obligations which are guaranteed by Federal agencies and which are eligible for Federal Financing Bank purchase.

Only if the Congress wishes to place these guaranteed securities themselves in the budget, which would not be done by S. 1541, would it make sense to require that budget outlays be incurred each time one of these securities is financed by the Financing Bank.

Thus, the inclusion of the Federal Financing Bank in the budget would serve only to continue the disorderly conditions in the market for Government-backed securities and raise the cost of borrowing for programs which were enacted by the Congress for the express purpose of lowering their borrowing costs. I do not think that any Member of the Senate wishes to see this happen. Thus I urge that you support my amendment, which would assure that the intent of Congress in the Federal Financing Bank Act of 1973 would be fulfilled.

I ask unanimous consent that a letter from Secretary Shultz of the Treasury, supporting the amendment, be printed at this point in the RECORD.

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

SECRETARY OF THE TREASURY,
Washington, D.C., Mar. 14, 1974.

Hon. SAM J. ERVIN, Jr.,
Chairman, Government Operations Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In our further review of S. 1541, we find one provision concerning the Federal Financing Bank, created by the Congress on December 29, 1973 (P.L. 93-224), which would effectively negate the purpose of that recent legislation.

Specifically, Section 606 of S. 1541, as reported by the Senate Committee on Rules and Administration on February 21, 1974, would repeal a number of provisions of law which exclude certain programs and agencies, including the Federal Financing Bank, from the Federal Budget totals and limitations. Inclusion of the Federal Financing Bank in that provision misconstrues the nature and purpose of the Bank, which conducts no substantive program and is designed solely to coordinate and make more efficient borrowing by other Government agencies that will take place in any event. The decision on appropriate budgeting treatment should be made with respect to the substantive agencies, not with respect to the Federal Financing Bank.

I sympathize with the objective of Section 606 to provide for better budget control. If the Congress determines that certain substantive Federal credit programs be included in the Budget, this can and would be assured by including those programs in the Budget. This objective would *not* be achieved by including the Federal Financing Bank in the Budget. The Bank is simply an optional financing vehicle to consolidate and to lower the costs of market borrowing activities for other Federal agencies. The Bank is authorized to issue its own securities and to use the proceeds to purchase any obligation issued, sold, or guaranteed by a Federal agency. Such purchases by the Bank would not affect the budget treatment of the agency operations. That is, those agencies which are in the Budget would not be removed from the Budget by using the Financing Bank. Nor

would agencies outside the Budget be brought into the Budget simply because their obligations were financed by the Bank. Thus the Federal Financing Bank itself would have, and should have, no effect on the Federal Budget outlay and receipt totals or surplus or deficit except, of course, that budget savings would be realized over time by the reduction in agency financing costs made possible by the Bank.

The need for the Federal Financing Bank arose from the fact that over the years Congress provided many Federal credit agencies with authority to conduct their financing activities independently. The result has been a proliferation of inefficient Government-backed obligations in the market in the form of agency issues, sales, or guarantees of securities.

To a considerable extent, such agency financing is today in the form of guaranteed securities. This form of financing is outside the Budget today, and under the terms of S. 1541 would remain outside the Budget. Much of the savings made possible by the Bank would arise from financing such guaranteed obligations through the Bank. In many cases, such as guaranteed Farmers Home notes, public housing bonds, and GSA certificates, the Government itself would directly realize the savings in interest costs since these programs involve direct Federal interest payments. In other guarantee programs, such as Merchant Marine bonds, Amtrak issues, and Washington Metropolitan Transit Authority bonds, the interest savings would benefit the guaranteed borrowers but should in the end also lead to a reduction in Federal construction or operating subsidies for these programs.

If the Federal Financing Bank were to be included in the Budget while the substantive guarantee programs themselves remain excluded, those Federal agencies could not find it practicable to use the Bank to finance guaranteed securities. The net effect would be that most agency financing activities would continue to be conducted directly in the market in less efficient forms and at substantial additional costs to the programs being financed and to the Federal taxpayers.

In sum, the decision as to appropriate budgeting treatment should be made with respect to the credit programs themselves, and not on the basis of whether they choose to use the Federal Financing Bank as a financing vehicle. It is not my intention here to suggest which Federal credit programs should be in the Budget. I merely wish to point out the overlapping, and therefore self-defeating, nature of including the Federal Financing Bank in Section 606.

Sincerely yours,

GEORGE P. SHULTZ.

Mr. TAFT. Mr. President, let me cite an example to indicate what this provision would do to a particular program.

For fiscal 1975, the President's budget estimates that almost $2.5 billion would be disbursed under rural housing and miscellaneous agriculture programs. Yet, the figure in the budget for these programs is negative $368 million. The negative figure is made possible not by repayments of outstanding Farmers' Home Administration loans, but rather because the Farmers' Home Administration packages the housing loans and markets them like agency obligations. These "asset sales", as they are called, result in a substantial negative budget figure.

The Federal Financing Bank provides the opportunity for the Government to save interest costs on these obligations.

Under this procedure, the Bank would technically purchase the packaged farmers' home loans and substitute its own obligations to obtain a more favorable interest rate. Exactly the same amount of borrowing from the private market would be done. Yet, because the Bank is an intermediary, the cost of purchasing these obligations would show up in the budget even though this cost is being financed through borrowing from the public and not tax money.

The result is that a large portion of the $2.5 billion in disbursements would become "budget outlays". Rather than increase the budget by this much money, Farmers' Home Administration would be quite likely to avoid the budget by continuing its financing in the present inefficient manner, at considerable cost to the taxpayers.

In the case of the guarantee programs, which constitute a much greater volume of obligations, the only significant difference would be that the Government agency would arrange for the Bank to acquire the obligations rather than acquiring them and reselling them to the Bank. The budget principles would be the same.

I reserve the remainder of my time.

Mr. ERVIN. Mr. President, I wish to assure the Senator from Ohio that we will be glad to take this matter to conference.

Mr. TAFT. I thank the Senator from North Carolina for taking that position. While there has been objection expressed in a letter from the General Accounting Office, I must say that its objection shook my confidence a good deal in the General Accounting Office's understanding of the matter. But since this is a technical matter, and having received assurance from the chairman that the matter will be considered thoroughly for conference, and with the realization that the House bill does not contain what is in this proposal, I shall be gald to withdraw the amendment.

Mr. PERCY. Mr. President, I ask unanimous consent that two letters, one dated March 18, 1974, the other dated March 19, 1974, from the Comptroller General and the Assistant Comptroller General, respectively, be printed at this point in the RECORD.

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

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., March 18, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: You have requested the comments of the General Accounting Office on the provisions of Section 606 of S. 1541, as reported by the Committee on Rules and Administration. These provisions concern the Federal Financing Bank. Essentially, these provisions would require that the Federal Financing Bank and several other agencies now excluded from the budget totals be included therein.

We believe it appropriate that the activities of the Federal Financing Bank, like those of all other Government agencies, be included in the budget totals, and we therefore favor these provisions of Section 606 of S. 1541.

As we understand it, among the arguments of those opposing the legislation are contentions that the Federal Financing Bank is unique; that it is not a program agency; that its activities will create neither expenditures nor borrowings that will not otherwise occur; and that its activities are in effect a consolidation of the financing activities of other Federal programs. It is also argued that exclusion from the budget is necessary to assure neutrality with respect to the budget status of programs the Bank would be dealing with.

We disagree fundamentally with the "budget neutrality" argument. Rather, we agree with the President's Budget Concepts Commission of 1967 that all agencies and programs should be subjected to the test of inclusion in the budget totals and the consequent priority evaluations and judgments.

Further, it is not clear to us that the other cited arguments are valid. To the extent that Federal Financing Bank activities simply mirror or duplicate the activities of other agencies or programs, these activities can and should be netted out of budget totals as is done in many other areas of the budget. It appears likely, however, that some activities of the Bank will not be duplicative of amounts otherwise included in the budget for a given year. These activities should be reflected in the budget and included in budget totals.

We do not read the language of Section 606 as requiring the inclusion of the total amounts of guarantees of non-Federal obligations in budget totals nor do we believe this should be required. If this is a concern, we believe it could be removed by report language or legislative history clarifying the intent of the bill to exclude such guarantees except for a reasonable contingency amount.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

ASSISTANT COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., March 19, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This letter will summarize a discussion on this date with Mr. Vastine of your staff regarding the reasoning behind our conclusion that the Federal Financing Bank should be "in budget."

1. When the Federal Financing Bank acquires the obligations of agencies, the transactions are not simply guarantees of the agencies' securities, but are outright purchases of those securities. Therefore, they are direct outlays of Federal funds whether or not the securities of the agencies were "in budget."

2. This being the case, the outlays should be included in the budget totals and should be subjected to the same priority and cost benefit tests as other Federal outlays.

3. Subjecting the Bank's outlays to these tests should not eliminate the use of the Federal Financing Bank since the interest and other advantages of obligations issued by the Federal Financing Bank would remain. Rather, it would assure that Bank outlays were appropriately weighed against alternative choices and priorities.

I hope this additional explanation clarifies our position and reasoning. If we can be of further help, let us know.

Sincerely,

PHILLIP S. HUGHES,
Assitant Comptroller General.

Mr. PERCY. Mr. President, I fully agree with the Senator from North Carolina, and will give due consideration to the proposal.

Mr. BROCK. Mr. President, I serve on the Committee on Banking, Housing and Urban Affairs. We have spent a great deal of time on the subject of the Federal Financing Bank. I am completely in sympathy with the Senator's objectives. I do not think the Committee on Government Operations had any intention

whatsoever to limit its access, availability, or effectiveness.

Let me assure the Senator from Ohio that if he withdraws his amendment the committee will make every effort to see that his concerns are dealt with. We simply want to be certain that the things that ought to be covered, are covered. I think the Senator from Ohio has raised a completely valid point. I assure him of my efforts to secure modified language, so as to make sure that we do not take any action that would be deleterious to the Federal Financing Bank.

Mr. TAFT. I thank the Senator.

Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, I offer my amendment No. 1057 and ask that it be read. I call attention to the fact that the year 1978 in line 4, page 1, is in error. The year should be 1975.

The PRESIDING OFFICER. Without objection the amendment is so modified. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

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

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

The amendment, as modified, is as follows:

On page 116, after line 25, insert the following:

REPORT ON NATIONAL GOALS AND PRIORITIES

SEC. 203. (a) ANNUAL REPORT.—The Director shall submit to the Congress on or before May 1 of each year (beginning with 1975) a national goals and priorities report, which shall include, but not be limited to, a description and discussion of—

(1) the President's recommendations on national priorities reflected in the proposed allocation of budget authority and budget outlays for each major national need as set forth in the budget submitted by the President for the fiscal year beginning on October 1 of such year.

(2) the goals, or objectives, associated with each major national need and the goals, or objectives, being sought by all Federal programs directed at meeting such national need and a balanced national growth;

(3) an assessment of the adequacy of the resources allocated to each national need in view of the goals or objectives being sought; and

(4) an assessment of the probable effect of such proposed budget outlays and budget authority and of such allocation of resources, upon the balanced growth and development of the Nation, such assessment to be drawn from information, data, reports, and analyses which shall be furnished to the Director upon his request by such Federal departments, agencies, and bureaus as he may determine and as may have such requested subject matter within their official jurisdiction.

(b) ASSISTANCE TO COMMITTEES AND MEMBERS.—At the request of any committee or Member of the Senate or the House of Representatives or any joint committee of the Congress, the Office shall provide to such committee, Member, or joint committee further information, data, or analysis relevant to the subject matter of subparagraph (a).

Mr. ROBERT C. BYRD. Mr. President, we are confronted with the following situation: After disposing of the amendment offered by the Senator from New York (Mr. JAVITS), six amendments remain to be disposed of. An understanding was reached whereby the distinguished Senator from Nebraska (Mr. CURTIS) would be permitted to speak on the bill for not to exceed 15 minutes. The distinguished Senator from Arkansas (Mr. MCCLELLAN) was to be allowed to speak for at least 5 minutes, if he deems it necessary. Senators can thus see for themselves what the situation is, because we have agreed to vote on final passage at 2 o'clock p.m. today. That puts the managers of the bill in a most difficult position, so I ask unanimous consent that they limit their statements on the remaining amendments, with the possible exception of the amendment by the Senator from Georgia (Mr. NUNN), to 3 minutes.

Mr. NUNN. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. The Senator's rights are protected.

Mr. NUNN. I have no objection.

Mr. JAVITS. Mr. President, I am very hopeful I can complete what I have to say within five minutes or less, because this matter has been fully discussed. I wish to make it clear that this language, which seeks only a report on national goals and priorities, results from a previous history in the Senate and the collaboration of a number of Senators.

The Senator from Florida (Mr. CHILES) raised some question in an amendment that had other aspects; the Senator from Minnesota (Mr. HUMPHREY) raised some question in another amendment that had other aspects.

The Senate, on two previous occasions, has passed this particular matter as a bill—as a matter of fact, established by a bill in 1971 an office of national goals and priorities equivalent to the Comptroller General's Office.

The Government Operations Committee, which has dealt with this matter too, in considering this bill, reported it as a separate bill, with another matter that the Senator from Florida (Mr. CHILES) had dealt with. That matter having been dealt with in another amendment, and not having got into the bill, all of us decided—that is, from collaboration among the Senator from Florida (Mr. CHILES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. PERCY), and myself—that the best that could be done—and it was very desirable that it be done—was to provide in the year 1975 for some overview of national goals and priorities from an agency of our own, to wit, the budget committee, because this would be very useful. Many corporations, such as American Telephone & Telegraph Co., United States Steel Corp., and others, have a 5- to 10-year projection.

I think we have done a remarkable job on the bill with respect to the annual budgeting process, but I think we should still have a projection forward as to where we are heading, and what the budget is supposed to inform us to do. That is the purpose of the amendment. We have trimmed it down considerably so that there will not be an onerous burden on the director of the committee.

A second very important point was made by the Senator from Florida (Mr. CHILES): That information which should be available to every Senator, which was something he worked very hard on, should be limited to what the director is required to do anyhow in respect to the report, so that he cannot be given brand-new jobs which he can carry out with separate committees.

I am very hopeful, Mr. President, on behalf of us all, because the amendment is simply a mosaic of the work of Senator CHILES, Senator HUMPHREY, Senator MUSKIE, and myself as it relates to this particular matter and nothing beyond it, that the committee may see fit to accept the amendment.

Mr. BROCK. Mr. President, as a cosponsor of the amendment, I am delighted to accept it.

The Senator, in his modified version, requires a report by 1975. I believe it is quite possible that, under the new legislation, the Director of the Budget might not be confirmed until early in the following year, and I wonder if it would be possible for them to meet the Senator's timetable in the next year.

Mr. JAVITS. I was going to make this suggestion: If, when we finally get to conference—and I suppose perhaps I shall be a conferee, too—we see the time is too short, we will change it. Second, as we have done here time and time again, if we get in a jam we can handle the matter by a consent bill.

Mr. BROCK. I am personally perfectly willing for the date to remain as it is, but I simply raise the point.

Mr. President, I am delighted to have the amendment accepted.

Mr. HUMPHREY. Mr. President, I offered an amendment for discussion yesterday, proposing the inclusion in the budget-making process of a guarantee that the Nation's balanced growth and development would be considered with the seriousness it deserves.

Some of my colleagues suggested at the time that while they agreed with what I was saying in principle, they were unwilling to support the specific means by which I proposed to achieve it.

We have before us now another amendment, this one proposing to include national goals and priorities and growth and development among the considerations weighed during the budget-making process.

Under the provisions of the amendment, the Office of the Budget would report each year to the Congress on the impact of the President's proposed budget, upon the Nation's goals, priorities and balanced growth and development. The information would come in part from the President, in part from the various existing Federal departments and agencies, for preparing this report.

I believe this is the least we can provide, Mr. President. This is a bare minimal assurance that our budget deliberations and decisions will be enlightened by a knowledge of the impact of what we do upon the future growth and development, goals and priorities of the Nation.

The amendment calls for an assessment of the likely impact of the President's budget proposals on the Nation's balanced growth and development.

While it is not spelled out specifically in the amendment, but left to the discretion of the Director of the Office, I would like to suggest some of the subject matter that should be considered in this assessment.

These items might include population distribution within and among the States, employment, environmental qualify, land-use, transportation, communications, fuels and energy, food and fiber production and consumption, housing, health-care facilities and services, education, manpower training, recreational and cultural facilities, the advancement of technology.

These need not be spelled out in the amendment itself. The amendment gives the Director the discretion to request information from the existing Federal agencies and programs, and I have confidence that between them they could and would produce the kind of information intended in the amendment.

The main objective is to state clearly in the legislation that the Congress recognizes national growth and development, goals and priorities to be directly related to and affected by the national budget, and to declare a desire for information about that inter-relationship each year as the budget-making process begins.

Mr. ERVIN. Mr. President, we will take this amendment to conference.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HASKELL). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. NUNN. Provided I do not lose my right to the floor.

Mr. CRANSTON. Mr. President, I ask unanimous consent to have 2 minutes to bring up an amendment of my own which is acceptable to the management and would not take any time away from our schedule.

Mr. NUNN. Reserving the right to object, as the Senator from Georgia understands, this time does not come out of my time.

The PRESIDING OFFICER. The Senator is correct.

Mr. CRANSTON. My amendment is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON. I ask unanimous consent that further reading of the amendment be dispensed with.

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

Mr. CRANSTON'S amendment is as follows:

On page 121, lines 4 and 5, strike out "Estimated revenue receipts;" and insert in lieu thereof "Total estimated revenue receipts and the major sources of such receipts, with such total being allocated among such sources;".

On page 121, line 16, immediately before the semicolon, insert a comma and the following: "and may include the major sources from which such revenues are to be received, with such appropriate level being allocated among such sources".

Mr. CRANSTON. Mr. President, this amendment has been discussed with the leadership. All it does is request that when the Finance Committee comes in with its estimates of revenues, it indicate what revenues are expected to produce how much, so that we will have a better indication of how much we will receive from the income tax and how much from other taxes.

It also states that when there is a desire to either increase or reduce taxes, for whatever reason, the Senate may recommend which taxes be reduced or increased in general. That is simply to provide more flexibility, and match the revenue aspects of the budget control bill with the appropriation and operational aspects more clearly.

This amendment will strengthen the new congressional budget process, through which all spending decisions will be related to each other and to revenues, by providing that the first concurrent resolution shall state not only the total estimated revenue receipts but the major sources from which such receipts are anticipated. In addition, the amendment provides that the recommended level of aggregate Federal revenues also may include recommendations for the major sources from which such revenues are to be derived with appropriate levels being allocated among such sources.

The committee reports before us have emphasized the need for Congress to give greater attention to the revenue side of the budget.

Spending by Congress has been blamed for the deficits and the fiscal crisis which threatens us with an overwhelming inflation. The Rules Committee report, however, wisely and correctly points out that on closer inspection we find that large and unexpected additions to the debt have resulted largely from the revenue side of the balance sheet, and not necessarily from higher spending. The report points out that in the years from 1970 to 1972 the differences between budget estimates and actual receipts for those 3 years represented 65 percent of the difference between estimated and actual deficits.

S. 1541 offers the Congress, for the first time, an opportunity to decide what kind of fiscal policy the country will have. The budget process developed by the Government Operations and Rules Committees, I believe, establishes a rigorous procedure for controlling spending. I believe, however, that Congress should give equal attention to the revenue side of the budget.

As the Rules Committee report states:

It is clear that a sound Congressional budget policy cannot be based on the assumption that control of spending levels is sufficient to achieve desirable economic results.

The bill already directs the Budget Committee to state the appropriate aggregate level of Federal revenues but it does not go further to state where additional revenues should come from, or where cuts should be made.

The bill does provide that in the second concurrent resolution the Budget Committee would have the option of directing the House Ways and Means and Senate Finance Committees to report legislation adjusting revenues or the public debt limit.

Rather than rely solely on adjusting revenues after the fact in the second concurrent resolution, I believe that we should look at our revenue requirements with greater specificity at the start of the annual congressional budget process.

My amendment makes possible an opportunity to bring the revenue side of the budget into the congressional budget process at an early opportunity—when Congress first acts on the first concurrent resolution.

I believe this aspect of the debate envisioned for the First Concurrent Resolution will add a much needed dimension and will focus additional congressional attention on the revenue side of the budget.

The PRESIDING OFFICER (Mr. HASKELL). The question is on agreeing to the amendment of the Senator from California.

Mr. BROCK. Mr. President, I have no objection at all. I am willing to accept the amendment.

Mr. CRANSTON. I thank the Senator very much. I understand that is also the position of the Senator from North Carolina.

Mr. ERVIN. Mr. President, we are willing to take this amendment to conference. It seems to be a good amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. NUNN. Mr. President, I am going to try to be as brief as possible, but brevity does not indicate——

Mr. ROBERT C. BYRD. Mr. President, has the Senator's amendment been stated?

Mr. NUNN. The amendment is at the desk. I ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

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

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

Mr. NUNN'S amendment is as follows:

On page 152, line 25, strike the words "substantial portion" and insert in lieu thereof: "ninety percent".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, after having heard the statement of the author of the amendment, that the time on the amendment be reduced to 20 minutes.

Mr. NUNN. Mr. President, reserving the right to object, I am probably going

to have to have a rollcall vote on this amendment. The time for the rollcall would not have anything to do with time on my amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. NUNN. Mr. President, as I say, I am going to try to be as brief as possible, but brevity does not indicate anything with regard to the seriousness of this amendment.

The bill as reported by the Committee on Government Operations did not provide for exempting extension of trust funds from backdoor controls. We provided exemptions for the trust funds themselves, but not for extension of trust funds.

Under the bill as now pending, any extension of the trust funds, of which there are many, would be exempt unless more than 70 percent of general fund revenues were used to finance it. That is to say, if as much as 30 percent of the trust fund, after the accretion was added, were self-sustaining, it would be completely exempt from any Appropriations Committee review.

Mr. President, this is to me a very large loophole, and I am sure that Senators would like to read, at least those who are present, the preparation we have made on this, of which every Senator has a copy on his desk.

The concept underlying the exemption of trust funds from backdoor spending controls is that they are self-funding, and thus present no problem from a budget point of view. The bill now exempts from backdoor control any legislation extending any existing trust fund program as long as that program is 30 percent self-funding. For example, there will be no backdoor control on legislation to create or extend a program that is funded 70 percent from general revenues and only 30 percent from earmarked or user-paid taxes.

Thus there will be an incentive to structure legislation in terms of extension of the roughly 100 trust funds, many of which are worded very broadly in terms of what they do, now in effect, and I think this creates a massive potential loophole.

In order to eliminate this possibility, my amendment suggests that the phrase "substantial portion" on page 152, line 25, should be amended to read "90 percent." This would insure that any legislation which draws from general revenues in excess of 10 percent of its funding, and that is now not subject to the appropriations process, will be subject to the same backdoor controls which apply to all non-trust-fund items.

This will make the bill consistent all the way through, because the bill does provide that new trust funds which are created will be under the so-called backdoor controls if they are funded more than 10 percent from general revenue funds. So it is a consistent amendment with the overall legislation.

I would like to make one other point, and this is an important point, but it is difficult to grasp: Even the 90 percent that I am proposing, and the 30 percent to a greater degree, will allow that an extension itself could be 100 percent financed out of general revenues as long as the landing point or final result of that extension does not make the overall trust fund go below the 30 percent self-sustaining level. So we are talking about a very significant loophole in this particular bill.

I have just done a little rough computation on it. If we exclude the social security trust fund, right now there is a total of $49 billion in revenue coming in from other trust funds. This bill as drafted would allow, in effect, new programs to be attached as extensions to existing trust funds, and result in additional outlays from general revenues of as much as $121 billion without going through any appropriations process whatsoever.

One other very important point: If the trust fund extension is stretched so that it does not take effect until the fiscal year following the budget year, not only will it have no sanction or review by the Appropriations Committee, but also, and perhaps even more important, it would not even be in the concurrent resolution for the upcoming fiscal year.

So we can have a trust fund extension that comes in and draws all its money out of the general fund, beginning one fiscal year removed, that is not only exempt from the appropriation process and Appropriation Committee review, but is also exempt from even being included in the concurrent resolution until the following year; and, in the case of many trust funds which are entitlement in nature, they would then be beyond the power of Congress to do anything about. I certainly hope this body will consider this matter and consider it very strongly, because I think it is very important.

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

Mr. NUNN. I yield.

Mr. CHURCH. Does the Senator's amendment exempt the social security trust fund?

Mr. NUNN. Yes. There is matter making it clear that the social security trust fund is not affected by the present bill or the amendment.

Mr. CHURCH. I thank the Senator. The amendment is meritorious.

Mr. BROCK. Mr. President, I would like very much to support the amendment. The Senator from Georgia has put his finger on the enormous potential problem. It was not the intent of the committee to leave this kind of loophole. I doubt that anyone thought about the possibility of adding a new program under the section to which the Senator has addressed himself. This amendment is extremely valid, important and pertinent. Personally, I certainly hope that it will be agreed to. It is possible we may need some refinement in the language but this can be dealt with in the conference. Let us be honest. The bill today is immeasurably weaker in its approach to backdoor spending than that which came out of the Government Operations Committee. The Senator has addressed himself to the problem of regaining discipline correctly and wisely.

Mr. NUNN. Mr. President, I thank the Senator from Tennessee for those comments. I agree with everything he has said. I emphasize that this does not affect existing trust funds but only the extension of existing trust funds. Extensions should be, in my opinion, given treatment equivalent to that given a new trust fund. That is exactly the point.

Mr. PERCY. The distinguished Senator from Georgia has once again demonstrated it is far better for us now, at this stage, to plug up every loophole and be clear about what we are trying to accomplish. I would not want to provide an incentive to structure new programs in terms of an extension of the trust fund program we have now, which would create a huge loophole and would certainly circumvent the purpose of what we are trying to accomplish. To the extent that loophole is plugged in advance, it is a great service. I favor the amendment and feel that its objective is worthy and noble.

Mr. NUNN. I thank the Senator from Illinois. I observe that the Senator from Illinois, the Senator from Tennessee, and the Senator from North Carolina and I have done what we could, through this proposal, starting a year ago, to prevent loopholes and to provide some discipline. This amendment would do exactly that, as the Senator has said.

Mr. ERVIN. Mr. President, I am constrained to oppose the amendment because this matter was worked out by the Rules Committee. While I am in hearty accord with the objectives of the Senator from Georgia, I feel compelled, under the operating circumstances, to oppose the amendment.

Mr. NUNN. Mr. President, since the amendment is not acceptable to the distinguished Senator from North Carolina, I would ask for the yeas and nays.

There was not a sufficient second.

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

The PRESIDING OFFICER (Mr. BIDEN). The clerk will 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.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the yeas and nays be ordered on the pending amendment.

The PRESIDING OFFICER. Without objection, the yeas and nays are ordered.

Mr. NUNN. Mr. President, unless someone else wishes to speak in favor of the amendment, I am prepared to yield back the remainder of my time.

Mr. CRANSTON. Mr. President, I would like to say that I support the amendment. I think it is a very sound one. It represents a way to increase the amount of so-called backdoor spending which is brought under budget control.

In the debate yesterday on this bill, there was concern expressed—wisely in my view—about the growing portion of Federal outlays which escape congressional scrutiny. This amendment will assure that a sizable loophole in the budget reform bill is not created which would allow a good deal of new backdoor spending to escape the budget control mechanism.

The PRESIDING OFFICER. All time

on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Georgia (Mr. NUNN).

On this question 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 Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 80, nays 0, as follows:

[No. 85 Leg.]

YEAS—80

Abourezk	Fannin	Mondale
Allen	Fong	Montoya
Baker	Gravel	Muskie
Bartlett	Griffin	Nelson
Bayh	Gurney	Nunn
Beall	Hansen	Packwood
Bennett	Hart	Pastore
Bentsen	Hartke	Pearson
Bible	Haskell	Pell
Biden	Hathaway	Percy
Brock	Helms	Proxmire
Brooke	Hollings	Randolph
Buckley	Hruska	Roth
Burdick	Huddleston	Schweiker
Byrd, Harry F., Jr.	Hughes	Scott, Hugh
Byrd, Robert C.	Humphrey	Scott, William L.
Cannon	Inouye	Sparkman
Case	Jackson	Stennis
Chiles	Javits	Stevens
Church	Johnston	Stevenson
Clark	Magnuson	Taft
Cranston	Mansfield	Talmadge
Curtis	Mathias	Tower
Dole	McClellan	Tunney
Domenici	McGee	Williams
Eastland	McGovern	
Ervin	McIntyre	
	Metcalf	

NAYS—0

NOT VOTING—20

Aiken	Dominick	Hatfield
Bellmon	Eagleton	Kennedy
Cook	Fulbright	Long
Cotton	Goldwater	McClure
Metzenbaum	Stafford	Weicker
Moss	Symington	Young
Ribicoff	Thurmond	

So Mr. NUNN's amendment was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. ERVIN. Mr. President, as I stated earlier, I was opposed to the amendment simply because I thought it impinged upon the agreement we had had with the Rules Committee, but it appears that it does not. I opposed the amendment in remarks earlier, and my remarks did not convince me. Therefore, I voted yea, which is proof that I am wiser at this moment than I was earlier.

Mr. HUMPHREY. Mr. President, I call up my amendment, No. 1032.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate. We have 37 minutes remaining. We have three amendments and have promised the Senator from Arkansas 5 minutes and the Senator from Nebraska 15 minutes. How we can get it out of the remaining 37 minutes, I do not know.

The PRESIDING OFFICER. The Senate will be in order.

The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 107, after line 19, insert the following:

STUDY OF SENATE COMMITTEE JURISDICTION

SEC. 102. (a) It is the sense of the Congress that—

(1) there is a demonstrated need for the Senate, as one House of the Congress, to assert its policymaking and oversight functions;

(2) the committee structure of the Senate is so organized as to frustrate the examination, analysis, and the oversight of Government policy, program operations, and expenditures; and

(3) the enactment of this Act will place an even heavier burden upon the committees of the Senate to conduct such examination, analysis, and oversight.

(b) It is further the sense of Congress that the Joint Committee on Congressional Operations should immediately begin an in-depth analysis of the committee jurisdictions of the United States Senate, taking into account the need to reduce fragmentation of policy and program oversight, the necessity for alining committee jurisdiction according to the functional purposes of governmental programs, the potential for the application of new technologies to the operations of committee of the Senate, and the requirement that staff resources be effectively and efficiently allocated among committees of the Congress of the United States. The Joint Committee on Congressional Operations shall make periodic reports to the Senate during the course of conducting the study herein ordered, and shall make a final report containing recommendations for reform and improvement of the committee structure and operations of the Senate no later than one calendar year after the enactment of this Act.

(c) The expenses incurred by the Joint Committee on Congressional Operations in carrying out this section shall be paid from the contingency fund of the Senate upon vouchers approved by the chairman of the Joint Committee on Congressional Operations.

Mr. HUMPHREY. Mr. President, the amendment I have called up calls for a study of Senate committee jurisdiction. I want to say now I will not call for a vote on the amendment. I do wish to make a brief statement. I have conversed with some of our colleagues in respect to the matter I have directed attention to in the amendment.

Mr. President, reform of the budgetmaking practices and procedures of Congress is certainly among the most significant issues likely to confront us during this session. If we succeed in passing a bill that significantly improves the methods we employ in dealing with this Nation's fiscal and budgetary needs, we will have taken a giant step toward showing the public that this is a Congress deserving of popular respect and esteem.

I sincerely hope we make this achievement. But I also hope fervently that we do not let such an accomplishment turn us smug and self-satisfied before the full job is done. While our budgetmaking machinery has long been in need of an overhaul, there are other components of this great mechanism we call Congress that also need to be improved.

I offer a brief amendment that I hope will win the approval of my colleagues, and will become a declaration of the next priority in our agenda for reform.

I speak of the committee structure of the Senate.

Mr. President, we all know that the times have long since outpaced the organizational lines by which we parcel out the work to our committees. We have no single committee to deal with energy and environmental matters. Instead, we have spread these issues in bits and pieces among nearly every committee of the Senate. I only cite this as one example of the fragmentation of responsibility over major issues.

We also have a committee structure that bears little resemblance to the organization of the agencies in the executive branch. While it may not necessarily be desirable to pattern our own structure entirely after that of the executive branch, we could certainly do a better job of arranging our committees to deal with programs and activities in the other branch in a more logical and orderly fashion.

Mr. President, the budget reform bill we are now considering would itself change our existing committee structure, by adding a Committee on the Budget in the Senate, as well as in the House of Representatives. The bill also would establish strict timetables for considering and acting upon budget matters.

I welcome the changes that have been proposed. They will substantially improve our budgetary and fiscal deliberations. But they would work much better if the committees that must coordinate their activities with the new budget committee were structured in a more efficient and logical fashion.

I do not have the blueprint for reconstructing our committee system to make it more efficient and logical. I doubt any of us in this Chamber feels he has such

a blueprint, though each of us probably has some ideas on the subject.

The best way to assemble those ideas and arrive at a workable blueprint for Senate committee reform, it seems to me, is to undertake a detailed examination of the problem in depth.

Mr. President, I have proposed such a study several times in the past. I feel it is made more urgent today, as we contemplate the strong likelihood of major revisions in our budgetmaking practices.

My amendment would order a 1-year study of our committee structure in the Senate, by the Joint Committee on Congressional Operations. I urge adoption of this amendment, to carry forward the spirit of reform that is represented by the bill before us today.

After having proposed the amendment in talking with the Senator from Montana (Mr. METCALF) I find that there would be some problem on this in the joint committee because House Members serve on that committee.

Mr. METCALF. Mr. President will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. METCALF. A similar study with the Joint Committee conducting it was proposed in the House. In spite of the rules over there, at the time Vice President FORD was minority leader, they listed the names of Senators on the Joint Committee and asked, "Do you want them to be determining House committee jurisdictions and rules."

I think the same sort of thing would apply where Senators are concerned.

However, the Senator from Tennessee (Mr. BROCK)—who is seeking recognition—and I have appeared before the Committee on Rules and Administration and have pointed out that this is the most urgent and the most necessary reform that we need in the Senate. The problems of Committee jurisdiction and of committee structure are acute.

I compliment the Senator from Minnesota for continuing to press this matter and for bringing it forcefully to the attention of the Senate. I continue to urge that we begin now to review and make the necessary changes in Senate committee jurisdiction, structure, and operation.

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

Mr. HUMPHREY. I yield.

Mr. BROCK. Mr. President, may I join the Senator from Montana in congratulations of the Senator from Minnesota. As one who believes in the intent and need for this amendment, I cannot support it as it is written, and I think the Senator from Minnesota can understand why. The Senator from Illinois and I have joined in urging, and the Senator from Montana has supported the effort, the Senate bring forth a special committee to make a study of this matter, but the Senator from Minnesota has brought a focus to this terrible problem. We simply cannot pass a budget reform bill without taking the next step in studying the entire committee structure and in reviewing prerogatives and responsibilities.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I withdraw my amendment, and urge the creation of the select committee that has been suggested, and also commend the Senator from Illinois (Mr. STEVENSON) for his leadership.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I call up my next amendmnet, No. 1031.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

At the end of the bill, insert the following:

TITLE XI—CITIZENS' COMMITTEE TO STUDY CONGRESS

SEC. 1101. (a) There is established a committee to be known as the Citizens' Committee To Study Congress (hereafter referred to in this title as the "Committee") to make a complete study relating to the functions, powers, duties, and operation of the Congress.

(b) The members of the Committee shall be chosen by a selection committee composed of three members, one of whom shall be appointed by the President of the United States, one by the President pro tempore of the Senate, and one by the Speaker of the House of Representatives. Any member of the selection committee not otherwise employed by the United States Government shall receive $100 for each day (including traveltime) that he is performing duties as a member of the selection committee. Each member of the selection committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the selection committee.

(c) The selection committee shall choose, not later than thirty days after the last member of the selection committee has been appointed, fifteen members to serve on the Committee. Not more than two of the members shall be Members of the House of Representatives; not more than two of the members shall be Members of the Senate; and not more than one of the members shall be an officer or employee of the executive branch of the United States Government. The selection committee shall designate one of the members as Chairman of the Committee.

(d) Eight members of the Committee shall constitute a quorum. Any vacancy shall be filled by the selection committee within thirty days after the vacancy occurs.

(e) Any member of the Committee not otherwise employed by the United States Government shall receive $100 for each day (including traveltime) that he is performing duties as a member of the Committee. Each member of the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Committee.

SEC. 1102. (a) In conducting its study, the Committee shall—

(1) consider the role of the Congress in establishing policy for the operation of the United States Government;

(2) determine how the Congress may best exercise its function of reviewing and evaluating programs and activities of the United States Government; with emphasis on ways by which these programs and activities affect the balanced growth and development and the goals and priorities of the Nation;

(3) examine the operation of the Congress itself (including but not limited to its powers, priorities, privileges, traditions, the means by which the Congress makes decisions, its committee system, its staffs) and how existing structures might best be modified to carry out the intent of this Act;

(4) examine and consider such other matters as the Committee may deem appropriate to provide an understanding of how the Congress has operated and how the Congress should operate in the future, with particular but not exclusive attention to the role of the Congress in contributing to the achievement of a balanced national growth and development policy through Congressional fiscal, budgetary, and related procedures and practices.

(b) (1) Not later than two years after the date of enactment of this Act, the Committee shall submit a final, comprehensive report to the Senate and the House of Representatives with respect to its study. The Committee shall also make such reports, from time to time, to the Senate and House of Representatives as the Committee deems necessary. Any report of the Committee shall contain such findings, statements, and recommendations as the Committee considers appropriate.

(2) Any report of the Committee shall be printed as a public document and made available for sale to the public.

(3) Thirty days after the Committee submits its final, comprehensive report, the Committee shall cease to exist.

SEC. 1103. (a) The Committee or, on the authorization of the Committee, any subcommittee thereof, may, for the purpose of carrying out the provisions of this title, hold hearings, administer oaths for the purpose of taking evidence in any such hearings, take testimony, and receive documents and other writings. Any member authorized by the Committee may administer oaths or affirmations to witnesses appearing before the Committee, or any subcommittee thereof.

(b) In order to carry out the provisions of this title, the Committee is authorized—

(1) to appoint and fix the compensation of an Executive Director and such additional personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(2) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(3) to appoint such advisory committees as it deems necessary;

(4) to promulgate rules and regulations governing the operation of the Committee and its organization and personnel;

(5) to procure supplies and services;

(6) to enter into contracts; and

(7) to take such other action as may be necessary to carry out this title.

(c) Each department, agency, and independent agency of the executive branch of the United States Government is authorized and requested to furnish to the Committee, upon request made by the Chairman, such data, reports, and other information as the Committee deems necessary to carry out its functions under this title.

SEC. 1104. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this title.

Mr. HUMPHREY. Mr. President, I want to take a very brief moment on this amendment. The purpose of the amendment was to follow through on what I think is essential machinery to have the Congress of the United States perform efficiently. I want to state candidly that we have to put our house in order. As we look at the public opinion polls, we see that Congress, regrettably, does not fare at all well. I am sure that it is not due to

any lack of work and dedication on the part of Members of Congress, but, too often, it is due to the fact that people just do not understand the structure. We have that difficulty ourselves sometimes. It is my judgment that we need to be updated and modernized, not only in terms of the committee structure, but the facilities.

One simple thing we ought to have is closed-circuit television in this body, so any Senator can, for example, press a button and find out what is going on in any committee or on the Senate floor, so he can be acquainted with the work of this complex body and its large responsibilities.

Therefore, my amendment—and I am not going to press for a vote on it, but I use this opportunity to focus attention on the problem—would create a Citizens Committee to Study Congress. It would give a blue ribbon citizen's committee an opportunity to take a look at our operations and give them an opportunity to make proposals for a better congressional management and organization structure.

Mr. President, this amendment would create a citizen's committee to study Congress. The committee would be given 2 years to perform its studies, make a report and then go out of existence. Its charge would be to study the role of Congress in U.S. Government policymaking and in reviewing and evaluating U.S. Government programs and activities, and to study the operations of Congress itself. One emphasis of this study would be to improve congressional operations and activities as they relate to the Nation's long-range growth and development, goals, and priorities.

The committee members would include not more than two Senators, two Members of the House of Representatives, one representative of the executive branch, and at least 10 private citizens.

They would be selected by a committee of three members, including one chosen by the President pro tempore of the Senate, one by the Speaker of the House and one by the President of the United States.

The committee's search for ways Congress could improve its consideration and establishment of long-range national growth and development policy, goals and priorities, would be accompanied by study of a full range of other congressional procedures and practices, past and present, with the goal of recommending such reforms as the committee finds necessary.

The amendment directly connects the search for better long-range policymaking methods to the fiscal, budgetary, and related activities of Congress.

I withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. HUMPHREY. Mr. President, now I call up my amendments No. 1033.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Amendments No. 1033 are as follows:

On page 171, line 5, after "SEC. 701.", insert "(a)".

After line 14, insert the following:

"(b) To carry out such required analysis, appraisal, and evaluation, such committees of the Senate shall each establish a subcommittee on legislative review, which shall have the duty to conduct for the committee the responsibilities assigned to the committees by this section, and to report to the committee to which each such subcommittee is responsible the results of the analysis, appraisal, and evaluation conducted under this section, together with such recommendations as the subcommittee deems appropriate.

"(c) Subsection (b) of this section is enacted as an exercise of the rulemaking power of the Senate, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time in its exercise of its constitutional right to determine the rules of its proceedings. Nothing in this section shall be construed, however, as precluding any legislative review subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals, and reviews required under this title.".

Mr. HUMPHREY. Mr. President, this amendment should be adopted. I know that there is resistance to it, and I understand the reason for it, by the leadership that is handling this bill. After all, the Committee on Government Operations and the Committee on Rules and Administration have done an extraordinarily good job in bringing before us the proposed budget reform legislation.

I can understand why they think nothing should be tacked on this bill, but if there is any one need, it is that we have legislative oversight and legislative monitoring of everything that this Congress authorizes in law.

Let me give an example. We have a Foreign Aid Act that many around here do not like. It is very difficult to get it through Congress. But not a single committee I know of has any legislative oversight over the Foreign Aid Act. We wait until something appears in the New York Times or in the Washington Post which states that someone says someone has been stealing money or that the money has been poorly used, that it was not well planned, and then we call in the General Accounting Office in a sort of post mortem. It is like calling in the county coroner to examine the corpse. I am not interested in the corpse; I am more interested in the live body. This body is not kept completely informed on all aspects of such legislation.

Let me give my colleagues another example. We had the occupational safety legislation, one of the most difficult pieces of legislation that we ever passed. What is going on under that legislation? The State governments are being asked by the Department of Labor to administer that act. The State governments say, "Oh, no, we do not want to do that. It is too complicated. You administer it." The State of Ohio has both the State and the Federal Governments administering it, and Congress does not know what is going on, except when a small farmer or a small businessman or someone else comes into a Senator's office and says, "My goodness, if you apply this to me, we will go out of business."

That is not the way to legislate. Some of these complaints are very highly justified.

We ought to have legislative oversight. It is said that we can do it now. Maybe we can, but we do not. Maybe some committees do.

Referring to the foreign aid program—and my good friend from Idaho (Mr. CHURCH) and our colleague from New Jersey (Mr. CASE), and many others of our colleagues have taken great interest in it—we have never, except for individual Senators having their own staffs do the work, had consistent oversight on this matter. This is wrong.

I should point out, this is not just my amendment. I apologize, because the Senator from Maryland (Mr. BEALL) is now a cosponsor of the amendment.

We have in mind basically a three-step operation. The amendment as originally proposed was not quite that good. The Senator from Maryland made significant improvements in it.

Mr. President, the amendment is designed to strengthen the provisions already included in the bill, to add to the ability of Congress to carry out its program review and oversight responsibilities.

The bill gives the standing committees the power to hire outside contractors or to rely on Government agencies to conduct review and evaluation of Government. It also authorizes the standing committees to employ such modern techniques as pilot-testing, cost-benefit analyses and trial-period evaluation.

The bill further enlarges the authority of the Comptroller General to assist and advise Congress in ways of better carrying out its program review and evaluation responsibilities.

These are excellent proposals, and I commend the drafters of this bill for their wisdom in including these provisions.

However, I believe the committees' mandate to carry out these review and evaluation duties can and should be strengthened. There should be a mechanism to assure that these duties are carried out once the Comptroller General has provided the added advice and information authorized under section 702. And we should assure that committees do, in fact, make effective use of the information and other services which they are authorized, but not required, to request under this section of the bill.

The amendment I propose would go the one step further that is needed, I believe, to fulfill the intent of the authors of this bill.

I have long advocated the establishment, in each standing committee of the Senate, of a legislative review subcommittee, to do the parent committee's program review, evaluation and oversight work.

By such a mechanism, I am convinced, we would be assured of performing the too often neglected task of keeping track of legislation after we have passed it and it has been placed in the hands of the executive branch bureaus and agencies to administer.

Numerous examples can be given of well-written laws being rewritten by the executive branch, through the adminis-

trative rules and regulations that govern the ways laws are carried out.

We can no longer be superficial in our fulfillment of our legislative oversight responsibilities. We must build into our system better guarantees that laws we pass are administered as we intended, not according to the whim of some anonymous bureaucrat's interpretation.

We must also improve our score in searching out laws that remain in effect after they have grown obsolete, so that we may either repeal or amend them to meet the needs of new times.

The historic budget reform bill we consider today recognizes these needs, by including a separate title dealing with program review and evaluation.

My amendment would guarantee that this obligation of Congress is carried out, with respect to every Federal program, at least once in every 5 years, and hopefully more often in many cases.

Mr. President, I am grateful to my distinguished colleague from Maryland, Senator BEALL, for some refinements he has suggested to my original proposal, amendment No. 1033. I have modified that amendment, which was printed in the RECORD of Tuesday's Senate proceedings, to incorporate the refinements suggested by Senator BEALL.

As modified, the amendment provides for three possible means of accomplishing the legislative review and evaluation required under title VII of the bill.

The first method, and one which we hope would be used most often, would be for the subcommittee having jurisdiction over a program to conduct the review and evaluation, with the assistance of the legislative review subcommittee established under my amendment.

If the subcommittee of jurisdiction fails, however, to review a program for which it is responsible, after 3 years the responsibility would automatically revert to the Subcommittee on Legislative Review.

And if after the fourth year, that subcommittee also fails to meet its responsibility, the General Accounting Office would be required to review and report upon the program within 1 year.

In essence, this means that every program would be reviewed once in every 3 to 5 years, a requirement which I believe to be reasonable and workable.

We would be derelict in our responsibility if we did not review programs for which we authorize and appropriate at least once in every 3 to 5 years.

There would be an intensive in-house review going on at the same time. It is my judgment that only through establishing such legislative oversight subcommittees would Senators be assured a means of meeting their oversight responsibilities to the standing committees, the Senate, and the Congress of the United States.

I yield to the distinguished Senator from Maryland.

Mr. BEALL. Mr. President, I thank the Senator from Minnesota for yielding. I shall try not to repeat what he has said, but he has made a point very well that perhaps the most important thing we should do is seek to achieve legislative oversight.

The subject of what the Senator from Minnesota has said about his amendment and my amendment No. 1040 tries to accomplish the same thing. The Senator from Minnesota, as I understand, is going to substitute a modification.

Mr. HUMPHREY. That is correct. I shall send a modified amendment to the desk, and as a further modification, I wish to submit it on behalf of myself, the Senator from Maryland (Mr. BEALL), and the Senator from Delaware (Mr. BIDEN).

Mr. ERVIN. I have no objection to the modification.

Mr. HUMPHREY. I send it to the desk. It is already so modified, according to the amendment.

The modified amendment is as follows:

On page 171, between lines 14 and 15, insert the following:

"(b) Section 136 of such Act is amended by adding at the end thereof the following new subsections:

"(d) To carry out such required analysis, appraisal and evaluation, such committees of the Senate shall each establish a Subcommittee on Legislative Review, which shall have the duty to conduct for the committee the responsibilities assigned to the committees by this section, and to report to the committee to which each such subcommittee is responsible the results of the analysis, appraisal and evaluation conducted under this section, together with such recommendations as the subcommittee deems appropriate. In the case of a committee having one or more subcommittees to which the committee has given responsibility for considering and making recommendations with respect to subject matters within the subject jurisdiction of the committee, the Subcommittee on Legislative Review of that committee shall assist that subcommittee in reviewing and studying the application, administration, and execution of those laws, or parts of laws, which are within such responsibility. Any such subcommittee shall make a report on the results of its review and study at least once every three years. In the event the subcommittee has not made a report within a three-year period, the Subcommittee on Legislative Review of the committee shall make such review and study, and submit a report thereon to the committee, not later than one year after the subcommittee having such responsibility was to have made such report. In the case of any subject matter not within the responsibility of any particular subcommittee of the committee, the Subcommittee on Legislative Review of that committee shall make such review and study with respect to such subject matter and submit a report thereon to the committee not less than once every third year.

"(e) In any case in which the Subcommittee on Legislative Review has not submitted a report to be prepared by it under subsection (a) of this section, within the period of time provided in that subsection, the Comptroller General shall, within one year after the last day on which the subcommittee report was to have been submitted, make such study and report the subcommittee was to have made, and submit a report thereon to the committee.

"(f) The provisions of this section do not apply to the Committee on Appropriations of the Senate.

"(g) Subsections (d) and (f) of this section are enacted as an exercise of the rulemaking power of the Senate, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time, in its exercise of its Constitutional right to determine the rules of its proceedings. Nothing in this section shall be construed, however, as precluding any Legislative Review Subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals, and reviews required under this title."

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

Mr. HUMPHREY. I yield.

Mr. MAGNUSON. The purpose of my objection to the amendment is that we already have authority to do what it proposes. As a matter of fact, the Committee on Government Operations was created for this purpose in the beginning.

I think the needed reform is to look at committee jurisdiction. Any bill that is introduced could, technically, go to the Government Operations Committee, if we want to stretch it a little bit. But I think that if committees would do their job, it would not be necessary to do what is proposed. They are supposed to follow through and conduct oversight. When they do not follow through, there can be a good deal of delay.

I suppose that if I wanted to, I could stretch the jurisdiction if the Committee on Interstate Commerce to include everything. Everything is in interstate commerce nowadays, is it not?

Mr. HUMPHREY. Just about.

Mr. MAGNUSON. We could claim jurisdiction if a bill affected the environment. The Committee on the Judiciary could take a bill relating to interstate commerce which included a fine for a violation. The Judiciary Committee would say, "Oh, we have to take a look at that."

I think the most pertinent reform we must have—and maybe a special committee should do this—is to reform the jurisdiction of the regular committees.

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. BEALL. Mr. President, it is my pleasure to serve on the Commerce Committee under the leadership of the distinguished Senator from Washington. I know that the committee is doing an excellent job on oversight, but I submit that there is a difference between having hearings and submitting a report on progress.

I certainly believe that it is imperative that we improve legislative oversight. However, I do not believe any of us are pleased with the results under the Legislative Reorganization Act.

The bill reported by the Government Operations Committee, as I understand it, would have adopted the zero budget concept. Under this concept, all programs would expire at the end of a 3-year period and reexamination and reevaluation would be forced.

The reported bill by the Rules Committee eliminated this provision because they felt that although the provision was laudable, "a uniform 3-year limit could disrupt the operations of Federal agencies and impose a large workload on congressional committees." The bill I introduced on the budget, S. 758, the Congressional Budget Control and Oversight Improvement Act, contains a provision which, I believe, would represent a middle ground, yet assure that the evaluation and oversight functions are, in fact, met.

The reported bill, like the 1970 Reorga-

nization Act, is also laudable and certainly contemplates additional review. However, I do not believe that the bill provides the mechanism for achieving that goal. Therefore, the amendment I offer now would guarantee that the vital oversight function of the Congress would be accomplished.

It is aimed at assuring that an adequate, not a cursory review is made by the legislative committees in the Congress. It would do this by requiring each standing committee of the House and the Senate to establish a Subcommittee on Legislative Review. When a committee already has a subcommittee, with the responsibility with respect to a subject matter, that subcommittee, assisted by the Legislative Review Subcommittee, may evaluate the program or legislation.

However, if the subcommittee having jurisdiction failed to evaluate and make a report of its review and study at least once every 3 years, the Subcommittee on Legislative Review would then be mandated to conduct a review.

To make it absolutely certain that a review would be forthcoming, in any event, once every 5 years, the General Accounting Office would be required to make a study and report to the appropriate committee and the Congress if the review had not been done by either the appropriate subcommittee or the new Legislative Review Subcommittee, by the end of the fourth year.

I urge the adoption of this this amendment.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

The Senator from North Carolina (Mr. ERVIN) has 3 minutes on the amendment.

Mr. ERVIN. Mr. President, I ask the Senate to reject the amendment simply because it has nothing whatsoever to do with this bill, which seeks to legislate. This amendment would amend the Senate rules. It ought to be in the form of a resolution. Let the Committee on Rules and Administration study it, for the amendment would change the rules of every Senate committee.

I hope that the Senate will not let it ride piggyback on this piece of legislation.

Mr. BROCK. Mr. President, I support the idea presented by the Senator from Minnesota. The intent of S. 1541, as reported by Government Operations was to require recurrent evaluation. Title VIII in that bill required that major outlay programs not funded at least in part by user taxes would be subject to a 3-year limitation on authorization. Reauthorization of a program would have followed only after a thorough evaluation of its effectiveness. Since social security, unemployment compensation, highway, airport and other trust fund financed programs were excepted, about two-thirds of the total budget would have been subject to this limitation.

The purpose of title VIII was to build the concept of "zero-based budgeting" into the congressional budgetary process. New legislative initiatives should be considered on an equal footing with established program. At present, there is an automatic bias operating on behalf of continued funding of programs even if they have failed to achieve their objectives or if priorities have changed. This bias can be overcome by subjecting ongoing programs to periodic evaluation and analysis in order to determine whether it is achieving its purposes in an effective manner. Such an analysis would allow for explicit comparison of established program with alternatives. Thus, zero-based budgeting is an essential element of the budgetary process. Legislative review subcommittees could carry out such an important function.

The call for regular program evaluation is certainly essential to the fulfillment of the Congress' oversight responsibility. Program administrators must be called upon to justify their programs on a continuing basis.

The creation of review subcommittees would encourage the authorizing committees to exercise greater control over continuing programs. Greater control in this instance should increase the powers of these committees to expand successful programs and end unsuccessful programs or those programs that have fulfilled their objectives. Authorization limits would also have aided in this attempt.

The new subcommittees would insure that new and innovative programs would be much more common. As old programs are ended—which is rarely the case, today—new programs can begin. Subcommittees would be able to make the consideration which do not tend to be made today when no one is responsible and programs are protected by unlimited or long-term authorizations.

Mr. President, I ask unanimous consent that the Library of Congress study by Joseph E. Cantor, entitled "Examples of Major Federal Programs Affected by Title VIII of S. 1541, the Senate Budget Reform Bill," be printed in the RECORD.

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

EXAMPLES OF MAJOR FEDERAL PROGRAMS AFFECTED BY TITLE VIII OF S. 1541, THE SENATE BUDGET REFORM BILL AS REPORTED BY THE SENATE GOVERNMENT OPERATIONS COMMITTEE ON NOVEMBER 20, 1973

(Research by Joseph E. Cantor)

(From Government and General Research Division, Kenneth E. Gray, Division Chief)

In accord with your instructions, we have prepared the attached report which indicates how Senate committees and the programs and agencies under their jurisdiction might be affected by Title VIII of S. 1541, as reported from the Senate Government Operations Committee on November 20, 1973. The list of programs by authorizing committee, along with other pertinent information, can probably be better understood by an explanation of our research procedure.

Title VIII provides for a three-year limit on authorization of all major Federal programs. We agree that the Congressional Research Service would provide examples of major Federal programs which would be affected by the three-year limit, listed under the authorizing committees which have jurisdiction over them. The listing we have prepared goes beyond this to provide a fairly complete list of the status of all authorizations, including those which are for three years or less and therefore would not be directly affected by Title VIII.

While "major" is clearly defined in the legislation as involving the expenditure of $100,000,000 or more in a three year period, "program" is not defined either in the bill or the committee print. Consequently there is room for disagreement over what actually constitutes Federal programs; activities, agencies, or other budgetary categories. As a general rule, the funds for most agencies (ordinarily for the salaries and operating expenses of the agency) are permanently authorized by the legislation which created them. In some cases, we distinguished between an agency, the funds for which are permanently authorized, and some of its programs, which have limited terms of authorization.

In classfying major programs, we relied primarily on the 1974 Federal Budget. We defined as "major" all Budget Accounts with "budget authority" proposed for fiscal year 1974 in amounts of approximately $33 million or more (thereby producing an estimate of $100 million over three years). We dealt only with Federal funds, and excluded trust funds such as the Highway and Social Security Funds.

In some cases we combined several entries under a category or subcategory of an agency to reflect a $33 million-plus program; in others we employed the most detailed entry (provided it met the $33 million minimum) if it alone seemed to constitute a program apart from the other entries in the category. In each case the purpose was to have a reasonably consistent definition of programs.

Assigning major programs to the Senate Committees with jurisdiction over them also presented some difficulties. When questions arose over a program's slot, we checked with the Senate Parliamentarian's Office or with committee staff members. We should caution, however, that some programs matched with a given committee may also contain funds for subprograms within the scope of another committee.

To determine the length of authorization of program, we contacted committee staff or budget or information offices in the agencies. While this approach was dependent on human judgment, it afforded us the possibility to cover the greatest amount of ground in a relatively short period of time. Only in cases of serious questions or incongruous information did we check the actual statutes.

Considerable difficulty was encountered in determining what constitutes an authorization and its duration. One reason is that authorizations come in many forms and that in some of the forms there may not be a clearcut distinction between the authorization and appropriation stages. A second problem occurs when the authorization is permanent but its effective operation is dependent upon the availability of funds. Thus the authorization may be without limitation of time, but when there is a money limit the permanence may have little effect. A third problem is that certain programs and their specifications may be intertwined with one another so that the operation of one program is contingent upon meeting conditions set in some other program.

We hope that the information set forth will be of value to you. Should you desire further investigation or clarification of any aspect of this work, please do not hesitate to contact us.

COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

ACCOUNT AND AUTHORIZATION

National Aeronautics and Space Administration:

Research and Development, 1 year.

Construction of facilities, 1 year.

Research and program management, 1 year.

COMMITTEE ON AGRICULTURE AND FORESTRY

ACCOUNTS AND AUTHORIZATION

Agriculture Departmental Management, permanent.
Agriculture Research Service, permanent.
Animal and Plant Health Inspection Service, permanent.
Cooperative State Research Service, permanent.
Extension Service, permanent.
Agricultural Economics, permanent.
Foreign Agricultural Service, permanent.
Foreign Assistance and Special Export Programs, 4 years.
Agricultural Stabilization and Conservation Service, permanent.
Commodity Credit Corporation. Price Support—Reimbursement for Net Realized Losses most (i.e.—wheat, feed grain programs) are 4 years authorizations; some are permanent however, primarily 4 years.
National Wool Act, 4 years.
Rural Electrification Administration, permanent.
Farmer's Home Administration:
Salaries and Expenses, permanent.
Agriculture Credit Insurance Fund, permanent.
Rural Development Insurance Fund, permanent.
Soil Conservation Service, permanent.
Agriculture Marketing Service, permanent.
Forest Service, permanent.
Child Nutrition Programs:
School lunch, permanent.
Free and reduced-price lunch, permanent.
School breakfast, 2 years.
Special food service, 2 years.
Food Stamp Program, 4 years.

COMMITTEE ON ARMED SERVICES

ACCOUNT AND AUTHORIZATION

Military Personnel, permanent.
Retired Pay, Defense, permanent.
Operations and Maintenance, permanent.
Procurement, 1 year.
Research and Development, 1 year.
Military Construction, 1 year.
Family Housing, 1 year.
Civil Defense, permanent.
Allowances, permanent.
Canal Zone Government—operating expenses, permanent.
Selective Service, permanent.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

ACCOUNTS AND AUTHORIZATION

Housing and Urban Development, Department Management, permanent.
Research and Technology, permanent.
Securities and Exchange Commission, permanent.
Homeownership Assistance—Section 235, permanent.
Rental Housing Assistance—Section 236, permanent.
Rent Supplemental Program, permanent.
Low-rent Public Housing, permanent.
Comprehensive Planning Grants, permanent.[1]
Urban Renewal Fund, permanent.
Federal Housing Administration Fund, 1 year.
Small Business Administration:
Loan and Investment Fund, permanent.
Disaster loan fund, permanent.

COMMITTEE ON COMMERCE

ACCOUNT AND AUTHORIZATION

General Administration (Commerce Dept.), permanent.
Domestic and International Business Administration (Salaries), permanent.
Patent Office, National Bureau of Standards, National Technical Information Service, Office of Telecommunications, permanent.
Maritime Administration:
Ship Construction, 1 year.
Operating—Differential Subsidies, 1 year.
Operations and Training, 1 year.
Office of the Secretary (Transportation Dept.), permanent.
Coast Guard, 1 year.
Federal Aviation Administration, permanent.
Civil Aeronautics Board, permanent.
Consumer Product Safety Commission, permanent.
Corporation for Public Broadcasting, 1 year.
Federal Communications Commission (salaries and expenses), permanent.
Federal Trade Commission, permanent.
Interstate Commerce Commission, permanent.
Federal Power Commission, permanent.

COMMITTEE ON DISTRICT OF COLUMBIA

ACCOUNT AND AUTHORIZATION

Federal Payment to D.C., permanent.[1]
Loans to D.C. for capital outlay, permanent.
Repayable Advances to D.C. general fund—Permanent, indefinite, permanent.
Washington Metropolitan Area Transit Authority, permanent.

COMMITTEE ON FINANCE

ACCOUNT AND AUTHORIZATION

Bureau of Customs, permanent.
Bureau of the Public Debt, permanent.
Internal Revenue Service, permanent.
Interest on the Public Debt, permanent.
General Revenue Sharing, 5 years.
Sugar Act Program, permanent.
Treasury Department:
Office of the Secretary, permanent.
Bureau of Accounts, permanent.
Bureau of Alcohol, Tobacco, and Firearms, permanent.
Secret Service, permanent.
Social and Rehabilitation Services. Grants to States for public assistance: Public Assistance (Aid to Families with Dependent Children), permanent.
Grants to States for public assistance: Providing or financing medical services (Medicaid), permanent.
Grants to States for public assistance: Social and individual services, permanent.
Work Incentives, permanent.
Social Security Administration. Payments to S.S. Trust Funds: Providing or financing medical services, permanent.
Payments to S.S. Trust Funds: Retirement and Social Insurance, permanent.
Supplemental security income program, permanent.

COMMITTEE ON FOREIGN RELATIONS

ACCOUNT AND AUTHORIZATION

International Security Assistance:
Military Credit Sales to Israel, 1 year.
Military Assistance, 1 year.
Foreign Military Credit Sales, 1 year.
Security Supporting Assistance, 1 year.
Multilateral Assistance:
International Financial Institutions, 1 year.
International Organizations and Programs, 1 year.
Bilateral Assistance:
Grants and other programs, 2 years.
Alliance for Progress (Development loans), 2 years.
Development loans (Revolving fund), 2 years.
Overseas Private Investment Corporation, permanent.
President's Foreign Assistance Contingency Fund, 2 years.
State Department Administration, 1 year.
International organizations and conferences, 1 year.
Educational Exchange, 1 year.
Peace Corps. ACTION international programs, 1 year.
U.S. Information Agency, 1 year.
International Radio Broadcasting activities, 1 year.

COMMITTEE ON GOVERNMENT OPERATIONS

ACCOUNT AND AUTHORIZATION

General Services Administration, permanent.
General Accounting Office, permanent.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

ACCOUNT AND AUTHORIZATION

Bureau of Land Management:
Management of lands and resources, permanent.
Payments to counties, Oregon and California land grants, permanent.
Payments to States from receipts under Mineral Leasing Act, permanent.
Bureau of Indian Affairs:
Educational Assistance, facilities and services, permanent.
Welfare and guidance services, permanent.
Employment assistance, permanent.
Resources management, permanent.
Construction, permanent.
Road construction: permanent contract authority (under Highway Act), 2 years.
Alaska Native Claims, 11 years.
Bureau of Outdoor Recreation:
Land and water conservation: assistance to States, 25 years.
Land and water conservation: Federal programs, 25 years.
Trust Territory of the Pacific Islands, 2 years.
Geologic Survey. Topographic surveys and mapping, permanent.
Geological and mineral resource surveys and mapping, permanent.
Water resources investigations, permanent.
Bureau of Mines: Mineral Resources Development, permanent.
Office of Coal Research, permanent.
Bureau of Sport Fisheries and Wildlife:
Wildlife resources (Resource management), permanent.
Federal aid in Wildlife restoration, permanent.
National Park Service: Park management, permanent.
Bureau of Reclamation:
Central Valley project, California, permanent.
Pick-Sloan Missouri Basin program, permanent.
Bonneville Power Administration:
Construction, permanent.
Operations and maintenance, permanent.
Office of the Secretary (Interior Dept.), permanent.

COMMITTEE ON JUDICIARY

ACCOUNT AND AUTHORIZATION

Federal Judiciary, permanent.
Legal Activities and General Administration (Justice Dept.), permanent.
Federal Bureau of Investigation, permanent.
Immigration and Naturalization Service, permanent.
Federal prison system, permanent.
Law Enforcement Assistance Administration, 3 years.

COMMITTEE ON LABOR AND PUBLIC WELFARE

ACCOUNT AND AUTHORIZATION

Office of the Secretary—Health, Education and Welfare, permanent.

[1] Although this program has permanent authorization, there is a dollar-limit and an additional authorization is required if the payment is to exceed that limit.

Food and Drug Administration, permanent.
Health Services and Mental Health Administration: [1]
Mental Health:
General Mental Health, 1 year.
Drug Abuse, primarily 1 year.
Alcoholism, primarily 1 year.
Health Services Planning and Development:
Health Services Research and Development, 1 year.
Comprehensive Health Planning, 1 year.
Medical Facilities Construction, 1 year.
Health Services Delivery:
Comprehensive Health Services, 1 year.
Maternal and Child Health, 1 year.
Family Planning, 1 year.
Patient Care and Special Health Services, 1 year.
Indian Health Services—Patient Care, permanent.
Indian Health Facilities, permanent.
National Institutes of Health (exceptions are National Cancer Institute and National Heart and Lung Institute), largely permanent.
Public Health Service Hospitals, permanent.
National Institute of Education, 4 years.
Office of Education:
Elementary and Secondary Education, 3 years.
Emergency School Assistance, 3 years.
School Assistance in Federally Affected Areas:
Part A Impact Aid, permanent.
Others, 3 years.
Education for the Handicapped, 3 years.
Vocational and Adult Education, 4 years.
Higher Education (Land Grant Colleges—permanent), 4 years.
Student Loan Insurance Fund, 4 years.
Howard University, permanent.
Manpower Revenue-sharing, 3½ years (currently).
Federal unemployment benefits and allowances, permanent.
Federal grants to states for employment services, permanent.
Employment Standards Administration:
Salaries and Expenses, permanent.
Federal Civilian Employees' benefits, permanent.
Occupational Safety and Health Administration, permanent.
Bureau of Labor Statistics, permanent.
Department of Labor-Management, permanent.
Action—operating expenses, domestic Programs, 3 years.
Equal Employment Opportunity Commission, permanent.
National Labor Relations Board, permanent.
National Endowment for the Arts and Humanities, 3 years.
National Science Foundation, 1 year.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

ACCOUNT AND AUTHORIZATION

Records Activities—National Archives, permanent.
Civil Service Commission:
Salaries and Expenses, permanent.
Government payment for annuitants, employee health benefits, permanent.
Payment to civil service retirement and disability fund, permanent.
Payment to Postal Service Fund, 2 years.

COMMITTEE ON PUBLIC WORKS

ACCOUNT AND AUTHORIZATION

Disaster Relief Fund (now under Federal Disaster Assistance Administration), permanent.
Environmental Protection Agency (Clean Air Act, Encouraging development of low emission vehicles, and other programs have 3 year authorizations), permanent.
Public Buildings Service, permanent.
Appalachian Regional Development Programs (except for highway programs which are 5 years), 4 years.

COMMITTEE ON RULES AND ADMINISTRATION

ACCOUNT AND AUTHORIZATION

Senate, permanent.
Legislative Branch—joint items, permanent.
Library of Congress, permanent.
Government Printing Office, permanent.
Smithsonian Institutions, permanent.

COMMITTEE ON VETERAN' AFFAIRS

ACCOUNT AND AUTHORIZATION

Veterans' Administration:
Veterans' service-connected compensation, permanent.
Veterans' non-service-connected pension, permanent.
Other veterans' income security programs, permanent.
Readjustment benefits, permanent.
Medical care, permanent.
Medical and prosthetic research, permanent.
Medical administration and miscellaneous operating expenses, permanent.
General operating expenses, permanent.

[1] Although most programs under this agency are currently extended for one year their usual length of authorization is multi-year.

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

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

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

Mr. ROBERT C. BYRD. Mr. President, I dislike to object to the amendment offered by the distinguished Senator, but I do agree with the distinguished Senator from North Carolina that the amendment would change the standing rules of the Senate. The Senator may have already submitted a resolution on this subject before.

As chairman of the subcommittee which has jurisdiction, I will hold hearings. I shall be glad to hold hearings on the resolution and let him know when that will be, so that he can notify those who wish to support such a resolution. If we are going to change the standing rules, I should like to see the Committee on Rules and Administration at least have a chance to consider the matter. If we start doing it on the floor of the Senate we are going to get ourselves into bad shape. I would hope that the Senator from Minnesota would not propose this amendment in the Senate.

Mr. HUMPHREY. May I ask my associate on the amendment, the Senator from Maryland, what his view is?

Mr. BEALL. I think it is a reasonable request. This is a specific commitment to get the job done in a specific period of time.

Mr. HUMPHREY. I have always found the distinguished Senator from West Virginia to be a man of his word; not only that, a man of action. I do not want to delay matters. There is some truth in the fact that the amendment proposes a change in the rules. I assure the Senator from West Virginia that I will introduce a resolution, with cosponsors. Therefore, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Under the previous order, the Senator from Florida is recognized.

AMENDMENTS NO. 1056

Mr. CHILES. Mr. President, I call up my amendments No. 1056, for myself, the Senator from New York (Mr. JAVITS), the Senator from Maine (Mr. MUSKIE), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Utah (Mr. MOSS).

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with and that the amendments be printed in the RECORD.

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

The amendments, ordered to be printed in the RECORD, are as follows:

On page 168, line 3, strike out the closing quotation marks, and between lines 3 and 4, insert the following:

"(i) The Budget transmitted pursuant to subsection (a) for each fiscal year, beginning with the fiscal year ending September 30, 1979, shall contain a presentation of budget authority, proposed budget authority, outlays, proposed outlays, and descriptive information in terms of—

"(1) a detailed structure of national needs which shall be used to reference all agency missions and programs;

"(2) agency missions; and

"(3) a summary of agency programs with a description of basic program steps to be provided directly by the agencies to the appropriate committees of Congress to the extent applicable to agency activities.

"(j) To assist the President in carrying out the provisions of subsection (i), and to the extent practicable—

"(1) each agency shall furnish information in support of its budget requests in accordance with its assigned missions in terms of Federal functions and subfunctions, including mission responsibilities of component organizations; and

"(2) each agency shall relate all programs to agency missions and shall furnish information to describe the program step being executed and for which budget authority is being requested or outlays made to the extent applicable to agency activities.

"(k) For purposes of subsections (i) and (j)—

"(1) The term 'national needs' means those Federal functions and subfunctions which are, at a given time, being performed by the Government in order to provide for the well-being of the Nation. National needs (functions and subfunctions) describe the purposes being served by budget authority and outlays without regard to the means that may be chosen to meet those purposes.

"(2) The term 'agency missions' means those responsibilities for meeting national needs which may be variously assigned to the agencies of the executive branch. Agency missions can be expressed in terms of those functions or subfunctions which may be, at a given time, the responsibility of that agency and its component organizations.

"(3) The term 'program' means, to the extent applicable to agency activities, that organized set of activities and actions which may be undertaken by an executive agency in order to solve a particular problem, meet a particular objective, and achieve a par-

ticular set of goals directly related to fulfilling that agency's mission responsibilities and which, over the course of the program, entails significant expenditures of resources.

"(4) The following are four of the basic steps in the process by which new programs, or major modifications to existing programs, are formulated and executed:

"(A) 'Establishing needs and goals' means defining the particular problem to be solved and the objective measures of the end results, or goals, to be sought and attained as a consequence of the program. Goals describe the level of mission capability the agency is seeking, when it is to be made available, and the total cost within which that capability is to be provided without regard to the means used to achieve those results.

"(B) 'Exploring alternatives' means the creation, definition, and evolution of competing means to solve a particular problem, drawing on the base of technology in order to identify and evolve those approaches that are promising, to eliminate those that are not promising, and to supply information on the expected costs and benefits of each approach.

"(C) 'Choosing the preferred program approach' means the evaluation and choice of the preferred program approach from among remaining alternatives. The evaluation will determine which approach will best meet the updated goals of the program and the costs and benefits accruing to each alternative in meeting the agency's mission.

"(D) 'Implementation' means putting the preferred program approach into operation and monitoring its effectiveness, including final development preparation of the chosen approach, operational support and maintenance, and modification based on review of program effectiveness."

On page 182, line 14, before the period insert "and section 201 (i), (j), and (k) of such Act (as added by section 601) shall apply with respect to the fiscal year beginning on October 1, 1978, and succeeding fiscal years".

Mr. CHILES. Mr. President, the detailed justification for these amendments was included in my floor statement on Wednesday, March 20. Since that time, we have worked out additional language modifications to further improve the amendments so that they would be acceptable to all concerned parties.

I would like to reiterate the importance of the amendments.

They are designed to strengthen congressional control over the budget, national priorities, and—in particular—Federal programs by providing a framework of budget information that builds on end-purpose—or functional—categories; ties in agency programs; and exposes key steps in program evolution.

The amendments would require, beginning in fiscal year 1979, budget information to:

First. Clearly identify the separate public needs that warrant major Federal expenditures; to have proposed expenditures in the Federal budget related to these public needs and to permit the Congress to adjust the proposed expenditures in accordance with its own view of national priorities;

Second. Provide a bridge in the Federal budget between public needs and the various agency programs intended to satisfy those needs; and

Third. To institute for such programs a framework of program step information to improve congressional oversight, a framework to permit the Congress to participate more effectively in the policy decisions that initiate new programs and to ask questions about the conduct of such programs which will influence their decision, performance, and ultimate costs.

Let me briefly summarize the support for the amendments.

First. The amendments program control framework was recommended by the Congressional Procurement Commission after 2½-year study. Commissioners included Senators JACKSON, GURNEY, and myself, as well as Congressmen HOLIFIELD and HORTON, and the Comptroller General.

Second. The amendments incorporate substantial changes in response to OMB, GAO, and congressional suggestions for improvement.

Third. Secretary Schlesinger has supported this mission planning framework in testimony this year and is moving to implement it already in the Defense Department.

Fourth. The program framework was endorsed by the Interagency Steering Group, including representatives from Department of Defense, National Aeronautics and Space Administration, Atomic Energy Commission, Department of Transportation, and National Science Foundation.

Fifth. The Comptroller General has supported this approach and said it was consistent with the work being performed by the General Accounting Office under the Legislative Reorganization Act of 1970.

Sixth. A comparable planning framework was endorsed by Elliot Richardson to reform Department of Health, Education, and Welfare planning and programs in 1972.

Seventh. The need for this kind of information has been confirmed by staff of Senate Appropriations and Commerce; House Government Operations, Education, and Labor; and other Committees in a General Accounting Office survey.

Eighth. Finally, the amendments would encourage business competition and the application of new technology to meet public needs by regularly questioning how alternatives were being explored in Federal programs.

In summary, the amendments—build upon the functional and subfunctional categories that are already included in the President's budget; ask for a bridge to agency programs related to the functions; and ask for information on what stage each program is at.

Information in the last two areas is not now furnished to the Congress or its committees in a regular, consistent fashion. To relieve Office of Management and Budget of the burden of consolidating program information, the amendments were revised to permit the individual agencies to submit it directly to their counterpart committees.

The prime intent of these amendments is to provide a simplified framework for all the fragmented information Congress now gets, a simplified tabulation of functions—the purpose for which we are spending the taxpayer's money—identification of related agencies' programs; and which basic step was being performed, with description of how the step was proceeding going to the concerned committees. This is hardly voluminous and, most important, would make the rest of the data more meaningful and manageable.

The four basic steps naturally evolve on any program but occur only once and frequently years apart. Certainly our committees have the ability and time to track four crucial turning points in any program.

I want to thank the distinguished Senators from North Carolina (ERVIN), Montana (METCALF), Illinois (PERCY), Maine (MUSKIE), New York (JAVITS), Louisiana (JOHNSTON), and Utah (MOSS) for their cooperation and support in developing these amendments. Their insight and suggestions have been invaluable.

Mr. ERVIN. Mr. President, we are perfectly willing to take the amendments to conference.

I yield back the remainder of my time.

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

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. ROBERT C. BYRD. Mr. President, I believe there are no more amendments. I ask that the Chair proceed to third reading and then recognize the distinguished Senator from—I am sorry; I am aware now of another amendment.

Mr. CURTIS. Mr. President, is there another amendment to be considered?

Mr. ROBERT C. BYRD. Yes.

Mr. CURTIS. Mr. President, in light of the fact that there is another amendment pending, I shall take only 2 or 3 minutes, and then yield back the remainder of my time. I am aware of our time schedule, and I am happy to do it.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. CURTIS. I yield.

Mr. ROBERT C. BYRD. I ask unanimous consent, due to the fact that there is a comparable House bill on the calendar, and that after third reading is reached unanimous consent will be requested to proceed to the consideration of the House bill and substitute the Senate language, that the vote that was heretofore ordered on the Senate bill be transferred to make it a vote on the House bill instead of the Senate bill.

The PRESIDING OFFICER. At 2 o'clock?

Mr. ROBERT C. BYRD. Yes, under the same order.

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

Mr. CURTIS. Mr. President, this bill and all of the effort that has gone into it has some very fine aspects in focusing the attention of Congress on the budget. It contains procedural changes that I think are advisable, in that we look at the whole budget at once, and for that reason I commend those Senators who have worked so diligently on this measure.

I wish to point out, however, that to most of us budget reform means a balanced budget, living within our means.

The disciplines to bring that about are not in this measure.

And, Mr. President, that cannot be done by statute. We cannot bind another Congress. They could not only repeal what is about to be enacted, but they could totally ignore it. I call attention to the fact that we have a statute that says Congress shall adjourn on a certain date. We do not adjourn. Any time after this measure becomes law, at any stage in the proceedings, an individual Member can offer anything he wants to, and if it is enacted it is a statute; it is on the same level as this law, and the last act prevails.

Therefore, Mr. President, the only way we can ever have budget reform in the nature of a balanced budget is to write such a procedure into the Constitution, and I have such a proposal. I shall not offer it today, but here is what it provides: It provides that if we spend more than we take in, an automatic surtax is imposed. If we spend 3 percent more than we take in, a 3-percent surtax, 10 percent more, a 10-percent surtax, and so on. It would compel a balanced budget.

I realize that there are times when, in grave national emergency or upon a declaration of war, we must use the credit of the United States. So this proposal provides that Congress, by a three-fourths vote, can set aside such a proposal for a year at a time, and then do it again.

Mr. President, that will bring about a balanced budget. I realize that there are many people who favor more Government than I do. I respect them in that position, but I also suggest that we pay for it. There is no reason why we should charge the current cost of Government to our children and grandchildren any more than we should charge our groceries or other expenses of living to them. We should pay for our Government as we go along.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point Senate Joint Resolution 142, which has been introduced by myself, Mr. HRUSKA, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. WILLIAM L. SCOTT.

There being no objection, the joint resolution (S.J. Res. 142) was ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. On or before the fifteenth day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth separately—

"(1) his estimate of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing;

"(2) his recommendations with respect to outlays to be made from funds other than trust funds during such ensuing fiscal year; and

"(3) if such recommendations exceeds such estimate, a surtax rate which the President determines to be necessary to be applied with respect to the income tax of taxpayers to those portions of taxable years of taxpayers occurring during such fiscal year, so that such receipts will equal such outlays.

Such surtax shall be effective and so applied to such fiscal year except as otherwise provided in section 2 of this article.

"SEC. 2. During the first quarter of each fiscal year, and during the third quarter of each fiscal yaer, the Speaker of the House of Representatives shall—

"(1) estimate the receipts of the Government, other than trust funds, during such fiscal year;

"(2) estimate outlays to be made from funds other than trust funds during such fiscal year; and

"(3) (A) if such estimate of outlays exceeds such estimate of receipts, determine a surtax rate which the Speaker considers necessary to be applied, with respect to the income tax of taxpayers, to those portions of taxable years of taxpayers remaining in such fiscal year, so that such receipts will equal such outlays; or

"(B) if such estimate of outlays equals such estimate of receipts, determine that no surtax rate is necessary to be applied.

Any such determination shall be effective, and so applied, with respect to the remainder of such fiscal year commencing on the first day of the first month commencing at least thirty days after such determination by the Speaker. The surtax rate determined by the President under section 1 of this article shall not thereafter be applied commencing with such effective date.

"SEC. 3. During the last month of each fiscal year, the President shall review whether the receipts of the Government, other than trust funds, for such year will be less than the outlays other than trust funds for that fiscal year. If he finds that such receipts are going to be less than such outlays, he shall determine a surtax rate which he considers necessary to be applied with respect to the income tax of taxpayers, so that taxes received by the Government from such surtax, when added to other receipts of the Government, will equal such outlays. Such surtax shall be effective, and so applied, as determined by the President only during the next succeeding fiscal year. The surtax effective and applied under this section is in addition to any other surtax that may be effective and applied under this article and may not be superseded or modified under section 1 or 2 of this article.

"SEC. 4. The provisions of sections 1, 2, and 3 of this article may be suspended in the case of a grave national emergency declared by Congress (including a state of war formally declared by Congress) by a concurrent resolution, agreed to by a rollcall vote of three-fourths of all the Members of each House of Congress, with each such resolution providing the period of time (not exceeding one year) during which those provisions are to be suspended.

"SEC. 5. This article shall take effect on the first day of the calendar year next following the ratification of this article.

"SEC. 6. The Congress shall have power to enforce this article by appropriate legislation.".

Mr. CURTIS. Mr. President, I hope that the Senate will give serious consideration to a budget reform that will work, that will bind the Congress. There will be another day. I shall have more to say about it then.

I yield back the remainder of my time.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from West Virginia, the distinguished majority whip (Mr. ROBERT C. BYRD), and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 109, beginning in line 13, after the words "The Director shall receive the same compensation as" strike the remainder of the paragraph thru line 17, and insert "The Secretary of the Senate. The Deputy Director shall receive the same compensation as the highest salary that can be paid to the Administrative Assistant of a U.S. Senator."

Mr. GRIFFIN. Mr. President, I regret, in a way, that this amendment has to be offered, but the Senate having voted down the amendment of the Senator from Mississippi (Mr. STENNIS) which would have adjusted the salaries of officers of the Senate and allowed salaries of such people as the Secretary of the Senate, and so forth, to be increased somewhat, the question that we have before us is really two-fold: Do we want to pay the Director of this new office that would be set up under this bill the same salary as a U.S. Senator? Because that is the way it is provided in the bill: $42,500.

I do not think that any employee working for the U.S. Senate should receive the same salary as a Senator. The question, then, is how much less should he receive?

There is a strong feeling that he should not receive any more than the highest paid official of the Senate staff at the present time, and that is the Secretary of the Senate. Unfortunately, the Secretary of the Senate is now paid only $36,000.

If we are only going to pay him $36,000, then we should only pay, in my opinion, the director of this budget office, whatever it is, that same salary. In the future, when we adjust the salaries of Senators, Representatives, and these others, obviously we ought to adjust the salary of the budget director, and I shall be one of the first to join in the effort to do that.

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

Mr. GRIFFIN. I yield.

Mr. BROCK. Mr. President, I could not more vehemently disagree with the Senator from Michigan. I understand his logic, but the Director of the Congressional Office of the Budget will not be an employee of the Senate. The Congressional Office of the Budget as a new agency will be subject to the entire Congress. We simply must get the best talent we can find. It is an important and crucial job, not only to the Congress but to the country, and we must pay an adequate wage to attract the kind of individual we want to attract.

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

Mr. GRIFFIN. I yield.

Mr. MANSFIELD. Mr. President, I would point out that the Secretary of the Senate has approximately 500 people under his responsibility. I do not think anyone brought in under any new office of this sort should be paid any more than the people who have worked here faithfully and efficiently, and who are experi-

enced, and I would hope we would not denigrate those who have worked for us and for the committees of the Senate by bringing in someone else who will receive $42,500. I do not think it is fair and I do not think it is right, unless we want to raise all the others to that figure, who are just as good as any man who can be brought in.

Mr. PERCY. Mr. President, I respectfully disagree with the majority leader and with the assistant minority leader. I think we must judge these issues on their own merits.

I think Senators and Representatives are underpaid, and I have consistently voted to get our pay up to the appropriate levels. But here we are establishing no new precedent; we are simply providing another office created by Congress, responsible to the House of Representatives and the Senate, like that of the Comptroller General.

The Comptroller General of the United States is paid $42,500. This is exactly the same amount. I think it would be a reversal of everything we have tried to accomplish in this bill if we also paid the Director of the Budget of the Congressional Office of the Budget less than we already provide for the Director of OMB. We are trying to place them on a comparable basis. We are trying to see that we are a coequal branch of the Government. We are trying in every way to attract the quality of man or woman that would be attracted by the executive branch. They want that professional experience. Representatives and Senators have a lot of other benefits not included in their pay. They get the honor and they get the glory. We have plenty of people applying for the jobs no matter what the pay would be. But it is not true when we are asking a man to give up a professional career and take a professional position working for the House and Senate. The precedent is here and we have thought it through carefully. I am extremely concerned at this last moment, with 1 minute to go, that we bring forward a matter which has been under consideration for months by both committees and approved by the two committees of the Senate—and certainly the House is not going to disagree with us. I hope that we defeat it and certainly I would ask for a rollcall vote.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. I want to say that I think our professionals here are just as good as anywhere else.

Mr. PERCY. I have no disagreement with the fact that they are underpaid. It is about time we say so.

Mr. ERVIN. Mr. President, this man is not an employee of the Senate. He is an employee of Congress, and he should be paid on the same basis as another employee of Congress; namely, the Comptroller General.

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to Michigan (Mr. GRIFFIN).

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 Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting the Senator from South Carolina (Mr. THURMOND) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 43, nays 36, as follows:

[No. 86 Leg.]

YEAS—43

Baker	Fong	Nelson
Bartlett	Gravel	Packwood
Beall	Griffin	Pastore
Bennett	Gurney	Pearson
Biden	Hansen	Proxmire
Brooke	Hartke	Roth
Burdick	Helms	Schweiker
Byrd, Harry F., Jr.	Hruska	Scott, Hugh
Byrd, Robert C.	Huddleston	Scott, William L.
Cannon	Hughes	Stevens
Curtis	Javits	Taft
Dole	Magnuson	Tower
Domenici	Mansfield	Tunney
Fannin	McClellan	Williams
	Montoya	

NAYS—36

Abourezk	Eastland	McIntyre
Allen	Ervin	Metcalf
Bayh	Hart	Mondale
Bentsen	Haskell	Muskie
Bible	Hathaway	Nunn
Brock	Hollings	Pell
Buckley	Humphrey	Percy
Case	Inouye	Randolph
Chiles	Jackson	Sparkman
Church	Mathias	Stennis
Clark	McGee	Stevenson
Cranston	McGovern	Talmadge

NOT VOTING—21

Aiken	Goldwater	Moss
Bellmon	Hatfield	Ribicoff
Cook	Johnston	Stafford
Cotton	Kennedy	Symington
Dominick	Long	Thurmond
Eagleton	McClure	Weicker
Fulbright	Metzenbaum	Young

So Mr. GRIFFIN'S amendment was agreed to.

Mr. MCCLELLAN. Mr. President, I shall vote for the pending bill, because I strongly favor the attainment of its general objectives.

However, I vote for it most reluctantly, because I am convinced that this bill in its present form will fall far short of the goals it professes to achieve.

I am under no illusions about the results of this measure's implementation. I do not see in this bill, under its present provisions, any definite assurance or even a strong prospect that this measure will greatly improve the budgetary process or materially strengthen congressional control over public spending.

Of course, this bill will go to conference. There, some desirable changes may be made. But, I do not foresee that the conferees can, or will, rewrite this bill so as to make marked improvement in it. Possibly the greatest virtue of this particular legislation is that it may serve as a vehicle for trial and error. Experimentation with it for a year or two may demonstrate the serious flaws that it embraces and may indicate how the deficiencies and weaknesses that it contains can be eliminated.

We can only hope for the best—that some good will come out of the serious and dedicated effort that has been made by the proponents of this measure to do something practical and effective toward reform of the budgetary process.

Mr. President, this bill, I believe, is so fraught with complexities and so confusing and cumbersome that it will be most difficult, if not impossible, for the Congress, as a practical matter, to comply with its provisions and meet its requirements. It may be destined to simply fail and fall of its own weight. I am apprehensive that, as now written, this measure places such a burden on the legislative and appropriation processes that it is impractical and maybe impossible for Congress to comply with its terms and conform to its directives.

I sincerely hope my conclusions are wrong, but I doubt it. Only time will tell.

Mr. President, if this measure should prove to be inadequate or unworkable, we must try again. The need for effective budget reform and better control of public spending is urgent. This problem will not go away. It must be solved if we are to preserve national solvency.

Mr. HELMS. Mr. President, I shall vote, reluctantly, for this bill, but I hope that my doing so will not leave the impression that I consider this to be adequate legislation.

I have heard some of its proponents acknowledge that it is "half a loaf" in terms of true budget reform. Even that assessment, in my judgment, is extravagant.

True budget reform will come only when Members of Congress make up their minds that they, as individuals, will reform themselves in terms of dangerous fiscal practices. To put it bluntly, Mr. President, if this Nation is to survive in stability, we have got to return to economic integrity.

There is nothing partisan about my view, Mr. President. Both parties are to blame, and all administrations for a generation. This business of spending billions upon billions of dollars each year in ex-

cess of revenue has created a Federal debt nearing a half trillion dollars. And that is only a part of the story.

We can go back home, and make political speeches all we like, but there is not a Member of this Senate who does not know that it is the Congress that has permitted this enormous Federal debt to accumulate—the interest alone on which is costing the American taxpayers $30 billion a year.

The distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) and I tried twice during this debate to persuade this Senate to include a requirement for a return to the balanced budget concept. Twice we were defeated.

This makes five times, Mr. President—five times—that Senator BYRD and I have been rebuffed in our efforts in less than 12 months when we have pleaded for a return to the balanced budget.

I mean to disparage no Senator, Mr. President. But I do say that, as we pass this bill, we ought to be honest with ourselves, and with the American people, and acknowledge that there is little prospect of any early remedy to the Nation's economic travail to be found in this bill. Maybe it is "half a loaf," or a "step in the right direction"; or some other cliche. But the hard fact of life is that we are doing little, if anything, here today that will be meaningful in reducing Federal spending, or taxation, or inflation.

I shall vote for the bill, Mr. President, but only on the condition that it be fully understood that I have misgivings about the practical results. I do hope that no one will pretend to the American people that we have fashioned a cure for what ails the Nation.

Mr. STEVENSON. Mr. President, the Federal Government spends too much of the taxpayer's money on programs which are wasteful or of low priority. The reasons for excessive spending are as numerous as Federal programs themselves, but the two most fundamental reasons are political and informational.

Too often a budget request is submitted by the executive branch and approved by the Congress because doing so is regarded as more advantageous politically than saying "no" to a powerful interest group in the bureaucracy or the private sector. The most promising way to attack that problem is not through reform of the budget review process, but rather through changes in the electoral process which make it more difficult for the special interests to buy influence. For that reason, it is especially appropriate that the Senate consider campaign financing legislation on the heels of budget reform.

The informational problem is more acute in the Congress, but is present in the executive branch as well. Congress lacks the staff needed to analyze information accompanying executive branch budget requests, and it lacks an orderly process within which competing priorities can be weighed one against the other. This bill does much to lessen those barriers. I would hope that the steps taken in this bill will soon be followed by firmer restraints on excessive spending, such as an omnibus appropriations bill. I will continue my support for such restraints.

More staff and a more efficient structure will put the Congress in a better position to fight waste, but they are no substitute for will. By enacting this bill, we give ourselves some tools we badly need. Unless we summon up the strength and courage to use those tools, our power of the purse—the core of this institution—will become more shadow than substance.

Mr. MUSKIE. Mr. President, after more than 12 months of hard and often difficult work, the Senate is about to pass a bill to reform the way Congress makes spending and revenue decisions.

The Congressional Budget Act of 1974 is perhaps the most important bill Congress will consider this session, and it has not received the attention it deserves.

The details of this legislation are complicated. But the bill is designed to give Congress the information and staff necessary to determine each year how much money the Government has, how much it should take in, and how much it should spend, before determining what to buy with the taxpayers' dollars.

Until now, various committees of Congress have been unable to determine how their spending decisions will affect the budget as a whole. Under the procedures this bill will change, it is not until after individual decisions are made that Congress knows how much it has spent. This is no way to run a household, and it is no way to run a government.

With my colleagues on the two committees which drafted this bill, I have recognized that Congress has seen its control over the Federal purse strings ebb away over the past 50 years because of its inability to get a grip on the overall budget, while the Office of Management and Budget in the executive branch has increased its power and influence.

And since the budget—up to this point—has been the single most important tool for shaping Government policy, the executive branch has increased its control over policy decisions as well.

As this power has gradually shifted to the executive, the people have come to see Congress as an increasingly ineffective, uncreative institution which has difficulty responding effectively to our problems, and is reluctant to reform itself.

Budget reform will not change the people's feelings about Congress overnight. But it will demonstrate that the Congress sees the need for reform and is willing to try new procedures. And it is an important step toward restoring the balance of power between the branches of Government, and between Government and the people.

Budget reform will mean a greater representative voice for the taxpayers in spending decisions, and it will provide the kind of overall control over spending decisions that the taxpayers have a right to expect.

Mr. President, in the past several months we have come a long way toward meaningful and workable budget reform. This legislation, upon its enactment, will not provide a panacea for all the ills that now afflict the process by which Congress considers the budget.

But this legislation proves that Members of the Senate can work together to change their ways. It would not have been possible without the cooperation of both the Committee on Government Operations and the Rules and Administration Committee, which worked together to draft it. I am proud to have been part of the bipartisan effort in the Government Operations Committee that this legislation represents. Special thanks, however, must go to the distinguished chairman of the Government Operations Committee, Senator ERVIN, and the chairman of the Budget and Accounting Subcommittee, Senator METCALF. Also, I want to commend the distinguished chairman of the Rules Committee, Senator CANNON, and the majority whip, Senator BYRD, for their time and diligence in reviewing and perfecting this legislation in the Rules Committee.

Finally, let me say that the process for considering the budget included in this bill can work with the cooperation of the entire Senate. Our job now is to implement it.

Mr. BUCKLEY. Mr. President, I rise in support of the Congressional Budget Act and heartily endorse the idea of returning to the Congress the responsibility for making the difficult fiscal decisions which it seeks to accomplish. This bill is the result of intensive investigation and hard work by many Members of the Senate and their staffs.

While it has some major weaknesses, S. 1541 is a long first step in the direction in which we should be moving and a step which must be taken. For all too long the Congress has dissipated its budgetary initiatives, prerogatives, and responsibilities to the point that it now can do little more than endorse—or at best modify slightly—those fiscal decisions reached within the administration. Even this it must do with limited staff assistance and with only such detailed information as an administration sees fit to provide.

More than that, because the Congress does not currently have a mechanism to force itself to consider the fiscal implication of appropriations that are often so casually voted, the Congress has condemned the country to endless inflationary deficits. I speak in particular of the practice in recent years of appropriating substantial amounts through the device of floor amendments, amendments that in the aggregate add tens of billions of dollars of Federal expenditures. Thus the Congress has been feeding the forces of inflation and, in my judgment, making it necessary for the Executive to resort to impoundment and vetoes so as to keep some sort of check on the budget. The bill now under debate represents an important, though inadequate, effort to restore fiscal responsibility to the Congress.

It is eminently desirable, I believe, to establish an orderly sequence of actions the Congress must take, and to enforce a rigid time schedule for those actions. This will force us into more careful consideration and a more logical decision-

making process as we deal with what is probably our primary responsibility—providing for an adequate expenditure of public funds for the total public good.

Mr. President, I do not know that it is possible to set down a "perfect" time schedule for these decisions which must be met, but it does concern me that as the bill now stands, the hardest decisions—and those obviously with the deepest political implications—will be being made during the early fall of the year, the precise time when politicizing generally is at an unusually high pitch. How much better it would be if the decisions made in the first budget resolution could be final decisions—to be "reconciled" only in most extraordinary cases.

I believe one of the principle weaknesses of the bill, and I hope it will not prove a fatal one, is that it contains no effective teeth to force some degree of restraint. The rules written into it can be waived by a simple majority vote, which means that any measure that proves politically attractive although involving a breach of budgetary limits, will more likely than not be adopted through the simple expedient of a waiver of the machinery so carefully constructed in S. 1541. I hope that a two-thirds rule will be invoked by the time this legislation emerges from conference.

I do not so suffer from delusion that I believe reform of the magnitude here at hand can be accomplished perfectly and overnight, for we have been more than 50 years in bringing ourselves to our present point. I sincerely hope that as the years pass we will be able to define in detail what we are now agreeing on in principle; and it is in that spirit that I shall vote in favor of this bill.

Mr. ROTH. Mr. President, there is no problem today concerning more Americans than that of inflation. The fact that the cost of living today is increasing at a rate of almost 16 percent annually should be a matter of most serious concern to all the Members of Congress. Earlier I had hoped that the action we took today could have been claimed as a giant step toward fiscal responsibility. At best it is but a weak small step in that direction. What so many have heralded as the greatest reform in the last 20 years has proven mainly to be mere rhetoric. We have gone through the gestation period of an elephant and merely given birth to a mouse.

Budget reform has been a matter of great personal concern to me. The Joint Committee on Budget Control was formed as a consequence of my efforts to establish a spending ceiling in 1972. I was privileged to serve as a member of that committee and would like to read into the RECORD why that committee concluded that major reform was necessary:

> The Joint Study Committee believes that the failure to arrive at congressional budgetary decisions on an overall basis has been a contributory factor in the size of these deficits. The present institutional arrangements in many cases appear to make it impossible to decide between competing priorities with the result that spending is made available for many programs where the preference, if expressed, might have been to choose alternatives and also to make spending reductions.
>
> The fact that no legislative committee has the responsibility to decide whether total outlays are appropriate in view of the current situation appears to be responsible for much of the problem. Perhaps components of the budget among several different congressional committees. As a result, each spending bill tends to be considered by Congress as a separate entity, and any assessment of relative priorities among spending programs for the most part is made solely within the context of the bill then before Congress.

Similarly, the report of Senator METCALF's Subcommittee of the Government Operations Committee developed what I considered to be an acceptable budget reform bill. From that step on, however, there was a continual erosion of the tough reforms recommended by the joint committee. Today we are coming out with a watered down form of the bill that provides us with a few bricks instead of the foundation upon which we should be building fiscal responsibility.

Although under this legislation we are considering the budget as a whole, we continue to act on appropriations individually just as we have in the past. Unfortunately, under this proposal, there are no restraints such as the rule of consistency of the joint committee. Even though there is a proscription against appropriating funds before the first concurrent resolution is adopted, if spending decisions have been made throughout the summer, will Congress realistically rescind part of them later in the fall?

I am deeply dismayed that we are failing to make the budget meaningful in ensuing deliberations of Congress. As I pointed out in my opening statement, we have created a rubbery ceiling that will merely reflect increased spending. By our actions we also have eliminated our major restraint on spending and I am speaking of impoundment by the President. In saying this I want to make it clear, however, that I am very much opposed to the misuse of this power when programs mandated by congressional action are eliminated. But the power to restore these programs should be put in the hands of the Congress—not the courts.

Unfortunately, every effort to amend this legislation in order to enforce responsible fiscal planning has been overwhelmingly turned down. What it means is that we will continue our inflationary ways of deficit spending unless of course the press begins to put the revealing spotlight of publicitly upon our spendthrift habits. Much has been said about how this legislation will strengthen the American dollar in the international market, but any international expert who has watched these proceedings has not gained any confidence that Congress will take the difficult steps necessary to strengthen the dollar.

Frankly, I am dismayed at the over-optimistic claims being made as to the import of this legislation. Let us be realistic. This bill is no cureall. It is, in my humble judgment, such over-optimistic claims made for this and other such legislation that leads to a lack of credibility on the part of the public and the faith in and respect for Government will continue to go down as long as they are being made.

Long range, I am hopeful and I shall continue to fight for meaningful budget reform legislation, and I hope that this will be but the first step in forcing Congress to come to grips with this very important problem. I hasten to add, however, if we do not take additional steps to strengthen the process the public will not stand idly by as we contribute to the high costs of the goods and services they purchase by our inflationary spending practices. We will, of course, ultimately all be held accountable.

Mr. DOMENICI. Mr. President, the Congress and the people of the United States have become painfully aware, that our present budgetary process is archaic, and incapable of providing the type of fiscal responsibility required for economic stability and growth. This point has been made time and again by many Members, myself included.

I have, on several occasions, attempted to outline some of the deficiencies in our present system, as I see them, and have been an active supporter of initiatives which would correct these shortcomings. I feel sure that S. 1541, the Congressional Budget Act of 1974, is such an initiative, a major effort that deserves our full support.

In illustration of my belief that S. 1541 is a major step in the right direction, I would like to list briefly the points with which I have been most concerned under our present-day budgetary process, and then present the answers which I think this bill offers to these problems.

First, Congress has no overview of the appropriations process, by which it may consider expected revenues so that expenditures may be limited to a reasonable amount. In other words, it has no real system for preparing and keeping to budget systems. In S. 1541, however, the Budget Committees would be responsible for generating an initial budget resolution and allocating this specified funding level out among the various committees addressed in this resolution. These committees would, in turn, allocate funds to their subcommittees, but at every stage of this process, comparisons between levels of funding and expenditures would be made.

Furthermore, a second concurrent resolution on the budget would follow in which funding levels in the first budget resolution could be revised to conform with, or guide, economic trends. In any event, the funding level authorized in the second budget resolution would not exceed limitations set by the current level of revenues. Besides providing Congress with an important tool for controlling inflation, this type of organization will also mitigate against the problems inherent in having a totally fragmented appropriations process. That is, no longer will 13 different appropriations bills be considered and produced which have no relation to each other or to total appropriations.

Second, there is never sufficient information on which to judge spending priorities, although priorities must obviously be set. This informational deficiency makes it virtually impossible to choose responsibly between competing expenditure programs.

S. 1541 would create the Congressional Office of the Budget which would provide all committees and Members not only with basic budgetary and fiscal information, but also with projections of what impact current budgetary decisions will have on future budgets, and with information on alternatives to any given funded program.

And third, it is obvious that a heavy burden and much responsibility is placed almost exclusively on the shoulders of chairman and senior members of those committees and subcommittees which are concerned with appropriations.

Under S. 1541, however, no Member would be allowed to serve on more than one other standing, special, select, or joint committees in addition to service on a Budget Committee. This provision would, then, allow members of the Budget Committee to devote a greater proportion of their time and energy to management of the appropriations process.

In summation, Mr. President, I feel that this bill is a pragmatic and well thought-out approach toward the evolution of sound fiscal policy tools which the Congress badly needs. Although this should not be viewed as the panacea for all our budgetary ills, it represents the type of reform needed to bring congressional budgetary practices into the 20th century.

TREATMENT OF TAX EXPENDITURES IN THE CONGRESSIONAL BUDGET ACT OF 1974

Mr. MUSKIE. Mr. President, the Congressional Budget Act of 1974 would substantially improve information about and congressional control over tax expenditures—those provisions of tax law which provide for reductions in tax revenue for special purposes.

By allowing special exclusions, exemptions, deductions, credits, tax rates, or deferrals, tax expenditures each year cost the Federal Treasury billions of dollars in tax revenues that would otherwise be collected under our normal tax structure. The revenue loss under each direct tax expenditure is quite similar to a budget outlay, since each one is justified as serving nontax policy purposes. Some tax expenditures, such as the $3.4 billion of lost revenue in calendar year 1972 resulting from charitable contribution income tax deductions, serve goals on which there is broad agreement. Other tax expenditures, such as the $1.7 billion revenue lost in 1972, because of percentage depletion provisions, serve as goals on which there is disagreement, and without proven effectiveness. But currently, none of these tax expenditures—and the sum of their costs was, at least, an estimated $59.8 billion in 1972—are scrutinized as part of a rational congressional decision about the entire Federal budget.

The definition of tax expenditures in section 3(a)(3) of the bill is:

> Those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability representing a deviation from the normal tax structure for individuals and corporations.

This definition includes a variety of tax expenditures, including items which are not excluded by a provision of the tax law but affirmatively as a result of Internal Revenue Service interpretation and practice.

The use of the words "income tax" in the definition should not preclude consideration of tax expenditures in the gift and estate tax systems. Generation skipping under the estate tax, for instance, has an estimated cost of well over $250 million annually, and the charitable deduction under the estate tax, including deductions for family foundations, has a much larger annual cost, well over $1 billion annually.

The bill also includes a definition of the tax expenditure budget as a complete enumeration of such expenditures. This enumeration should include at least all the items in tax expenditure materials prepared to date by the Treasury and the relevant committees of Congress.

The Committee on the Budget will have the duty to institute studies concerning tax expenditures, to devise methods of coordinating tax expenditures with direct budget outlays, and to report on this work. Their work should include study of converting tax expenditures into direct budget outlays—section 101(a).

The Congressional Budget Act would integrate consideration of tax expenditures into the congressional budget-making process. The Congressional Office of the Budget, for instance, would be required to develop information about tax expenditures, and would report to Congress before April 15 an estimate of tax expenditure levels for the succeeding fiscal year. The President would also be required to include estimates of tax expenditure levels in his proposed budget—section 601.

While tax expenditures would not be included in that text of concurrent resolutions on the budget, levels of tax expenditures by major functional budget categories would be included in the report of the Budget Committees accompanying concurrent resolutions—section 301(e). The information in Budget Committee reports, together with the estimated tax expenditures in the President's budget, would constitute background information for judging revenue levels in the concurrent resolution.

In addition, bills proposing new or increased tax expenditures would be subject to two of the requirements imposed on bills providing new budget authority. The report accompanying any such bill or resolution would include a comparison of the proposed tax expenditure level with the level specified in the report on the concurrent resolution, together with a projection of the tax expenditures resulting from the proposed legislation for future fiscal years—section 308(e). Such bills and resolutions would also be enacted into law prior to the August adjournment, as would be the case for new budget authority bills—section 309.

S. 1541 requires the establishment of a standardized information system for Federal fiscal, budget, and program data—section 801(a). This system will include complete tax expenditure information. Tax expenditure budget data will be aggregated in the same functional program categories as direct budget outlays, and will be fully integrated with functional aggregations of direct budget outlays so as always to present a complete picture of total Federal effort in any one functional area.

The provisions of S. 1541 relating to tax expenditures are an essential part of the increased budgetary control the bill provides. They would insure that congressional control of the budget extends to all of our expenditures for public purposes.

RESPONSIBILITY AND SPENDING IN CONGRESS

Mr. DOLE. Mr. President, I believe the state of our economy is the most critical responsibility facing Congress today. A stable, expanding, and sound economic structure is a vital requirement for the domestic and international strength of our Nation. And it is absolutely essential to the well-being of the American people whose earnings, savings, pensions, and investments serve as the foundation for our entire social and economic structure.

DIFFICULT ERA

We have entered a most welcome era but, admittedly, a difficult one. America is at peace throughout the world. We are not engaged in hostilities with any other nation, and none of our young men are being drafted to feed the machines of war. But peace has not come without a price. And while the guns are silent, our economy does not have the stimulus of a war to provide jobs, absorb excess industrial capacity and fuel business expansion.

This means that we have a system which is vulnerable to many hazards which do not affect a wartime economy. And because the tremendous impact of a war's demand for goods and services is not present, there is less flexibility, less margin for error and fewer alternatives for making adjustments in economic policy.

Energy, food, raw materials—all these matters and many more take on even greater importance, because we must deal with them within a narrower range of limits and with greater risks of harm from any mistakes, oversights, or faulty policies.

CAUSE FOR ALARM

As I said, Congress bears great responsibility for the health of the economy.

The decisions made by Congress on everything from public works projects, to military weapons, to energy research, to tax rates have a profound effect on the American economy and thereby on the life of every citizen.

But in this critical period, I believe the citizens of this country have every reason to be, not only concerned, but alarmed at the way Congress goes about its business.

POOR COMPARISON

The disorganized, fragmented, and entirely haphazard system of passing laws to authorize projects and programs, appropriate funding and raise tax revenues is a sad commentary on congressional leadership, responsibility and ability in the economic field. The situation is cast

in still more unfavorable light when a comparison is drawn with the approach of the executive branch.

After months and countless man hours of effort the President presents a coherent, organized, and rational plan of Government operations in the form of his annual budget. Many find reason to disagree with it, criticize its features or suggest changes. But the budget is one document, a plan, a product of organized and disciplined labor. It stands for something and provides a focal point for planning and decisionmaking.

NO COORDINATION OR DISCIPLINE

But what happens when the budget goes to Congress? It is somewhat as if a big birthday cake had been set down on an anthill. It is swarmed over by dozens of committees, several hundred subcommittees, and 535 Congressmen and Senators. Everybody grabs a chunk of it and runs off in every possible direction. And over the next 6 to 12 months a whole string of independent and uncoordinated measures wind their way through hearings, markups, floor debates, and conferences and are ultimately dumped on the President's desk. By this process innumerable programs are set in motion for years to come; money is spent on every conceivable sort of project; and in every—direct, backdoor, reprogramed, trust-funded—way imaginable to the minds of legislators. In the same process taxes are levied on almost every possible activity or enterprise which the public chooses to undertake. All of this process takes place without any master plan, no overall guidelines, and apart from any disciplined organization whatsoever.

NO ONE ELSE COULD SURVIVE

If a family, a business or probably any other form of government—State, city, county, or township—tried to operate on this basis the results would be bankruptcy for the family or business and certain voter outrage directed toward a statehouse, city hall, or county seat. The wonder is that Congress has been able to get away with it for so long—or at all.

EASY POLITICS

Of course, politics must be considered. And one of the oldest political shell games is to vote massive spending increases for every special interest program that comes along and then raise the roof when a President vetoes some overloaded bill or "fails to control spending." It is easy for some to have it both ways, and the election results show that this is a successful gambit for those who care more about votes than responsibility in government.

By this I do not mean that individual Congressmen and Senators bear the full responsibility. They must survive, and the rules of the game are set to an important degree by the leadership of Congress. The record is there, and it speaks for itself, so the public should judge where this power has been in Congress, who has wielded it and how the current system has survived unchallenged for these many decades.

The need for change, for spending responsibility by Congress, has been obvious for years. But with today's critical and delicate economic conditions, the need has become an absolute necessity.

ONLY A FIRST STEP

Reform in congressional budgetary matters is important, and I support S. 1541, the Congressional Budget Act of 1974, which is before the Senate today. But we should not deceive ourselves or the people that this bill, by itself, will inject a genuine and lasting degree of responsibility into the House and Senate. As a first step toward that responsibility it can accomplish something. Without further reform it will be meaningless.

We can establish timetables and deadlines and fancy-sounding procedures until the Moon turns to green cheese, but without other fundamental changes on Capitol Hill, we will not have one bit of improvement. These changes are obvious, but enthusiasm for them at this point does not appear to be overwhelming.

RESTRUCTURE COMMITTEES

First, the committee system must be restructured. Overlaps, jealously guarded but senseless duplications, petty power structures must be eliminated, and committee and subcommittee jurisdictions must be rationalized. The fact that 32 standing and joint committees spent some 600 hearing-days—not to mention hours of floor debate—on energy questions during the last three sessions of Congress should be ample indication that something is haywire in the organizational structure. And if there is no improvement in the flow of legislation through the committee system and if fragmentation of jurisdiction is not eliminated, the schedules, dates for action and resolutions provided for in S. 1541 will be as meaningless as any other exercise in hypocrisy.

CONGRESSIONAL STAFF

In addition to restructuring the committee system the men and women who serve on them should be provided adequate staff resources. Currently a junior member of a committee, particularly if he belongs to the minority party, is little more than an invited visitor to his committees' hearings.

With the majority having the overwhelming bulk of most committee staffs, a junior member on the opposite side of the table is seriously shortchanged.

I would point out that as a Senator who has achieved some seniority in the past 5 years and who serves on one committee that makes no distinctions on staff service, this is not so much a personal lament as one of principle. But I believe it is unfortunate that newcomers—especially here in the Senate on the minority side—are denied the valuable committee staff assistance that the majority and more senior minority Members enjoy. These people have a great contribution in terms of energy, fresh viewpoints, and enthusiasm to make in their committees and in the Senate. And to the extent that they are not utilized and harnessed to the job of doing the Senate's business, the Senate will retard its own abilities to change and bring about meaningful reforms in its operations.

OTHER AREAS FOR REFORM

There are many other areas that require reform, including modernization of our information and data systems, scheduling the working sessions of the House and Senate and better ways for dealing with the concerns and interests of our constituents in our States and districts.

I point to these matters, because I believe it is important that we recognize that budget reform is not the magic answer to making Congress more effective and more responsible in its handling of the Nation's affairs. Budget reform is important and it is a good first step, but much more remains to be done.

IMPACT ON FINANCE COMMITTEE

The jurisdiction of the Committee on Finance touches some of the most important and sensitive areas of our system. As a member of this committee, I have been particularly interested in the budget reform bill's impact. Taxes, the national debt, medicare, medicaid, social security, and welfare all fall within the committee's responsibility, so improvements which could help the committee in the exercise of its heavy workload would be most welcome and appropriate.

I was most interested, therefore, in the analysis of the budget bill prepared by the Finance Committee staff, and I ask unanimous consent that it be printed in the RECORD at this point, because it also contains a good overview of the bill's major features and provisions.

REASONED BUDGET CONTROL IS NECESSARY—SENATE ACTS TO MEET ITS RESPONSIBILITY WITH PASSAGE OF S. 1541

Mr. RANDOLPH. Mr. President, I know Members of the Senate share my disquiet over the recent findings of public opinion polls that the Congress is held in low esteem by the American people. At a time when public confidence in the executive branch has been shaken the Congress should be able to provide leadership in these troubled times.

Unfortunately, the Congress is considered to be so bound by personal interest and tradition that it is incapable of adjusting itself to the requirements of a modern society.

Mr. President, the bill before the Senate, S. 1541, dispels the notion that the Congress is failing to meet its responsibilities. The area of fiscal control is central to the operation of our Government. We know that the adoption of Federal programs without regard to their financial impact on total Government spending is irresponsible. The Congress, however, has traditionally been without the means for viewing Government spending as a total entity.

This legislation to create a Senate committee on the budget and to revamp legislative procedures in this body is extremely important. It has the twin benefits of enabling us to examine and control the impact of our actions on Government fiscal policy and of reasserting congressional prerogatives as a coequal branch of the Government.

The Constitution of the United States, in sections 8 and 9 of article I, gives to

the Congress the specific and sole responsibility for appropriating funds. The budget process is simply the execution of this responsibility.

The provisions of S. 1541 are as unique as they are far reaching. As presently before us, the bill represents months of work and imput by many Members of this body. After being reported from the Committee on Government Operations last November 28, it was rereferred to the Committee on Rules and Administration.

Under the leadership of my able and distinguished colleague from West Virginia, Senator ROBERT C. BYRD, the Subcommittee on Standing Rules conducted further inquiries on the implications of this legislation.

Because of its effect on the work of the authorizing committees, Senator BYRD invited chairmen of those committees to become involved in consideration of S. 1541. Several of us took advantage of this opportunity to relate our work to the requirements of the budget control bill. I am particularly appreciative of the interest in this matter of fundamental Senate policy shown by Senators JACKSON, MAGNUSON, HARTKE, and Moss for involving the committees they chair in the refinement process. This work could not have been carried out, of course, without the support of Senator CANNON as chairman of the Committee on Rules and Administration.

Substantial contributions to this legislation have been made by the comanagers of the bill, Senators SAM ERVIN and EDMUND S. MUSKIE, both of whom are intimately acquainted with the need for authorizing committees to perform a part in budget control.

Mr. President, the procedures provided in S. 1541 are concerned with much more than fiscal management. The allocation of funds to carry out Government programs really reflects our assessments as to priorities and national goals.

This bill authorizes the establishment of a committee on the budget, but it also increases the responsibilities of the authorizing committees. The new budget committee must receive substantial input from the authorizing committees, for they have first-hand knowledge of program requirements.

This is a responsibility that the Committee on Public Works willingly accepts. Furthermore, it is consistent in some degree with our present informal practice. Senator MUSKIE's Subcommittee on Environmental Pollution, for instance, conducts hearings on the budget request for the Environmental Protection Agency. In this way we are equipped to advise the Appropriations Committee on the Agency's funding needs as compared with both the budget request and our assessment of program requirements.

The restrictions of S. 1541 on long-term authorizations are consistent with the operation of the Committee on Public Works. It has been our practice not to include open-ended authorizations or those that extend over a number of years for the programs under our jurisdiction.

The Congress, Mr. President, is an institution that moves deliberately. There are those who may find this quality personally frustrating, but it was purposely designed this way. The validity of the approach chosen by our Founding Fathers has, time and time again, been proven correct.

Our actions have such widespread and profound impact that I believe we should act in no other way. The legislative process in a democratic society is by nature one of accommodating varying viewpoints. We should not, and should not be expected to, rush into decisions. Our actions should be well-founded and well-reasoned. The budget control process contained in S. 1541 will help us to make such judgments.

In the development of this bill before it was reported from the Rules Committee, there were extensive meetings of staff members from the other committees concerned. I call particular attention to the significant contributions made by Karl Braithwaite who represented the Committee on Public Works in these meetings. Mr. Braithwaite is a political scientist by profession who brought both his training and his experience as a professional Senate staff member to this task. His grasp of the issues and his quiet approach to drafting responsible legislation was of great assistance to our committee.

Mr. President, this bill will equip the Senate to better respond to the total needs of the American nation and I urge its adoption.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

Mr. ERVIN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 584, H.R. 7130, the bill on this subject that was passed by the House.

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

The assistant legislative clerk read as follows:

A bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill.

Mr. ERVIN. Mr. President, I move to strike all after the enacting clause and substitute in lieu thereof the text of S. 1541, as amended.

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

The motion was agreed to.

Mr. ERVIN. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

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

The bill (H.R. 7130) was read a 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 second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), the Senator from Idaho (Mr. MCCLURE), the Senator from Vermont (Mr. STAFFORD), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. YOUNG) would each vote "yea."

The result was announced—yeas 80, nays 0, as follows:

[No. 87 Leg.]

YEAS—80

Abourezk	Case	Haskell
Allen	Chiles	Hathaway
Baker	Church	Helms
Bartlett	Clark	Hollings
Bayh	Cranston	Hruska
Beall	Curtis	Huddleston
Bennett	Dole	Hughes
Bentsen	Domenici	Humphrey
Bible	Eastland	Inouye
Biden	Ervin	Jackson
Brock	Fannin	Javits
Brooke	Fong	Johnston
Buckley	Gravel	Magnuson
Burdick	Griffin	Mansfield
Byrd,	Gurney	Mathias
Harry F., Jr.	Hansen	McClellan
Byrd, Robert C.	Hart	McGee
Cannon	Hartke	McGovern

McIntyre	Pell	Stennis
Metcalf	Percy	Stevens
Mondale	Proxmire	Stevenson
Montoya	Randolph	Taft
Muskie	Roth	Talmadge
Nelson	Schweiker	Tower
Nunn	Scott, Hugh	Tunney
Packwood	Scott, William L.	Williams
Pastore	Sparkman	
Pearson		

NAYS—0

NOT VOTING—20

Aiken	Goldwater	Ribicoff
Bellmon	Hatfield	Stafford
Cook	Kennedy	Symington
Cotton	Long	Thurmond
Dominick	McClure	Weicker
Eagleton	Metzenbaum	Young
Fulbright	Moss	

So the bill (H.R. 7130) was passed.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which H.R. 7130, as amended, was passed.

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

The motion to lay on the table was agreed to.

The title was amended so as to read:

A bill to establish a new congressional budget process; to establish Committees on the Budget in each House; to establish a Congressional Office of the Budget; and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 651, S. 1414, and Calendar No. 664, S. 1541, be placed on the calendar on page 14 under Subjects on the Table.

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

Mr. ERVIN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 7130 and that the bill be printed as it was passed by the Senate.

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

Mr. ERVIN. Mr. President, I move that the Senate insist on its amendments to H.R. 7130, and request a conference with the House of Representatives on the disagreeing votes 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. ERVIN, Mr. MUSKIE, Mr. RIBICOFF, Mr. METCALF, Mr. CANNON, Mr. PELL, Mr. ROBERT C. BYRD, Mr. ALLEN, Mr. PERCY, Mr. ROTH, Mr. BROCK, Mr. COOK, Mr. HUGH SCOTT, and Mr. GRIFFIN conferees on the part of the Senate.

TRIBUTE TO SENATORS ERVIN, METCALF, CANNON, ROBERT C. BYRD, AND OTHER SENATORS ON PASSAGE OF BUDGET REFORM

Mr. MANSFIELD. Mr. President, budget reform was set forth as one of the Senate's high priority items for the 93d Congress. The Senate has approved unanimously the Congressional Budget Reform proposal, and this outstanding success was achieved through the efforts of many Members of this institution.

I rise now to pay tribute to those Members most responsible. First, to the distinguished chairman of the Government Operations Committee, Senator ERVIN, goes our deepest gratitude for his outstanding leadership in this effort. His contributions and those of his committee have gone far to make the Legislative Branch of our Government more responsive and more responsible, more able and better equipped to deal with the most complex fiscal matters that are required to support the Nation and all national goals. We are indebted to Senator ERVIN for his unstinting devotion to the resolution of a matter that often in the past has placed the legislative branch at a disadvantage concerning the retrieval, the assimilation and the understanding information regarding the Nation's more difficult budgetary question.

We therefore, extend our deepest gratitude to Senator ERVIN and to his committee.

Managing this all-important measure on the floor as well were the very able and skillful Senators from Maine (Mr. MUSKIE) and Montana (Mr. METCALF). They exhibited once again their deep wisdom and immense capacity for understanding in recognizing the problems faced by Congress as it attempts to control the expenditures of the Government and to establish national priorities in applying and allocating resources. Senator MUSKIE and Senator METCALF have compiled records unsurpassed in the application of diligence and competence in the areas covered by S. 1541. Throughout this week we have been fortunate to have their invaluable assistance and guidance.

Our gratitude should be extended as well to the Rules Committee and particularly to Senator ROBERT BYRD and Senator CANNON. Their work in behalf of the proposal and that of the Committee on Rules as a whole were based upon many thoughtful and sincere views which contributed enormously to the discussion and ultimately to the overwhelming success of the measure. They are legislators whose effectiveness and leadership are unsurpassed.

I would like also to pay tribute to the distinguished Senators from Illinois (Mr. PERCY) and from Tennessee (Mr. BROCK) for their efforts on behalf of a better informed, more efficient and better equipped Congress. The cooperative manner in which they joined to support the proposal contributed indispensably to the expeditious handling and final passage of the bill. They deserve the highest praise for their work.

Joining also to assure a full and fair discussion on the floor of all of the matters involved were the Senator from Florida (Mr. CHILES) and the Senator from Delaware (Mr. ROTH). I wish to commend them particularly for their participation and contributions. The Senate profited enormously from their expressions concerning the issues involved.

There were many other Senators who joined as well. The record reflects the broad spectrum of those concerned, those whose support and views have made this measure one of the most significant building blocks in the reform of governmental institutions. In fact, without the cooperation of each Senator this week, the Senate would not have been able to accomplish the task with such efficient and successful dispatch. I wish to thank the entire Senate for this achievement. It is a tribute to each and every Member.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate Committee on Armed Services.

(The nominations received today are printed at the end of Senate proceedings.)

PROGRAM

Mr. GRIFFIN. Mr. President, while the distinguished majority leader is in the Chamber, I wonder if I might ask him if he can enlighten us as to the program for the rest of the day and possibly next week.

Mr. MANSFIELD. I will be delighted to respond to the question raised by the distinguished acting Republican leader.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 665, S. 3044, a bill to amend the Federal Election Campaign Act of 1971 be laid before the Senate and made the pending business.

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

The bill was stated by title as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

PROGRAM

Mr. MANSFIELD. Mr. President, no action will be taken on the bill today. There will be no further votes today, to the best of my knowledge. When the Senate reconvenes on Monday, S. 3044 will be the pending business. When that is disposed of, and that will take a couple of days, to be optimistic, it will be followed by S. 354, the so-called no-fault automobile insurance bill.

This afternoon I intend to yield to the distinguished Senator from Georgia (Mr. NUNN), the distinguished Senator from Georgia (Mr. TALMADGE), and the distinguished Senator from Kansas (Mr. DOLE) for matters of importance which already have been cleared and about which the distinguished acting Republican leader knows.

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

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I have been asked to inquire about Calendar 710, S 2893, a bill to amend the Public Health Service Act.

Mr. MANSFIELD. Pardon me. I forgot to mention that. It is anticipated we will bring it up on Tuesday, setting aside the pending business briefly.

Mr. GRIFFIN. I thank the Senator for that notice.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. CANNON. Mr. President, title I of the bill affords an equal and fair opportunity to candidates of major, minor, or other parties, to obtain a certain amount of public financing from the Treasury of the United States if they can demonstrate a reasonable amount of support from the electorate in any geographic area in which an election is held and in which they intend to run for nomination for election or for election to Federal office. Any candidate who has a bona fide following who will make contributions to him or his authorized political committees sufficient to meet the base amounts set by the title, is entitled to receive matching payments from the government. Further, those contributions, under the bill, are eligible for matching payments only up to certain limits.

Any candidate who participates in, or who qualifies under State law to participate in, a Presidential preference primary and who desires to receive public financing from the Federal Government, must raise a threshold or "earnest money" fund before becoming eligible for the receipt of any public assistance.

The threshold amount is $250,000. While contributions may be received up to $3,000—which is the limit allowed by S. 372 on contributions by individuals or others—only the first $250 of any such contribution would be counted toward the base or threshold fund required.

The threshold fund would be required to be raised by a Presidential candidate only once—the first primary entered.

While the use of loans in the campaign process is accepted, in accordance with the provisions of existing law, including the disclosure of any loans made to or on behalf of any candidate, the committee believes that no loan should be counted in determining whether a candidate has raised his threshold amount.

To demonstrate a genuine appeal to the electorate, the candidate must raise his threshold from committed gifts, instead of mere loans which would be repaid from public funds after the threshold is raised. If the threshold could be raised from loans, in whole or in part, the spirit of the law would be violated.

Loans have their place and may be used for any other purpose during the entire period of election campaigning except for the raising of the "seed money" or threshold fund required to be raised by each candidate who desires to receive matching Federal funds in primary elections for Federal office.

Once having met the required threshold, the candidate would be eligible to receive an equal or matching amount from the Treasury. And, thereafter, each dollar contribution up to $250 would qualify the candidate to receive equal matching funds from the Government until he reaches the limit set for the amount he may spend in any primary election. That limit, as provided by the bill S. 372, and incorporated in this bill, is 10 cents multiplied by the voting age population of the geographic area in which an election is to be held, except, that in the case of Presidential primary elections, the limit is doubled for any given State. That is, the Presidential preference primary candidate may spend for any primary election in a particular State twice the amount that a candidate running for nomination to the Senate in that State may spend.

The reason for allowing Presidential preference primary candidates to exceed the limit set for any particular State, in contrast to the limit set for candidates for the Senate nomination or Representative at large nomination, is to give an unknown individual the opportunity to compete with one who enjoys a national identity or who is well known in a particular area of the Nation.

However, the bill S. 372 set an aggregate or overall limit on the amount which could be spent for the entire nominating process by a candidate seeking nomination to the office of President of the United States, and that overall limit is retained for that purpose in this bill; that is, 10 cents times the voting age population of the United States for the entire nomination period.

In calculating and auditing expenditures made from contributions received from private donors, every contribution up to and including $3,000 would be counted for the purpose of determining the total spending limitation. But, for the purpose of determining eligibility to receive public financing, only those private contributions up to $250 would be counted.

Any candidate who qualifies, under the law of the State in which he seeks nomination, to seek nomination for election to the office of U.S. Senator, Delegate, Resident Commissioner, or Representative from a State having only one Representative, must also raise a threshold or earnest-money base fund in order to be eligible to receive Federal matching funds.

Such a candidate would be required to raise an amount equal to the lesser of 20 percent of the maximum amount he may spend in his primary election, or $125,000. S. 372 set the limitation upon the amount which a candidate for nomination for election to the Senate may spend. It is the amount to be obtained by multiplying 10 cents times the voting age population for the geographic area—the State—but not less than $125,000. The $125,000 base was established as a reasonable minimum for expenditures by candidates of those States having small populations.

Therefore, the 20 percent threshold amount would begin with the $125,000 base and rise to the maximum, but for those States having very large populations; that is, California, New York, et cetera, the maximum threshold figure would be $125,000. So, a candidate for nomination to the Senate would be required to raise an amount not less than 20 percent of the base—$125,000—or $25,000, but not more than the maximum for eligibility, or $125,000.

For the Senate, as for the House of Representatives, only those individual contributions not in excess of $100 would qualify for public matching funds.

Once having met the threshold, all additional dollar contributions not in excess of $100 would qualify for matching Federal payments up to the limitation which a candidate for nomination to the Senate may spend in any States.

A candidate for nomination for election to the House of Representatives must raise a threshold amount of $10,000. The threshold is the same for all candidates seeking nomination for election to the House, except for those running in the States having only one Representative, or in the District of Columbia. The $100 limit on contributions eligible for matching payments applies as it does for the Senate.

Where separate runoff elections must be held to determine nominees for the Senate or the House of Representatives, the same provisions shall apply.

All candidates seeking nomination for election to the offices of President, Senator, or Representative, have the option of soliciting all private contributions up to the limitation on spending if they so choose, or seeking both private and public matching funds. Total public financing of primary elections is not provided.

Candidates participating in general election campaigns are treated differently, depending upon whether they are the nominees of major or of minor parties having no previous voting records.

A major party is defined as one whose candidates for President and Vice President in the preceding election received at least 25 percent of the total number of popular votes cast in the United States for all candidates for such offices.

A candidate nominated by a major party would be eligible to receive full public funding in his campaign for election up to the limit set by the bill S. 372—15 cents times the voting age population of the geographic area in which the election is to be held—as carried over into this public financing bill.

A minor party is defined to mean any political party whose candidates for President and Vice President in the preceding election received at least 5 percent but less than 25 percent of the total number of popular votes cast in the United States for all candidates for such offices.

A candidate nominated by a minor party would be eligible for public funding up to an amount which is in the same ratio as the average number of popular votes cast for all the candidates of the major party bears to the total number of popular votes cast for the candidate of the minor party.

Where only one political party qualifies as a major party, then that party whose candidate for election to a particular office at the preceding general election received the next greatest number of votes—but not less than 15 percent of the total number of votes cast—shall be treated as a major party and entitled to receive full public funding as

such for the current election. There are States in which one political party or the candidates of a political party is so popular or dominant as to render, in fact, all other parties minor parties, whether Democratic or Republican. Therefore, this provision will help to insure the equal entitlement of the Democratic and Republican parties, except in very rare instances where one of those parties would rank third.

The bill also takes into consideration the candidate who ran at the preceding election as a Democrat or Republican and received more than 25 percent of the votes cast and who then runs at the following election as an independent. When such a candidate switches from one party to another he does not carry with him the "track record"; that is, votes cast at the last general election, when he runs under another party label. He would be entitled to payments as an independent only if he receives at least 5 percent of the votes at the current election and his payments would be in reimbursements after the election, not before.

If that candidate runs again as an independent at the succeeding general election, and if he received more than 25 percent of the vote as an independent at the preceding general election, then he would be eligible for full public funding.

If a candidate of a minor party whose candidate for election to a given Federal office at the preceding general election received at least 5 percent of the votes cast, then he will be entitled to office, he will be entitled to receive public funds on a pro rata basis, and if at the current election that candidate receives more than 5 percent of the total votes cast, then he will be entitled to receive additional payments, as reimbursements to reflect the additional voter support.

In the general election, candidates may choose to receive all private contributions and no public funding, a blend of private and public funding within the limitations on expenditures for general elections as set forth in the bill, or, in the case of major party candidates, exclusively public funding.

Postelection payments are available to candidates in two situations.

First, if a minor party candidate or an independent candidate who is entitled to payments before the election in an amount which is less than the amount payable to the candidate of a major party before the election receives a greater percentage of the votes than the candidate of his party received in the last election—when compared to the average percentage received by a major party candidate in that election—he is entitled to receive an additional amount after the election. For example, if the average percentage of the votes received by a major party candidate in the preceding election was 30 percent and the minor party candidate received 15 percent of the votes in that election, the candidate of the minor party in the current election is entitled to a pre-election payment of half the amount to which a major party candidate is entitled. If the minor party candidate in the current election receives 40 percent of the vote and the average percentage received by the major party candidates is still 30 percent, the minor party candidate is entitled to a postelection payment equal to the amount of the preelection payment to which the major party candidates were each entitled, reduced by the amount of any payments he received before the election and the amount of any contributions he received for use in his campaign. If his preelection payment and his contributions, added together, equal the spending limitation for that race the amount of his postelection payment is zero. If the sum of his preelection payment and the contributions equals 90 percent of the spending limitation, his postelection payment is 10 percent of the spending limitation.

Second, a candidate who is not the nominee of a major or minor party and who did not receive more than 5 percent of the votes in the most recent general election for the same office, is not entitled to receive any preelection payments. If he takes the same steps before the election to become eligible for payments that other candidates must take in order to receive preelection payments, then, if he receives 5 percent or more of the votes in the current election he is entitled to a payment after the election which bears the same ratio to the maximum payment—equal to the spending limitation—as the number of votes he receives bears to the average number of votes a major party candidate receives. The postelection payment is reduced by the amount of contributions he receives for use in his campaign.

The rules under which the postelection payment may be used are basically these:

First. The candidate cannot incur campaign expenditures in excess of the amount of his limitation under proposed section 504. The limitation there is the same as the limitation that would apply if he were receiving preelection public financing of his campaign.

Second. The postelection payment may be used only to pay outstanding campaign debts.

Third. The candidate is regarded as having no outstanding campaign debts until he has spent all the amounts he received as contributions.

Fourth. Any part of the postelection payment which is left after paying his campaign debts must be returned to the Treasury for deposit back into the fund.

Appropriations may be made by the Congress based on the amounts taxpayers have designated for the fund under the checkoff system. Authority is provided for the appropriation of additional amounts if necessary.

The Internal Revenue Code of 1954 is amended to provide for the automatic designation of $2 of income tax liability of every individual whose income tax liability s $2 or more for the taxable year to the Federal election campaign fund, unless the individual elects not to make such a designation. In the case of a joint return of a husband and wife having an income tax liability of $4 or more, each spouse is considered to have designated that $2 shall be paid over to the fund unless he elects not to make such a designation.

If the taxpayer designations of $2 per individual of tax liability result in a sufficient total fund to meet the requirements of all candidates entitled to receive public financing, then the Congress may appropriate that amount for distribution by the Secretaary of the Treasury. If the amounts of designated tax payments to the fund do not result in a sufficient total amount to fulfill the entitlements of all qualified candidates, then the Congress may appropriate such additional sums as may be necessary to make up any deficit.

In the event that insufficient funds are available to meet the entitlements of candidates, and the Congress had not acted to appropriate amounts necessary to meet the entitlements of candidates, then such candidates may receive private contributions.

Any private contribution received would be limited to the ceilings established by the bill upon contributions from individuals or political committees and subject further to the amount of public financing, if any, that the candidate is entitled or elects to receive.

The Internal Revenue Code would be amended so as to allow an individual who has made a political contribution to a candidate or political committee or political party during a calendar year to claim in his tax return for that year a tax credit or a tax deduction.

The tax credit is limited to one half of the amount of the contribution made and to $25 per individual, or $50 on a joint return.

The tax deduction is limited to $100 per individual.

Thus these tax incentives would double the provisions set forth in the existing law as they were enacted in the Revenue Act of 1971.

Emphasis in this bill is placed upon candidates. But, to preserve the place of political parties in the elective process the bill provides that the national committee of a political party may spend for political purposes an amount not in excess of the amount to be obtained by multiplying 2 cents by the voting age population of the United States.

A State committee of a political party may spend an amount to be obtained by multiplying 2 cents by the voting age population of the State in which it functions.

Title II of the bill contains in part the text of S. 372—the Federal Election Campaign Act of 1973—which was passed by the Senate on July 30, 1973.

The committee amendments to S. 372 do not affect any of the substantive provisions relating to limitations upon contributions or limitations upon expenditures in primary or general elections. The amendments, instead, are intended to remove from the text only those matters which were considered nonessential or which duplicated other provisions of the bill, or which were changed by subsequent action of the Congress. For example, the section prohibiting mass mailing of newsletters, and so forth, within 60 days prior to the date of any election, was made unnecessary by the

enactment of Public Law 93-191, December 18, 1973, regulating the use of the frank.

Title II, in general contains provisions—relating to political broadcasting, and revising title III of the Federal Election Campaign Act of 1971—relating to reporting and disclosure.

The bill includes also the provisions of S. 372 which repeal the Campaign Communications Act, imposing limitations on amounts spent by candidates for Federal office for the use of broadcast and printed media in their campaigns. It also amends the Communications Act of 1934—

First, to remove Federal candidates from the equal time requirements of section 315 of that act;

Second, to require broadcasters to demand a certification by any Federal candidate, before charging him for broadcast time, indicating that the payment of charges for that time will not exceed his expenditure limit under title 18, United States Code, and to apply this provision to State and local candidates wherever similar limits are imposed on them by State law; and

Third, to require broadcasters to make certain announcements and keep certain records in connection with political broadcasts.

Title II of the bill is concerned with a general revision of title III of the Federal Election Campaign Act of 1971—relating to the disclosure of Federal campaign funds.

The bill establishes an independent Federal Election Commission within the executive branch to enforce the reporting and disclosure requirements of the 1971 act and to enforce certain provisions of chapter 29 of title 18, United States Code—relating to crimes related to political activity The Commission is given broad powers of enforcement, including the power to make presentations to Federal grand juries and to prosecute criminal cases.

In addition to a number of changes in the details of the reporting and disclosure requirements of the 1971 Act, title II—

First, requires a candidate for Federal office to designate a central campaign committee to serve as his central reporting and disclosure agent, and to designate campaign depositories into which all contributions and any public financing payments must be deposited and out of which all campaign expenditures—other than petty cash—must be made;

Second, increases penalties for violations of reporting and disclosure requirements to a maximum of $100,000 and 5 years' imprisonment for a knowing violation;

Third, requires that no expenditure in excess of $1,000 can be made in connection with a Presidential campaign unless that expenditure has been approved by the Chairman of the national committee of the political party or his delegate; and

Fourth, provides that excess campaign contributions may be used by a person elected to Federal office to defray expenses incurred in connection with that office or as a contribution to a charity.

Title III of the bill covers crimes relating to elections and political activities. It carries over the limitations on contributions by individuals and by political committees set by S. 372.

No individual may give to any candidate personally, or to any agents or committees authorized to function on behalf of the candidate more than $3,000 for each election in which the candidate participates.

No individual may give to all candidates and all political committees during any calendar year a total aggregate in excess of $25,000.

No political committee may contribute to any candidate or to his authorized agent or committee more than $3,000 for each election in which the candidate participates, but political committees are not bound by the $25,000 overall limit imposed upon individuals.

This title also requires that contributions and expenditures in excess of $100 be in the form of a written instrument.

Title IV of the bill requires annual reports by all candidates for Federal elective office, and all elected Federal officers, and other officers and employees of the Federal Government who are compensated at the rate of $25,000, or more, per annum. Reports would include all sources of income, gifts in excess of $100, the identity of assets valued at $1,000 or over, transactions in securities and commodities, and the purchase and sale of real property except the personal residence of the filer.

Mr. President, in this opening statement I have emphasized those provisions which are of utmost importance and which are the most current of the amendments to the Federal Election Campaign Act of 1971 as amended. Those latest features are related to the public financing procedures of the bill; that is, the manner in which a candidate becomes qualified for the receipt of matching Federal payments in a primary election, and the eligibility requirements for the receipt of public funds in a general election.

It is reasonable to assume that the Members of the Senate are familiar with the provisions of the existing law enacted on April 7, 1972, as amended by the bill S. 372 which passed the Senate on July 31, 1973, but which has not yet been acted upon by the House of Representatives.

Mr. President, I hope that the Senate will move with reasonable dispatch to consider the important provisions of this bill and to demonstrate to the Nation that this body is making every effort to enact a Federal election reform measure which will serve to restore public confidence in the elective process.

Mr. President, as a final comment I would refer again to my statement on March 20, 1974, when I compared the provisions of this bill. S. 3044, with the recommendations included in the President's March 8 message on election reform.

My statement appears on page S. 3968 of Wednesday's RECORD and I ask that the statement be reprinted at this point in my remarks.

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

STATEMENT BY SENATOR HOWARD W. CANNON IN RESPONSE TO THE PRESIDENTIAL MESSAGE OF MARCH 8, 1974, ON ELECTION REFORM

Mr. CANNON. Mr. President, on March 8, 1974, the President sent to the Congress a message on campaign reform. The message contained a number of recommendations, nearly all of which have already been enacted into law or have been passed by the Senate and are awaiting further action by the House.

In order to study and compare the White House proposals side by side with existing law and Senate-passed bills and pending bills, I have been awaiting the arrival of legislative proposals from the executive branch, but to date nothing has been submitted.

It is unfortunate, because the omnibus Senate bill, S. 3044, has been on the calendar since February 21—a month ago—and will soon be debated here in the Senate Chamber.

On Friday, March 15, 1974, the distinguished and very articulate senior Senator from Rhode Island, JOHN O. PASTORE, delivered a nationwide radio address—a congressional response to the President's message. Senator PASTORE's comments were printed in the CONGRESSIONAL RECORD of March 19, 1974, on pages 7081 and 7082, and I urge all of my colleagues to read them.

What Senator PASTORE said, in part, is that the Senate has been moving consistently toward the adoption of better and stronger election laws. The Federal Election Campaign Act of 1971 became law on April 7, 1972. That act requires timely, detailed disclosure of all receipts and expenditures by all candidates for Federal office and by all political committees raising or spending more than $1,000 in a calendar year.

The act covers all Federal elections—primary, runoff primary, special and general, and applies to caucuses and conventions.

In his message, the President stressed the need for such added reforms as:

First. A single authorized political committee for each candidate;

Second. Complete disclosure of identities of donors and recipients of campaign contributions;

Third. Limitations on contributions by a single contributor to Presidential and congressional candidates;

Fourth. Prohibitions against the use of cash, loans, and other gifts; and

Fifth. Creation of an independent Federal Election Commission.

Mr. President, I do not know where the advisers to the President have been in the past year or so, or what public information has been available to the President, but I thought it was perfectly clear that the Senate passed a bill, S. 372, last July 30, 1973, by a vote of 82 to 8, which incorporated the following provisions and more:

First. Limitations on contributions by individuals and political committees—not more than $3,000 to any candidate or political committee;

Second. Limitations on expenditures in primary and general elections—10 cents times voting age population in primaries and 15 cents for general elections;

Third. Prohibitions against the use of cash excess of $100 for contributions or expenditures;

Fourth. Requirement for a single central campaign committee for each candidate for election to Senate and House and not more than one such committee in each State for Presidential candidates;

Fifth. A campaign depository for each candidate where all deposits and withdrawals shall be recorded; and

Sixth. An independent Federal Election Commission to oversee the law and with

primary civil and criminal and prosecutorial power.

It is obvious that Senate action is months ahead of Presidential recommendations and should be given public credit.

This year, the bill I reported to the Senate on February 21, 1974, S. 3044, again incorporates the provisions of existing law and of the bill, S. 372. Further, S. 3044 recommends public financing of all Federal elections in order to allow any candidate to run for office without relying upon wealthy contributors or special interests.

The Senate, in both S. 372 and S. 3044, would repeal the equal time provisions of section 315 of the Communications Act of 1934; provide for modest tax credits or deductions for political contributions; and use the existing law dollar checkoff as a basic for financing Federal campaigns.

Except for a few suggestions to curb "dirty tricks" or to change the term of office for Federal elective offices—which would be a constitutional amendment—there is no significant point in the Presidential message which has not been considered and rejected by the Senate or incorporated into the existing law or the Senate-passed bill, S. 372.

In short, Mr. President, while the Congress and, to a greater degree, the Senate, has been fulfilling the need to provide meaningful needed election reform the executive again has demonstrated a practice of arriving with too little, too late.

INTERPARLIAMENTARY UNION MEETING IN BUCHAREST, RUMANIA—APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. HELMS). The Chair, on behalf of the Vice President, in accordance with Public Law 85-474, appoints the following Senators to attend the Interparliamentary Union Meeting, to be held in Bucharest, Rumania, April 15-20, 1974; the Senator from Alabama (Mr. SPARKMAN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Vermont (Mr. STAFFORD), the Senator from Delaware (Mr. ROTH), and the Senator from Virginia (Mr. WILLIAM L. SCOTT).

CONGRESSIONAL BUDGET ACT OF 1974

Mr. ERVIN. Mr. President, I wish to express my deep gratitude to the distinguished Senator from Maine (Mr. MUSKIE) and the distinguished Senator from Illinois (Mr. PERCY) for the magnificent assistance they have given in comanaging the bill.

I wish to express my gratitude to all members of the staff and particularly to Robert Bland Smith, Jr. and Bill Goodwin of the staff of the Committee on Government Operations for the assistance they have given me on the floor, and I wish to acknowledge my great obligation to Robert A. Wallace, consultant to the committee, and to Herbert Jasper for the assistance they have given me. I think as a result of the labors of these gentlemen and the two committees involved and the staffs of both committees, the Senate has adopted a bill which makes a long stride toward the effort to set up machinery by which Congress can do its part to put the Federal financial house in order.

Mr. PERCY. Mr. President, my comments will be very brief. I know that all of us are very encouraged by the 80 to 0 vote on the budget reform bill. All of us would recognize that it is not a perfect piece of legislation, but it is a good piece of legislation as could be put together now, and it will have to evolve to meet the situation in the future.

Congress is all too commonly accused of inaction coupled with ineptness. We are accused of inordinate delay, verging on irresponsibility. I think my colleagues will appreciate the significance of the fact that we began this great effort of reform only 17 months ago, in October 1972, when the Senate adopted the Debt Ceiling Act of 1972 and thereby created the Joint Study Committee on Budget Control. We have acted with all the speed adequate deliberations would allow. And, I believe we have produced an extremely significant reform that over time will prove to be of revolutionary importance.

Senator ERVIN, our distinguished chairman, has observed that this bill is one of the finest examples of the legislative process in his experience. I wholly concur. In it we have accommodated the diverse views of all committees and Senators. Yet we have retained a strong reform bill. We have chosen responsibility, not irresponsibility. We have chosen a new course of concern for the people's money, rather than continued unconcern. We have chosen to regain control of our own processes, rather than to let our control continue to erode. We have chosen to strengthen our institutions, rather than to continue to let them weaken.

For me, passage of this bill today represents the culmination of 17 months of work toward reform. On October 13, 1972, I introduced an amendment to H.R. 16810, the 1972 debt ceiling bill, to provide for a Committee on the Budget and the setting of an annual spending ceiling that would govern all spending. Later, in February, 1973, I introduced a bill, along with my distinguished colleagues Senator HARRY BYRD and Senator ALAN CRANSTON, to provide for a new congressional budget process. In our Committee on Government Operations we created a new Subcommittee on Budgeting, Management and Expenditures. One of its major purposes was to develop legislation to implement the work of the Joint Study Committee on Budget Control by producing workable budget reform legislation. On April 11, 1973, I introduced with Senator ERVIN the bill we have just passed, S. 1541. I feel a deep sense of personal fulfillment and satisfaction that the product we have wrought has been so overwhelmingly adopted.

I wish particularly to commend the distinguished Senator from North Carolina for his leadership of our committee during a year in which his time has been full of so many other important duties on behalf of the Senate and the Nation. Next I think we should all acknowledge our debt to Senator METCALF for his determined and impartial chairmanship of the Subcommittee on Budgeting, Management and Expenditures. The senior Senator from Maine (Mr. MUSKIE) has brought to bear his deep knowledge of congressional processes in order to fashion a more workable bill. Senator JAVITS is responsible for the bill's new emphasis on social goals and on public information about revenue losses due to special tax provisions. Senator ROTH and Senator NUNN have made a substantial contribution through their determination to enact a really meaningful reform. Senator BROCK has been one of the earliest advocates of reform and has contributed in many important ways to the advancement of the bill.

Finally, I wish again to call attention to the very distinguished Senator from West Virginia, the assistant majority leader (Mr. ROBERT C. BYRD) for his invaluable efforts directed at all times toward achieving a better bill.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. WILLIAM L. SCOTT. I appreciate the Senator's yielding, and I would certainly add my commendation to him and the floor leader, the Senator from North Carolina (Mr. ERVIN), for the work they have put into this bill, as well as their committee. I certainly hope it proves to be an effective measure that the Senate has unanimously adopted. I have reservations as to whether it will prove to be the cure-all that we hope will be accomplished. I doubt that we are going to find that the Senate is going to live by the dates that have been set. I hope it will. I heard the distinguished Senator from Arkansas (Mr. MCCLELLAN) make his comments some hours ago on this point, and I share his views and comments.

Frankly, I introduced a bill that would transfer the whole Office of Management and Budget from the executive branch to the legislative branch. In the event this bill does not pass, I hope serious consideration will be given to stronger measures, either the bill I introduced, cosponsored by the minority leader (Mr. HUGH SCOTT), or the measure which the Senator from Nebraska (Mr. CURTIS) has introduced.

The thrust of my remarks is that I hope this works. I have doubt that it will.

I appreciate the Senator's yielding.

Mr. PERCY. Mr. President, the concern expressed by the Senator from Virginia is well-founded. I know that the Senator from Maine (Mr. MUSKIE) and I worked hard on this bill for many, many months, and we had some sharp differences of opinion on approaches. While we had our differences on approaches, we never veered from the goal. I am glad to say that, after listening to the arguments of the distinguished Senator from Maine, I sometimes admitted that the opinions I had previously held and had been clinging to, receded.

But we are all concerned over the fact that in the last 5 years we have added $88 billion to the public debt, and if we include the off-budget items such as Ex-Im Bank and other Government-sponsored agencies such as the Federal National Mortgage Association, the total deficit in the budget in the past 5 years is $109 billion, all in a period of high

economic activity. I trust that, now that we have this legislation, when we bring it out of conference in final form and send it to the President for signature, we will really look at the question in the spirit of what we are trying to achieve. What we are trying to stop is inflation, which is on the verge of being ruinous for the people of this country, particularly the low-income people.

I recently took note of what Dr. Arthur Burns, Chairman of the Board of the Federal Reserve System, said in a statement before the Committee on Appropriations of the House on February 21:

> We have had deficits far too often over the years, and this pattern has raised serious doubts about our government's ability to exercise rational control over its tax and expenditure policies.
>
> Since 1950, we have had deficits in four years out of five, and the size and frequency of those deficits has tended to increase over the years.
>
> Numerous measures will be needed to restore general price stability. Among these, none is more important in my judgment than reform of the Federal budget.

We will have a marked impact on inflation if we have the will to restrain our expenditures and bring them more in line with our income; if we try to work together to accomplish this objective. We now have an orderly procedure in which to do that. This measure was passed in the great tradition of bipartisan action by Congress. No ideology was involved in it. We recognize that we must find ways of putting Congress in order, and that we must spend the people's money more prudently. The procedure is here established so we can do that.

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

Mr. PERCY. I yield.

Mr. MUSKIE. I would like especially to pay tribute to the distinguished chairman of the Government Operations Committee (Mr. ERVIN). Many of us undertook to make a contribution and an input into this legislation, but if he had not stepped in to assume leadership and to bring together potentially disagreeing elements in the Government Operations Committee, this effort might well have failed. He did so at a time when he was enormously occupied with the Watergate matter. This bill took a lot of time. He came in at the last moment, when he had not had the benefit of the background of the committee discussion that the rest of us had.

I would like to pay tribute to him and also to the distinguished Senator from Illinois (Mr. PERCY), the distinguished Senator from Tennessee (Mr. BROCK), and other members of the committee.

I would like to make this one comment with respect to the observations of the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT). What we undertook to do in this bill was to achieve a balance between imposing the discipline of established procedures without imposing strictures that would make the Senate restive and with which the Senate would refuse to live. That is not an easy balance to achieve. We might have erred on the side of looseness; we might have erred on the side of firmness; but the objective was to strike a balance because, in the last analysis, neither this bill nor any other bill that might have been conceived will work unless individual Senators in the aggregate want to make it work.

There is a framework here that I think is workable. I think it can be done. It represents a compromise, but I think the essential structure of what was established several months ago in the Government Operations Committee can be retained. Those of us who had a part in dealing with it to be sufficiently familiar with it believe it is workable. But it will not work unless Senators are willing to change their style of living in this body. That includes me, and I will not undertake to lecture anybody else. However, it is going to mean that we are going to have to keep our noses to the grindstone on a 10-month basis each year in following the deadlines to which the Senator from Virginia made reference. It is going to require that our entire office staffs are attuned to what is happening in the budget process for many weeks in a row.

That is not going to be easy to do, but I think it can be done. I think that with some 35 or 40 Senators, all told, now having had some responsibility for the bill in committee, and other Senators having had exposure to it for several days on the floor of the Senate, this vote represents an indication of a determination on the part of the Senate to make this process work.

So I move on to the next step with cautious optimism, I may say to the distinguished Senator from Virginia.

Mr. PERCY. Mr. President, I should like to say to our beloved majority leader that although we had a difference of opinion, I do not think we have a difference of opinion when I say that we are undertaking to ask our own Senate staffs to serve at levels of pay that are insufficient. The House has raised the salaries of its officers. I would hope that we could bring the salaries of our own Senate staffs up to a standard of living that is commensurate with their contribution and to the rising cost of living. We cannot ask families of our own staffs to bear this burden when for 5 years we have not raised their salaries.

Mr. ERVIN. Mr. President, this bill would never have reached the present stage had it not been for the diligent efforts of the distinguished Senator from Montana (Mr. METCALF), chairman of the Subcommittee on Budgeting, Management and Expenditures of the Committee on Government Operations. He conducted the original hearings, and in the development of the bill he manifested an earnest dedication to devising a workable piece of legislation. It is impossible for me to pay too high a tribute to Senator Metcalf for the great work and the ideas he brought to this legislation.

I would also like to say that other members of the committee, such as the distinguished Senator from Georgia (Mr. NUNN), did tremendous work on the bill. They all deserve the thanks of the Senate.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Georgia (Mr. NUNN).

EXECUTIVE SESSION

Mr. NUNN. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering a nomination.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of executive business.

Mr. NUNN. Mr. President, I call up the nomination of Col. Edward B. Burdett, U.S. Air Force, to be a brigadier general, which was reported earlier today.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Col. Edward B. Burdett, U.S. Air Force, to be a brigadier general, U.S. Air Force.

Mr. NUNN. Mr. President, Colonel Burdett was shot down over North Vietnam in 1967 and died while a prisoner of war. His remains are purported to be among those recently returned to the United States by the North Vietnamese.

Colonel Burdett was an outstanding officer who served the United States exceptionally well. Among his decorations are the Silver Star, Legion of Merit, Distinguished Flying Cross as well as many others.

He was to have been promoted to brigadier general in 1968, however, his nomination was withheld in order to protect him as he was known to be a POW.

It is only fitting that we recognize his exceptional service and sacrifice to his country by confirming his promotion.

Mr. TALMADGE. Mr. President, the President of the United States has nominated a Georgian to receive posthumously the rank of brigadier general in the Air Force.

Col. Ed Burdett of Macon was shot down, captured, and imprisoned by the North Vietnamese while flying a mission over Southeast Asia in 1967. Soon after, he became eligible for the rank of brigadier general, but his promotion was withheld for fear that it might cause him abuse at the hands of the enemy.

It is a tragedy that Colonel Burdett cannot receive this regard in person, having died in captivity. His remains have recently been released by the North Vietnamese, and his burial is imminent. He leaves a widow and a mother in Macon.

For that reason, I ask the Senate for a speedy confirmation of his nomination. There can be no higher sacrifice than a man's life for his country. Without the bravery and dedication such as Colonel Burdett's our country could never have become what it is today. Because men like him have died for our freedom, we are able to honor them for their acts of heroism. But no honor we bestow can fully voice our gratitude.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. NUNN. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. NUNN. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

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

DEATH OF FORMER SENATOR B. EVERETT JORDAN, OF NORTH CAROLINA—SENATE RESOLUTION 298

Mr. ERVIN. Mr. President, at the request of the distinguished Senator from Nevada (Mr. CANNON), chairman of the Committee on Rules and Administration, and with the cosponsorship of other members of the Committee on Rules and Administration, and the cosponsorship of my distinguished colleague from North Carolina (Mr. HELMS), I submit a resolution (S. Res. 298) and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable B. Everett Jordan, a Senator from the State of North Carolina from April 19, 1958, to January 2, 1973, and a former Chairman of the Committee on Rules and Administration for ten years.

Resolved, That the Secretary of the Senate communicate this resolution to the family of the deceased.

Resolved, That, when the Senate adjourns today, it adjourn as a further mark of respect to the memory of the deceased Senator.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the resolution.

Without objection, the resolution is agreed to.

Mr. CANNON. Mr. President, it was with profound sorrow that we learned last Friday, March 15, during the adjournment of the Senate, of the death that morning of our friend and former colleague, the Honorable B. Everett Jordan, who from April 19, 1958, until January 2, 1973, served with great distinction as the junior Senator from the State of North Carolina.

During most of that time it was my privilege to sit with him as a fellow member of the Committee on Rules and Administration, of which he was chairman during his last 10 years in the Senate, the longest period any Senator has ever held that position.

He was an effective leader whose hallmarks were unfailing integrity, friendliness, understanding, courtesy, humor, patience, kindliness, and a genuine interest in the problems of his fellow human beings.

He won for himself the respect and affection of his fellow Senators and the officers and employees of the Senate who came to know him through the years he was here, and many hundreds did know him as their friend.

At the end of his last term he held more chairmanships of committees, joint committees, and subcommittees than any other Member of either House of the Congress, and he was a hard-working, diligent man—but he was never too busy to exchange a friendly greeting with anyone he met in the corridors in the Capitol or to listen with concern to any problem of a Senator or a staff member or a constituent from his beloved North Carolina.

He drew on half a century of experience as a successful manufacturer of textile yarn, as a businessman and church, civic, and political leader deeply concerned with his community, State, and Nation, and as an unusually effective legislator ably representing the best interests of his country and his State in the Senate.

He and his lovely wife Katherine were devoted to each other and to their legion of friends here as well as in North Carolina. Our hearts go out to her and to their fine family in their time of sorrow.

Mr. ERVIN. Mr. President, I am sure that no Member of the Senate, since the Senate first convened in 1789, has ever had a kinder colleague than I had in the person of Senator Jordan. I think it is impossible to overmagnify his service to North Carolina and to the Nation, and the service he rendered as chairman of the Committee on Rules and Administration, and to his fellow citizens.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. ON TUESDAY, MARCH 26

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 11 a.m. on Tuesday next.

BENEFITS PAID UNDER TITLE XVI OF SOCIAL SECURITY ACT

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13025.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the text of the bill (H.R. 13025) to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act which was in lieu of the matter proposed to be inserted by the said amendment, insert:

SEC. 2. The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233) is amended by striking out "April" and inserting in lieu thereof "July".

Mr. TALMADGE. Mr. President, as it originally came over from the House, H.R. 13025 permitted payments under the new supplemental security income program to be made for up to 12 months to certain disabled individuals. The purpose of this was to give the Social Security Administration 12 months to complete its determination of whether these individuals meet the new Federal definition of disability.

This provision was approved without change by the Senate. However, the Senate added an amendment to the bill. Both parts of the Senate amendment deal with unemployment compensation.

Under the first part of the Senate amendment, extended unemployment benefits would continue to be paid for an additional 3 months in States whose insured unemployment rate is at least 4 percent. The House has accepted this part of the Senate amendment.

Present law allows States up to 2 years in which to pay back advances which they may receive from the Federal Government if they need them in order to pay unemployment compensation benefits. The second part of the Senate amendment would allow an additional year for repayment by States whose advances would otherwise be due for repayment this year.

It is this second part of the Senate amendment that the House has rejected in its action on the Senate-passed version of H.R. 13025. I have discussed this matter with the distinguished chairman of the Finance Committee, Senator LONG, and with the distinguished ranking minority member, Senator BENNETT We are all agreed that the Senate should send the bill forward to the President without delay to assure that neither disabled persons nor unemployed persons have their benefits cut off. However, we will have an opportunity to consider again the provision that the House rejected.

On this basis, Mr. President, I urge that the Senate send the bill on to the President as agreed to by the House.

Mr. President, I move that the Senate concur in the House amendment to the Senate amendment.

Mr. BENNETT. Mr. President, the Senator from Georgia, speaking for the chairman of the committee, also speaks for the ranking minority member, and I am happy to confirm the fact that we in the minority support the proposition that the bill go forward in the form suggested, and I urge the Senate to agree to the motion.

The PRESIDING OFFICER. (Mr. GRIFFIN). The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

S. 3228—A BILL TO PROVIDE FUNERAL TRANSPORTATION AND LIVING EXPENSE BENEFITS TO THE FAMILIES OF DECEASED PRISONERS OF WAR, AND FOR OTHER PURPOSES

Mr. DOLE. Mr. President, I introduce a bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes, and ask unanimous consent for its immediate consideration

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the bill (S. 3228) was read the first time by title and the second time at length; and the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, the morning paper carried a most compelling story of the family of an American prisoner of war who died in captivity in North Vietnam. His remains—along with those of 22 other deceased POW's—have been released by Hanoi for burial in the United States.

However, it appears that his family faces the prospect of bearing the entire cost of traveling to Washington from Sacramento, Calif., to attend the funeral ceremonies in Arlington National Cemetery.

This, naturally, will entail a considerable expense for the family of this man—Navy Capt. John Abbott—as well as for the families of the 22 other servicemen whose remains were released in the last 2 weeks. And another 32 Americans identified by North Vietnam as having died in captivity but not yet released.

As most Americans recall, our Government made a gracious and generous effort to accommodate the families of the 556 POW's who were released by Hanoi in 1973. When these men were returned, at last, to the continental United States their families were brought in from distant cities for the joyous reunions which the entire Nation so memorably witnessed on television. In addition these men and their wives, mothers, or sweethearts were brought to Washington last summer as the guests of the President and the entire country for a day of recognition and honor which culminated in a state dinner at the White House.

Of course, these were entirely appropriate and fitting courtesies for these brave men and their equally courageous families. However, it now appears that standard military regulations and requirements may work an unfortunate hardship on the POW families who were not among those whose joy we shared last year. There is no authority to provide other than the standard military death benefits to the families of prisoners who died while in captivity.

Therefore, I am introducing the Funeral Transportation and Living Expense Benefits Act of 1974 to, in some small way, accord appropriate courtesies to the families of our prisoners who died in captivity and whose remains will be returned in accordance with the Paris Peace Agreements of 1973 for burial in American soil.

I ask unanimous consent that the story from this morning's Washington Post be printed in the RECORD at this point.

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

[From the Washington Post, Mar. 22, 1974]

WIDOW MUST PAY WAY TO POW BURIAL

(By Ron Shaffer)

If Cecile Abbott of Sacramento, Calif. and her 12-year-old son make it to the Arlington Cemetery graveside for the burial of her POW husband, U.S. Capt. John Abbott, whose body was recently released by North Vietnam, it will only be because she paid the cost of getting there.

Mrs. Abbott thinks that's unfair, since the government spent so much money 14 months ago to bring relatives of 556 returning live POWs to stateside hospitals for reunions. And later the government spent more to bring over 500 POWs and relatives to the White House for a Presidential reception.

"I got to thinking about it," Mrs. Abbott said yesterday, "and it seemed inequitable that President Nixon could fly POWs and their wives to Washington for a big wing-ding at the White House, but someone at the top could not provide travel for 23 families of (dead) men returning from Vietnam."

Capt. Abbott died in captivity in North Vietnam, and in the last two weeks Hanoi released his remains along with those of 22 other imprisoned American servicemen who died there.

"Just because men come home in a coffin does not make them any less heroes than the ones who came back alive," said Mrs. Abbott.

A Navy spokesman who refused to be identified because of what he termed the sensitive nature of the problem, explained that the law does not allow the military to provide transportation for the families of men who died while in the service. "The law didn't allow us to do it for 55,000 men who died in Vietnam and we can't do it now."

The spokesman said he sympathized with the relatives of these 23 families—"I know what they're faced with and we would like to make it as easy as possible for them, but we're kind of tied down in this."

Mrs. Abbott, he said, would have been accorded the same treatment as the other families if her husband had come back alive.

Although the law is specific about what can be provided for relatives of men who die in the service, no one should begrudge the special treatment accorded to the POWs who returned safely, the Navy spokesman said. "After all," he said, "those POWs were something special to all of us."

Mrs. Abbott, 43, had just celebrated her 10th wedding anniversary when she received word that her husband had been shot down while flying his A-4 jet attack aircraft over North Vietnam. The military told her that a parachute had been sighted, but that a search and rescue team sent to the area reported no signs of the pilot.

That was April, 1966.

She heard nothing more until Jan. 27, 1973, the day the peace accord was signed in Paris. Then the North Vietnamese informed her that her husband had died after seven days in captivity.

Last week she received word from the military that the North Vietnamese said they were releasing the remains of her husband. There have been no other details about his death.

Capt. Abbott had enlisted in the Navy just before the end of World War II, Mrs. Abbott said. "He was a test pilot at one point, and he flew in Korea, and he had a chestful of medals."

Now, she says, with the latest message about her husband it's as if she is going through his death for the third time. "But I'm greatly relieved that finally we can bury his body on home soil."

The remains of the 23, all officers, according to the Pentagon, were taken to an American base in Thailand for identification after Hanoi released 12 bodies on March 6, and 11 on March 13. Negotiations are still under way for the 32 other Americans who Hanoi said died in captivity in South Vietnam.

The remains of six of the 23 released this month arrived at Travis Air Base in California yesterday. A Defense Department spokesman said their identities could not be divulged pending final identification work at the Oakland Army Terminal mortuary.

No timetable has been set for burial of any of the 23, or the return of the other 17 bodies from Thailand, according to a Defense Department spokesman.

Relatives of deceased servicemen are entitled to government transportation of the remains to a burial site selected by the next of kin, and up to $625 for interment costs in a private ceremony, depending on the type of funeral. A military ceremony is provided without charge upon request.

The next of kin of all men who die during military service receive a death gratuity of from $800 to $3,000, depending upon rank. This money can be used any way the family sees fit, including for funeral travel expenses, according to a Pentagon spokesman.

A serviceman's government-sponsored insurance provides $15,000 to beneficiaries, and the next of kin of men killed in action continue to receive full medical, commissary, and exchange privileges unless the widow remarries. The children continue in receiving those benefits until they are 21, unless they are adopted.

Mr. DOLE. Mr. President, I also ask unanimous consent that the Defense Department's March 7 and March 13 repatriation listings be printed in the RECORD at this point.

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

MARCH 7, 1974

The DRV has stated that remains of the following personnel, previously reported as having died in captivity, are those repatriated on March 6. Dates of capture and dates of death are those reported by the DRV. The remains are being examined at the Central Identification Laboratory in Thailand in order to confirm these identifications. All next of kin have been notified. Biographical data will not be released until identification is confirmed.

DATE OF CAPTURE AND DATE OF DEATH

Burdett, Edward B., Col, USAF: 18 Nov 1967; 18 Nov 1967.

Cameron, Kenneth B., Capt, USN: 18 May 1967; 4 Oct 1970.

Cobell, Earl G., LtCol, USAF: 5 Nov 1967; 5 Nov 1970.

Connell, James J., LtCdr, USN: 15 July 1966; 14 Jan 1971.

Dennison, Terry A., Cdr, USN: 19 July 1966; 21 July 1966.

Diehl, William C., Jr., LtCol, USAF: 7 Nov 1967; 8 Nov 1967.

Hartman, Richard D., Cdr, USN: 21 July 1967; 22 July 1967.

Newsom, Benjamin B., Col, USAF: 23 July 1966; 26 July 1966.

Pemberton, Gene T., Col, USAF: 23 July 1966; 24 July 1966.

*Schmidt, Norman, Col, USAF: 1 Sep 1966; 31 Aug 1967.

*Storz, Ronald E., LtCol, USAF: 28 Apr 1965; 23 Apr 1970.

**Previously declared dead—no release per Apr 1967; 25 Apr 1967.

MARCH 13, 1974

The DRV has stated that remains of the following personnel, previously reported as having died in captivity, are those repatriated on March 13. Dates of capture and dates of death are those reported by the DRV. The remains are being examined at the Central Identification Laboratory in Thailand in order to confirm these identifications. All next of kin have been notified. Biographical data will not be released until identification is confirmed and the next of kin advised.

DATE OF CAPTURE AND DATE OF DEATH

Abbott, John, Capt, USN; 20 Apr 66; 27 Apr 66.

Atterberry, Edwin L., LtCol, USAF; 12 Aug 67; 18 May 69.

Dodge, Ward K., Col, USAF; 5 Jul 67; 12 Jul 67.

*Previously declared dead.

**Weskamp, Robert L., Capt, USAF: 25 NOK request.

Frederick, John W., Jr., CWO4, USMC; 27 Feb 67; 19 Jul 72.

Griffin, James L., Cdr, USN; 19 May 67; 21 May 67.

Grubb, Wilmer N., LtCol, USAF; 26 Jan 66; 4 Feb 66.

Heggen, Keith R., LtCol, USAF; 21 Dec 72; 26 Dec 72.

Sijan, Lance P., Capt, USAF; 12 Jan 68; 22 Jan 68.

Smith, Homer L., Capt, USN; 20 May 67; 21 May 67.

Stamm, Earnest A., Cdr, USN; 25 Nov 68; 16 Jan 69.

Walters, Jack, LtCdr. USN; 19 May 67; 20 May 67.

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

Mr. DOLE. I yield.

Mr. MATHIAS. I applaud the Senator from Kansas for responding in a very human and sensitive way to what is, I think, an obligation, certainly a moral obligation, on the part of the Government, and I hope he will permit me to become a cosponsor of the bill.

Mr. DOLE. I ask unanimous consent that the Senator from Maryland be made a cosponsor.

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

Mr. DOLE. I have cleared this measure with the Senator from Texas (Mr. TOWER), the chairman of the committee, the Senator from Mississippi (Mr. STENNIS), and the Republican and Democratic leadership. It occurs to me, as one who has followed very closely the actions of our POW's and MIA's, their families, and the Government in this area that we are doing something that should be done.

I also ask unanimous consent that the names of the Senator from Michigan (Mr. GRIFFIN) and the Senator from New Mexico (Mr. DOMENICI) be added as cosponsors.

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

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

The bill (S. 3228) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3228

A bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes

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 "Funeral Transportation and Living Expense Benefits Act of 1974."

SEC. 2. FINDINGS.—(a) The United States did in 1973 provide transportation and other amenities to families of 556 returned prisoners of war for reunions upon these men's arrival in the continental United States after release from imprisonment by the Government of the Democratic Republic of Vietnam and did in 1973 also provide transportation and other amenities to these returned prisoners of war and their families to attend ceremonies in their honor in Washington, District of Columbia.

(b) The remains of other prisoners of war, having died in captivity in Southeast Asia, are now being returned to the United States for burial.

(c) The United States owes no lesser degree of respect, honor, or solicitude to the memories of the men who died in captivity and their families than in the cases of those who survived and returned alive to the United States.

(d) It is fitting and proper, therefore, as a mark of respect to those men who died in captivity while serving in the Armed Forces of the United States, that comparable courtesies and amenities be extended to the families of these deceased military personnel.

SECTION 3. BENEFITS.—The Secretary of Defense is authorized to provide funeral transportation and living expenses benefits for the family of any deceased member of the Armed Forces who shall have died while classified as a prisoner of war or as missing in action during the Vietnam conflict and whose remains shall have been returned to the United States after January 27, 1973.

(b) Such benefits shall include transportation round trip from such family members' places of residence to the place of burial for such deceased member of the Armed Forces, living expenses, and other such allowances as the Secretary shall deem appropriate.

(c) Eligible family members shall include the deceased's widow, children, stepchildren, mother, father, stepfather, and stepmother, or if none of these shall desire to be granted such benefits, the deceased's brothers, sisters, half brothers and half sisters.

THE ETHICS COMMITTEE SELECTS A NEW CHAIRMAN

Mr. STENNIS. Mr. President, under the terms of the resolution that created the Senate Ethics Committee, that committee selects its own chairman.

We have always been and we still are a nonpartisan committee, with three members from the minority and three from the majority. We have thought, though, that it is better that the chairman be selected from the majority with reference to matters that might have to be presented on the Senate floor, and that the procedures would fit in better.

At a meeting of this committee yesterday afternoon, the Chairman—I have been chairman now for some years—talked with the Senator from Georgia (Mr. TALMADGE), who was the next ranking member of the majority party, about the matter. Mr. TALMADGE thought that he was already greatly burdened with work and could not carry on as chairman; I therefore nominated for chairman the Senator from Nevada (Mr. CANNON).

Mr. President, the vote for his selection as chairman was not a close vote; it was unanimous. He is a man of fine ability and high integrity.

I continue, Mr. President, as a member of the committee. The other members are the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Massachusetts (Mr. BROOKE), and I have already mentioned the Senator from Georgia and the Senator from Nevada.

As I say, I am not leaving the committee, Mr. President, but the Senator from Utah (Mr. BENNETT) and I have been on this committee since its inception. It has been a privilege to serve with all of them, but I wanted to pay special tribute to him. We have been in some tight places and up against some hard rocks, and he never varies in the least from principles of highest integrity. I have found that true also of the other members of the committee, but I wanted to pay special tribute to the Senator from Utah.

Mr. President, I yield the floor.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 711, 712, 713, and 714, in order.

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

ARTHUR RIKE

The bill (S. 404) for the relief of Arthur Rike was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any statute of limitations, or lapse of time, or bars of laches or any proceeding heretofore had in the United States District Court for the District of North Dakota, jurisdiction is hereby conferred upon the United States District Court for the District of North Dakota to hear, determine, and render judgment upon any claim filed by Arthur Rike against the United States for compensation for personal injury, medical expenses, and property damage sustained by him arising out of an accident which occurred on December 24, 1964, allegedly as a result of negligent operation of a motor vehicle by an employee of the United States while acting within the scope of his Federal employment.

SEC. 2. Suit upon any such claim may be instituted at any time within one year after the date of the enactment of this Act, and any judgment rendered as a result of such suit shall not exceed the sum of $10,000.

SEC. 3. Nothing in this Act shall be construed as an inference of liability on the part of the United States. Except as otherwise provided herein, proceedings for the determination of such claim, and review and payment of any judgment or judgments thereon, shall be had in the same manner as in the case of claims over which such court has jurisdiction under section 1346(b) of title 28, United States Code.

CHATTOOGA RIVER, NORTH CAROLINA, SOUTH CAROLINA, AND GEORGIA

The Senate proceeded to consider the bill (H.R. 9492) to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia, as a component of the National Wild and Scenic Rivers System, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Wild and Scenic Rivers Act (82 Stat. 906; 16 U.S.C. 1274 et seq.), as amended, is further amended as follows:

(a) In section 3(a) after paragraph (9) insert the following new paragraph:

"(10) CHATTOOGA, NORTH CAROLINA, SOUTH CAROLINA, GEORGIA.—The Segment from 0.8 mile below Cashiers Lake in North Carolina to Tugaloo Reservoir, and the West Fork Chattooga River from its junction with Chattooga upstream 7.3 miles, as generally depicted on the boundary map entitled 'Proposed Wild and Scenic Chattooga River and Corridor Boundary', dated August 1973; to be administered by the Secretary of Agriculture: *Provided,* That the Secretary of Agri-

culture shall take such action as is provided for under subsection (b) of this section within one year from the date of enactment of this paragraph (10): *Provided further*, That for the purposes of this river, there are authorized to be appropriated not more than $2,000,000 for the acquisition of lands and interests in lands and not more than $809,000 for development.".

(b) In section 7(b)(i) delete "five-year" and insert in lieu thereof "ten-year".

(c) In section 16 delete "$17,000,000" and insert in lieu thereof "$37,600,000".

(d)(1) In section 4 delete subsection (a) and insert in lieu thereof the following:

"SEC. 4. (a) The Secretary of the Interior or, where national forest lands are involved, the Secretary of Agriculture or, in appropriate cases, the two Secretaries jointly shall study and submit to the President reports on the suitability or nonsuitability for addition to the national wild and scenic rivers system of rivers which are designated herein or hereafter by the Congress as potential additions to such system. The President shall report to the Congress his recommendations and proposals with respect to the designation of each such river or section thereof under this Act. Such studies shall be completed and such reports shall be made to the Congress with respect to all rivers named in subparagraphs 5(a) (1) through (27) of this Act within three complete fiscal years after the date of enactment of this amendment: *Provided, however*, That with respect to the Suwanee River, Georgia and Florida, and the Upper Iowa River, Iowa, such study shall be completed and reports made thereon to the Congress prior to October 2, 1970. With respect to any river designated for potential addition to the national wild and scenic rivers system by Act of Congress subsequent to this Act, the study of such river shall be completed and reports made thereon by the President to the Congress within three complete fiscal years from the date of enactment of such Act. In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of developments which, if undertaken, would render the rivers unsuitable for inclusion in the national wild and scenic rivers system. Every such study and plan shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act (79 Stat. 244; 42 U.S.S. 1962 et seq.).

"Each report, including maps and illustrations, shall show among other things the area included within the report; the characteristics which do or do not make the area a worthy addition to the system; the current status of land ownership and use in the area; the reasonably foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the national wild and scenic rivers system; the Federal agency (which in the case of a river which is wholly or substantially within a national forest, shall be the Department of Agriculture) by which it is proposed the area, should it be added to the system, be administered; the extent to which it is proposed that such administration, including the costs thereof, be shared by State and local agencies; and the estimated cost to the United States of acquiring necessary lands and interests in land and of administering the area, should it be added to the system. Each such report shall be printed as a Senate or House document."

(2) In section 5 delete subsection (b) and reletter subsections (c) and (d) as (b) and (c), respectively.

(3) In section 7(b)i) delete all after "Act" and insert in lieu thereof "or the three complete fiscal year period following any Act of Congress designating any river for potential addition to the national wild and scenic river system, whichever is later, and".

(4) In section 7(b)(ii) delete "which is recommended", insert in lieu thereof "the report for which is submitted", and delete "for inclusion in the national wild and scenic rivers system".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. WANDA MARTENS

The bill (S. 240) for the relief of Mrs. Wanda Martens was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Federal Employees' Compensation Act, as amended, Mrs. Wanda Martens of Havre, Montana, widow of Jesse Otha Martens, shall be deemed to be entitled to receive payments of benefits and compensation under such Act, from and after the date of the death of the said Jesse Otha Martens, in like manner as if the Secretary of Labor had found that the death of the said Jesse Otha Martens on July 9, 1960, resulted from an injury sustained by him while in the performance of his duties as an Immigrant Inspector, Immigration and Naturalization Service, Department of Justice.

SEC. 2. Any amounts payable by reason of the enactment of this Act with respect to any period prior to the date of such enactment (including funeral and burial expenses) shall be paid in a lump sum within sixty days after the date of enactment of this Act.

SEC. 3. The provisions of section 23 of the Federal Employees' Compensation Act, as amended, shall be applicable with respect to any claim for legal services or for any other services rendered in respect to any claim for benefits or compensation by the said Mrs. Wanda Martens covered by the preceding sections of this Act.

CUMBRES AND TOLTEC SCENIC RAILROAD COMPACT

The bill (S. 2362) granting the consent and approval of Congress to the Cumbres and Toltec Scenic Railroad Compact was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent and approval of Congress is hereby given to the Cumbres and Toltec Railroad Compact as agreed to by the States of Colorado and New Mexico, which compact is as follows:

"CUMBRES AND TOLTEC SCENIC RAILROAD COMPACT

"The State of New Mexico and the State of Colorado, desiring to provide for the joint acquisition, ownership, and control of an interstate narrow gauge scenic railroad, known as the Cumbres and Toltec Scenic Railroad, within Rio Arriba County in New Mexico and Archuleta and Conejos Counties in Colorado, to promote the public welfare by encouraging and facilitating recreation and by preserving, as a living museum for future generations, a mode of transportation that helped in the development and promotion of the territories and States, and to remove all causes of present and future controversy between them with respect thereto, and being moved by considerations of interstate comity, have agreed upon the following articles:

"ARTICLE I

"The States of New Mexico and Colorado agree jointly to acquire, own and make provision for the operation of the Cumbres and Toltec Scenic Railroad.

"ARTICLE II

"The States of New Mexico and Colorado hereby ratify and affirm the agreement of July 1, 1970, entered between the railroad authorities of the States.

"ARTICLE III

"The States of New Mexico and Colorado agree to make such amendments to the July 1, 1970, agreement and such other contracts, leases, franchises, concessions, or other agreements as may hereafter appear to both States to be necessary and proper for the control, operation, or disposition of the said railroad.

"ARTICLE IV

"The States of New Mexico and Colorado agree to the consideration of the enactment of such laws or constitutional amendments exempting the said railroad or its operations from various laws of both States as both States shall hereafter mutually find necessary and proper.

"ARTICLE V

"Nothing contained herein shall be construed so as to limit, abridge, or affect the jurisdiction or authority, if any, of the Interstate Commerce Commission over the said railroad, or the applicability, if any, of the tax laws of the United States to the said railroad or its operation.".

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from New Mexico (Mr. DOMENICI) is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. DOMENICI. I yield.

ORDER FOR RECOGNITION OF SENATORS PROXMIRE AND PASTORE ON TUESDAY NEXT; AUTHORITY FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS, AND FOR FURTHER CONSIDERATION OF THE UNFINISHED BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, the Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes, after which the Senator from Rhode Island (Mr. PASTORE) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate resume the consideration of the unfinished business, the campaign financing bill.

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

DIPLOMATIC RELATIONS WITH EUROPEAN COUNTRIES

Mr. DOMENICI. Mr. President, I rise today to address this body on a matter

of deep concern to me, and to those New Mexicans, those Americans that I have had the time to visit with on my recent trip to my home State. I have had a look at the recent exchange between representatives of our Government and representatives of the European nations from the view point of the average American, the American far from the supersophisticated syllogisms and high-blown bureaucratic mechinations of Washington.

Let me put it bluntly, Mr. President. My friends in New Mexico are more than a little perplexed by the recent statements by leaders of the European alliance. When Michel Jobert of France says that "the presence of U.S. Forces in Europe is not fundamental;" when a British official says that Secretary Henry Kissingers' call for cooperation among oil consuming nations of the West is "naive;" when the Japanese officials claim that "our need for oil makes our position very delicate and very vulnerable;" when these things are said in light of the past, my friends, who pay their taxes, who went to war in Europe, and whose children are stationed in Europe, stand confused.

Let me put it more bluntly. When Monsier Jobert fought in the south of France, and in Italy, in 1944 and 1945, with the aid of millions of dollars of American materiel, and with blood of American fighting men flowing next to him, did he think that we in this country were saying, "The presence of the Nazis in France is not of fundamental importance?" When our British friend found American troops staggering into Normandy did he believe we were "politically naive?" And when we spent millions of dollars to reconstruct Japan after the World War, did some high government official in this Nation counsel caution? We all know the answers to those questions: We did none of those. We did our duty as both reality and morality dictated it. We may have been naive, we may have mistaken fundamental things for superficial things upon occasion, we may not have been as cautious as our hindsight counsels us. But our errors were errors of compassion. We have heeded self-interest certainly, but we have listened most often to the needs of our allies. Figures lie, one sage says, and they do not lie, another tells us. Be that as it may, I will remind my fellow Senators of the magnitude of the sacrifice of this Nation for the cause of Europe during the past five and one-half decades.

This Nation has more than 300,000 troops stationed in Europe. Our NATO commitment exceeds $16 billion annually. France itself still owes this Nation, in principal and interest due, but unpaid, more than $8.8 billion from World War I alone. During World War II, America contributed more than $48.7 billion through lend lease—and then we turned around and only asked for repayment of $2 billion of that. In other words, this Nation gave to the European community in its time of greatest danger more money than our Federal Government spends annually to feed our poor, to heal our elderly, or to educate our young. When France found itself in dire straits in Vietnam in the early 1950's, who did it turn to for assistance? And we responded with arms and money, much to our eventual sorrow. In the post-World War II period, America gave foreign grants and credits exceeding $148 billion. I could mention that $10 billion in liberty loans of World War I; the $13 billion under the Marshall plan; or the fact that no nation except Finland is current in its repayment of World War I debts to this Nation.

We, then, have not been reluctant to shoulder our part of the burden of protecting freedom in this world. We have not been "cautious" when it comes to helping our friends. Sometimes our aid has been in our own best interests—as certainly our involvement in World War II was. But our aid has always been tinged with genuine concern for our friends in Europe. We have troops there now because we believe the security of Western Europe is important, but also because we believe we have to make a stand there for freedom.

If we had spent that $13 billion in the Marshall plan on petroleum and energy research and development in this Nation, instead of giving it to Europe, we probably would not have a petroleum/energy shortage in this Nation right now. If we had spent $49 billion in this Nation on rural development and economic expansion, we would not have the terrible problems of the cities and the impoverished we are battling now.

Can you imagine, Mr. President, the status of our drive to clean up the air and water of this Nation if we had spent $5.3 billion to protect the environment instead of offering it to our allies in the form of civilian supplies?

Where would rural development and improved secondary highway programs be in this Nation if we had spent $5.4 billion on them instead of spending that amount on economic development loans overseas?

I am not talking about military expenditures now. I am talking about non-military, humanitarian aid for the poor, for the ravaged, for the destitute. I am talking about more than $45 billion in AID and predecessor agencies for the period 1946–67 alone. I am talking about $15 billion in the food for freedom program; $10 billion through the Export-Import Bank; and, while I do not wish to seem unfriendly to Monsieur Jobert, I am talking about more than $3 billion in AID and predecessor programs, $20 million in food for freedom grants, and a total of more than $5 billion in overall economic aid to France alone.

So it saddens me when I read that after our Energy Conference, held despite the stern objections of Monsieur Jobert, and the agreements we reached there with 12 of our friends, the Common Market nations on March 4 joined with France in authorizing independent economic and technical cooperation with 20 Arab nations.

I understand why President Nixon and Secretary Kissinger were upset by the lack of consultation. We thought we had a mutual understanding. It turned out, apparently, that only we held that understanding, that the agreement was a one-way street.

I have cautioned this body before about detente, explaining that reducing tensions is a noble goal, but that we must insist that detente be a two-way street. I am glad that President Nixon has told the Europeans that cooperation between longtime friends is also a two-way street. We can survive the energy shortage, because we have the economic strength and the technology. Europe would be worse hit by skyrocketing oil prices—Walter Levy's analysis of increased oil costs to Europe showed $39.7 billion from 1972 to 1974, while America would have had to pay $15.9 billion more and Japan $12.8 billion. Plainly, our desire for cooperation among consuming nations was in the best interests of Europe, as well as us. Yet, the Europeans apparently saw fit to make their own deal.

Let me tell this body, and our European friends, what the people I talk to say about this whole situation. They say, "If France does not think our troop presence is of fundamental importance, then let us take our troops out of Europe. Let us let the French pick up a bigger part of the cost of defending Europe. Let us go ahead and bring our troops home, save all that money, strengthen our dollar overseas, cut down on defense costs, and let the Europeans make their own deal for defense, since they are so anxious to make their own deal for energy." That is a summary of what the people told me, those who pay the bill, the taxpayers in my State and wherever I find them.

I think the American people raise a good question: If we are no longer wanted in Europe, why are we there? I assure our European friends that there is plenty of sentiment in this body for removal of our troops from Europe and for stopping foreign aid, without aggravating the situation by harsh remarks. If the time has come for a fundamental reevaluation of our position within the Atlantic alliance, then let us begin the job now. If our sacrifice, told in blood, sweat, tears, and prodigious productivity, is no longer appreciated; if our risk is no longer of "fundamental importance"; if our good will is no longer believed, then I say it is time to remove ourselves as a source of irritation and unpleasantness to our European friends. It may well be that they will love us more when we are gone.

I will add, only, Mr. President, that I present these remarks in the spirit of one who has voted to continue our help to the poor nations, to the needy peoples of the world. I feel that we have a moral commitment to help those who are less fortunate than we are. I feel that we have, as a Christian nation, the duty and the burden of sharing with our brothers in other lands. The majority of Americans have agreed with me and still do, I believe. They are willing to cut down a little on domestic programs to give a helping hand to nations across the globe.

While we often have been philanthropic for some perceived self-interest, as I pointed out earlier, we most often have been generous because we are a

good and considerate people, and our people are concerned about all people.

I hope Mr. President, that we will get a chance soon to air this issue in its entirety. Perhaps we have overstayed our welcome or have done too much for our friends. Perhaps we have been a bit naive all along, though, I conclude, never ungenerous and never without charity.

Mr. RANDOLPH. Mr. President, will the distinguished Senator from New Mexico yield?

Mr. DOMENICI. I am delighted to yield to the Senator from West Virginia.

Mr. RANDOLPH. I would like, for the record, just to give one example of what one person did in Turkey. This man came from the United States of America as an employee of AID. He came from the Midwest to Ankara, Turkey. He gave of his knowledge of farming. For part of the years he was there, he assisted in the use of machines in farming operations.

Because of his knowledge, and his efforts working with Turkish farmers, their productivity was increased many, many fold. The exports of goods increased substantially. This is but the contribution of one man from the AID organization—unheralded, unapplauded, but certainly representative of that larger group of individuals whose contributions are constructive in nature and to whom praise should be given for their endeavors in aiding people in faraway countries.

It is important that the Senator from New Mexico assess the value of this Nation's representatives who work with the peoples of other countries.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. 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 RECOGNITION OF SENATOR RANDOLPH AND SENATOR ROBERT C. BYRD ON THURSDAY, MARCH 28, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on next Thursday, March 28, 1974, after the two leaders or their designees have been recognized under the standing order, Mr. RANDOLPH be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) be recognized for not to exceed 15 minutes.

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene next on Tuesday of next week at the hour of 11 a.m. After the two leaders or their designees have been recognized under the standing order Mr. PROXMIRE and Mr. PASTORE will be recognized each for not to exceed 15 minutes, and in that order; after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 5 minutes.

At the conclusion of the period for the transaction of routine morning business the Senate will resume consideration of the then unfinished business, S. 3044, the public financing of campaigns bill. There is no time limitation on that bill. To repeat the optimistic statement by Mr. MANSFIELD, it is hoped that action on the measure may be completed in a couple of days.

Also on Tuesday it is anticipated that S. 2893, a bill to amend the Public Health Service Act may be called up and acted upon.

Also on Tuesday S. 1835, the so-called servicemen's group life insurance bill, may be called up and acted upon.

Conference reports may be called up at any time. Yea-and-nay votes may occur on Tuesday next.

ADJOURNMENT TO 11 A.M., TUESDAY, MARCH 26, 1974

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, and pursuant to the provisions of Senate Resolution 298, as a further mark of respect to the memory of the late Senator B. Everett Jordan of North Carolina, that the Senate stand in adjournment until 11 a.m. on Tuesday next.

The motion was agreed to; and, at 3:30 p.m., the Senate adjourned until Tuesday, March 26, 1974, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate on March 22, 1974:

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of Chapters 35 and 837, Title 10, United States Code:

To be major general

Brig. Gen. Arthur W. Clark, [redacted] FV, Air Force Reserve.

Brig. Gen. William Lyon, [redacted] FV, Air Force Reserve.

Brig. Gen. Oscar D. Olson, [redacted] FV, Air Force Reserve.

Brig. Gen. Alfred Verhulst, [redacted] FV, Air Force Reserve.

Brig. Gen. John S. Warner, [redacted] FV, Air Force Reserve.

To be brigadier general

Col. Bruce M. Davidson, [redacted] FV, Air Force Reserve.

Col. Edward Dillon, [redacted] FV, Air Force Reserve.

Col. George M. Douglas, [redacted] FV, Air Force Reserve.

Col. Arthur A. Gentry, [redacted] FV, Air Force Reserve.

Col. Irving B. Holley, Jr., [redacted] FV, Air Force Reserve.

Col. Harry J. Huff II, [redacted] FV, Air Force Reserve.

Col. Willard G. Hull, [redacted] FV, Air Force Reserve.

Col. James D. Isaacks, Jr., [redacted] FV, Air Force Reserve.

Col. Orrin W. Matthews, [redacted] FV, Air Force Reserve.

Col. Alvin J. Moser, Jr., [redacted] FV, Air Force Reserve.

Col. Dalton S. Oliver, [redacted] FV, Air Force Reserve.

Col. Frank J. Parrish, [redacted] FV, Air Force Reserve.

Col. Barnett Zumoff, [redacted] FV, Air Force Reserve.

CONFIRMATION

Executive nominations confirmed by the Senate March 22, 1974:

IN THE AIR FORCE

The following officer for temporary appointment to the grade of Brigadier General in the United States Air Force under the provisions of Chapter 839, Title 10 of the United States Code:

To be brigadier general

Col. Edward B. Burdett, [redacted] FR, Regular Air Force.

EXTENSIONS OF REMARKS

SENATOR WILLIAM V. ROTH SPEAKS BEFORE THE MILFORD CHAMBER OF COMMERCE

HON. WILLIAM V. ROTH, JR.

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Friday, March 22, 1974

Mr. ROTH. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks a recent speech I made in Delaware, before the Milford Chamber of Commerce.

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

STATEMENT OF SENATOR WILLIAM V. ROTH, JR., BEFORE THE MILFORD CHAMBER OF COMMERCE ON MARCH 18, 1974

Ladies and gentlemen of the Chamber of Commerce, it is a great pleasure for me to be here in Milford. I am not sure how many of you may have heard me when I was at the Rotary Club in early February, but those of you who did may recall that on that occasion I discussed the energy crisis. Our State and Nation's energy problems, of course, are still very much with us and continue to occupy the majority of my time in Washington. Many of us believe that we would not be in such bad straits today if we had exercised more foresight a few years ago. I recall that in 1970 a number of experts testified in Congressional hearings that our country could be faced with very serious energy shortages in a few years. In response to this testimony, I had introduced a bill to establish a Commission on Fuels and Energy to provide a complete assessment of the problem and make recommendations on how an energy crisis should be avoided. Unfortunately, as so often happens, no action was taken until the crisis was already upon us.

I mention this incident because I believe it illustrates the importance of taking a long range view of our problems and seeking in-

telligent approaches before they become crises. Today I want to apply the lesson that we should have learned from the energy crisis by discussing another area of public policy which I believe a critical and careful examination of the future is vitally needed. This is the area of our national defense. I have no doubt that we will recover from the energy crisis, but America cannot afford to have a "security crisis" a few years down the road.

Defense, of course, is already one of the country's most controversial subjects. It disturbs me, however, that much of the current debate is cast in very superficial terms. On one hand, there are those who contend that our defense effort should be greatly reduced because of the detente policy with the Soviet Union or because of other budgetary priorities. On the other hand, there are those who argue that Congress should approve all new military spending programs.

What is too often lost in the loose talk about too much defense or too little defense is that a sound defense policy, like most other major public policies, involves a careful and delicate balancing of competing considerations. Internationally, we must find a proper balance between the need for an effective free world defense on the one side and the risk on the other side that if we build up too much we might give new impetus to a costly and dangerous arms race. Domestically, we must have a strong defense, but we must also guard against prodigal defense and other Federal spending that is one of the root causes of inflation.

Let us look first at the international context of our defense policies. There is a substantial element in the country today who believe that the United States can retreat without harm from its commitments in Europe and Japan. This argument is often buttressed by one or the other of two premises—that the Soviet Union has so reformed that it would not attempt to exploit an American withdrawal to pursue its own interests around the world or that even if she did, it would not harm America's vital national interests. I believe both premises are fallacious.

The nature of the communist ideology, the nature of the Soviet domestic system, and the evidence of recent Soviet behavior—both in Czechoslovakia and in the Middle East—demonstrate that the USSR is neither ready to give up its sphere of domination in Eastern Europe nor willing to abandon its policy of attempting to fill the vacuums of power that may develop around its borders. We must remember that while there are now many competing centers of political influence in the world, there are still only two military superpowers. If the United States retreats prior to having established a sound basis of relations with the Soviet Union, vacuums will be created that only the Soviet Union can fill.

We cannot, however, relax our efforts to achieve a sound basis of relations with the Soviet Union. I strongly support a continued search for common areas of interest in limiting arms. Arms limitations agreements must provide equal benefits for both sides; they must be verifiable so that we can be sure that the other side is living up to its bargain; and, they must be subject to Congressional approval and continued Congressional oversight. Even with these safeguards, arms limitations agreements may entail an element of risk. We do not live in a world free from risk. It is necessary to take some risks for peace because there are much greater risks in unchecked arms races. Unabated arms races may result in more defense, but they mean less security. I hope that both countries will recognize their common interests—both political and economic—in arms limitations.

This brings me to the domestic context of our defense policy. While we need a strong defense, we must also practice economy in the defense area. As an advocate of a balanced budget and fiscal responsibility and a foe of inflation, I deplore the attitude of some in the military who think that the normal strictures against waste and careless use of the taxpayers' money does not apply to them. No one should believe that the mere invocation of the words "national security" guarantees free and unlimited access to the United States Treasury. Defense is not an end in itself; it is a burden forced upon us by the nature of the world we live in. It is a burden we must bear, but there is no point in making it heavier than it has to be. To guard against inflation, all government programs—including defense programs—must be carefully examined and strictly justified according to need.

Lets take a careful look at the defense budget. It is true, of course, that defense spending has gone up. But, it is also a fact that the defense budget has gone up less than most sectors of the budget. During the past decade, total Federal outlays have increased by 157%. Defense spending during this same period increased 84%, about half of much. As a proportion of the Federal budget, defense now takes 27¢ of your tax dollar, whereas in 1964—the year before our military involvement in Vietnam began—it took 42¢, or nearly half. As a percentage of our budget and gross National product, defense is now lower than at any time since before the Korean War.

The gross figures, however, tell only a very minor part of the story. Within the defense budget, we are spending much greater amounts on operations and maintence, on per unit manpower costs, and retirement costs. Our spending for procurement and research and development are becoming a smaller part of the budget.

Inflation and the increasing sophistication of weapons has meant that the average defense dollar buys a good deal less than it used to. The money that is required to build a thousand of the latest F-14 fighters today would have bought more than a hundred thousand fighter aircraft in World War II. A nuclear submarine cost $81 million in 1964; today one costs $181 million; a jeep which cost $3,300 in 1964 today costs $4,200.

At the same time procurement costs have been doubling, our expenditure on procurement has increased only about 25%, from $15 billion in 1964 to $18.7 billion in fiscal year 1974. Accounting for inflation we are spending less today on procurement than we were ten years ago. We are buying less and our overall defense capability is weakened.

The story in the research and development budget is very similar. Ten years ago we spent $7 billion on research and development; this year we are spending $8 billion. Again, if we account for inflation, we are spending about $2 billion less in terms of buying power than we did in 1964. We are not sure what the Soviet Union is spending because such budget figures are a deep, dark secret there, but the estimates start at $10 billion and go up to $20 billion.

In the contemporary world, research and development is a very key aspect of the overall strategic balance. A technological breakthrough by one side may be converted into a permanent military and political advantage. It may very well be necessary in the near future to devote a greater proportion of our defense budget to research and development in order to prevent the Soviet Union from achieving a technological advantage over the United States.

If we are going to have to spend more in the areas of procurement and research and development, we will need to look for more effective ways of saving money in other areas of the defense budget. The largest increases, in recent years, have come in military salaries and retirement pay. Twenty years ago manpower costs were about a third of the defense budget. With pay increases and the advent of the volunteer army, manpower costs have risen to take 56 cents of each defense dollar. Despite large reductions in personnel, manpower remains an extremely expensive defense item.

Last year Congress established a Defense Manpower Commission to examine manpower issues. Certainly, imaginative solutions are in order if we are going to prevent salaries from pricing us out of a good defense.

One approach to the manpower problem may be to place more emphasis on National Guard and reserve units. One unfortunate byproduct of recent Pentagon doctrine has been to emphasize use of the active forces for all military missions and to require the Guard and Reserves to bear the brunt of budget cuts. Yet, according to some specialists, there are a number of lower priority missions which Guardsmen and Reservists could perform at a fraction of the cost of using active-duty personnel. One such mission is the defense of the continental United States against bomber attack. This has a low priority status because the Soviets have never concentrated on developing long-range bomber forces and the likelihood of a bomber attack is generally believed to be pretty remote. The surest way to increase the likelihood, however, would be to relax our guard. Here then is a necessary mission which would probably be handled as effectively, but with less expense, by our Guard and Reserves.

I would hope that the Defense Manpower Commission and the appropriate military authorities would give this suggestion careful consideration and would try to identify other opportunities to save active-duty manpower by better use of the National Guard and Reserves.

At the same time, there are a host of other problems that require urgent consideration. The United States has the world's highest ratio of support to combat personnel. There is too much staffing at headquarters. One of the worst examples is the Southern Command in the Panama Canal Zone which has little more than 10,000 military personnel, but also has 10 generals, 2 admirals, and 4 headquarters. Incidentally, the naval "fleet" assigned to the Southern Command consists of two 45-foot fishing boats which are used by the brass.

We have a huge one million man civilian payroll—there are almost half as many civilians in our military establishment as there are active military personnel. There is the problem of grade creep—the tendency of the armed services to have higher and higher proportions of top-ranking officers, further compounding manpower costs. Finally, we have a very serious problem of escalating costs of retirement.

Underlying each of these problems is the need for a new basic orientation in the way the Pentagon views manpower. It used to be that manpower was seen as relatively inexpensive. Now manpower is in short-supply; it is expensive; and the military will have to make the very best use of each man.

I have covered only some of the problems that we are going to have to resolve if we are going to have a strong national defense. Adequate research and development funds, careful procurement policies, and the wise use of manpower, however, are not in themselves a guarantee of a strong national defense. It also requires careful and continued cultivation of the best traditions of the American military—thorough training, attention to duty, discipline, and subordination to civilian authority.

I emphasize particularly the last—subordination to civilian authority—because while our civilian leadership is democratically controlled through the electoral process, the military is and must be autocratic. If the military is not controlled by the civilian authorities then we will not have a strong national defense because the military itself could be a threat to those very freedoms and rights we seek to defend. For this reason, whenever there has been a question of civilian control—as in the famous MacArthur case or more recently in the case of General Lavelle—the dictates of our civilian leadership—the President—must prevail, because he and he alone, is accountable to the electorate for the actions of the military.

I am sure that you remember that two years ago it came to light that one of our Air Force generals, General Lavelle, had reinterpreted the rules of engagement to intensify bombing of North Vietnam without submitting the matter to higher authorities. In doing so, he violated two traditions of the American military—submission to civilian authority and obedience to military supervisors.

Recently, the Air Force asked that two of General Lavelle's subordinates, Brig. Gen. Charles A. Gabriel and Major General Alton D. Slay, be promoted, and the promotions are currently before the Senate Armed Services Committee. Both men testified before the Committee almost two years ago that they knew of the unauthorized bombing raids and of the falsification of reports in order to keep them secret. Neither questioned the propriety of what was happening although both had served more than twenty years in the military.

Because of the importance of the principles of civilian control and military discipline, I very much doubt that either general should be rewarded with promotion. I am not a member of the Armed Services Committee, but I will be very interested in the vote the Committee will take on these promotions. Should the matter be referred to the full Senate for action on the Floor, there would have to be very persuasive evidence presented in favor of promotion before I could support it.

Let me close by saying a word about America's role in the world. I think we can be justly proud of our place in contemporary international history. The United States has lived side by side in peace with its much smaller neighbors on this continent for more than a century. We acted in a manner entirely new to world history at the end of the last world war when, although we had the military and economic power to dominate the world, we chose instead to pursue the path of peace. We made special sacrifices over the past quarter century to maintain stability in the world and to restore war torn regions to prosperity. We took on the awful burdens of limited war in Korea and Vietnam, and historians may long debate, just as we have debated, whether we were wrong or whether we were right. But, I am confident that history will applaud our overall efforts in the difficult postwar period.

Now we have arrived at a juncture when a real measure of international detente and peace seems within our reach. We also show signs of weariness from the past frustrations of reaching this goal. It is not the time to give up. I think we all—in Milford and around this country—should recognize that we still live in very difficult and complex times and that our country still has an important and active role to play in the world around us. I hope that we will approach our problems with maturity, recognizing that our role imposes on us certain sacrifices. The way to peace requires a strong defense for America and her allies; it requires an involved America, and it requires that we have a generous spirit, ready to defend our own vital interests, but alert to new opportunities to promote international peace.

NO FERTILIZER SHORTAGE IN WASHINGTON

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. LITTON. Mr. Speaker, in my opinion, the USDA is releasing "wishes" rather than facts and should be more realistic with their estimates on the fertilizer shortages facing American farmers this year.

Farmers need to have a true picture of the fertilizer shortage so they can plan accordingly. By knowing what their supply might be, farmers could plan to put the fertilizer where it would do the most good.

The USDA was predicting 5-percent fertilizer shortages when most of the industry put the figure at 15 percent. At a briefing with Dr. Dunlop, of the Cost of Living Council, a couple of weeks ago, we were told we only had a spot fertilizer shortage; but, Mr. Speaker, I tell you the spot covers an area that goes from coast to coast and from Texas to North Dakota.

Last year the USDA made predictions which continually were off a country mile. The administration has released misleading estimates in the apparent hope that by releasing the estimates they would come true.

Mr. Speaker, this year's U.S. shortage is more than 3 million tons of nitrogen fertilizer and this does not include almost that much shortage in phosphate. The predictions of food prices leveling off this year could be wrong, because of the fertilizer shortage.

The USDA turned loose all the farmland in America, but the fertilizer simply is not there to properly utilize this acreage. The 3 million tons of nitrogen fertilizer that we do not have means we will produce 22.5 million tons less grain this year than we would normally be able to produce. That is nearly twice as much grain as was involved in the famous Russian wheat deal.

The grain that would not be produced this year, because of the fertilizer shortage would produce the equivalent of 50 billion loaves of bread which is a 5-year supply of bread for every man, woman, and child in America. If the grain which is not produced because of the fertilizer shortage were all corn, it would produce a 170-year supply of cornflakes for America.

Mr. Speaker, several factors contributed to the present fertilizer shortage in America. Fertilizer profit margins were low in the 1960's, causing some big companies to get out of the fertilizer business. When fertilizer demand picked up, our Government initiated the price freeze, locking the plants in at low profit margins at a time when they should have been expanding.

This freeze not only discouraged plant expansion at a time of increased demand, but it put American fertilizer prices well below the world market price which in effect encouraged fertilizer exports at the very time we were experiencing shortages ourselves. But many American farmers could not buy it at any price.

Other causes of the fertilizer shortage were the nearly 20 million more acres put in production this year, increased grain prices which justified heavier than usual fertilizer application, the poor fertility of the new land put into production which requires heavy fertilization, and the shortage of natural gas from which all American nitrogen fertilizer is made.

Mr. Speaker, I am especially critical of the USDA encouraging fertilizer use while the State Department was encouraging its export through low-interest loans, while the Cost of Living Council was encouraging its sale abroad by freezing domestic prices below the world market price. The Cost of Living Council finally lifted the freeze on fertilizer, but only after tens of thousands of tons had been literally forced abroad. The fertilizer we exported last year, because of the artificial price created by the freeze represents the shortage we now face in America.

The lifting of the fertilizer freeze helped discourage exports, but a separate agreement between Dunlop and fertilizer manufacturers after the ending of the freeze had, in effect, reinstated the freeze, except this time it is brokers who are doing the exporting to get around the "deal with Dunlop," just as brokers got around the freeze to drive up the price of propane.

If fertilizer manufacturers do not fairly allocate their fertilizer supplies to their dealers on the basis of last year's sales, they could well be faced with mandatory allocations of fertilizer such as those presently being used in the petroleum industry.

Mr. Speaker, my office has received numerous reports of local fertilizer dealers who were advised they would get as little as 30 percent of the fertilizer they sold last year. This will not only mean the closing of many local dealerships, but will also mean that large numbers of farms in a given geographic area which depended on the dealer for fertilizer needs will have greatly reduced yields. This could have a damaging economic effect on some small towns.

Considering the high fertility needs of the 20 million additional acres being put into production, which included millions of acres that had not been fertilized for many years, and considering the higher grain prices justifying heavier than usual fertilizer application, it would appear fertilizer requirements are going to be at least 10 percent greater than last year. If this were true and if we only have a 5-percent shortage of fertilizer as the USDA says, fertilizer dealers around the country should be getting 105 percent of what they sold last year. I know of no

dealer in Missouri getting 100 percent and most I have contacted are getting 50 to 80 percent.

Mr. Speaker, because of the inelastic demand for food, reductions in food supply are always magnified in the price of food to the consumer. A 1-percent decrease in food supply can mean a 3- to 4-percent increase in food price. I do not expect the USDA to see that more fertilizer is produced overnight, but at least they can give the true facts to the farmers so they can better utilize the fertilizer we do have.

ETHICS IN PUBLIC DISCLOSURE

HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Friday, March 22, 1974

Mr. HARTKE. Mr. President, it is axiomatic that a democratic society depends on the availability of information and openness in the communication and discussion of that information. Too often we confuse communication with rhetoric and form with substance.

There is a compelling need for us to consider the ethical content of our public communications. To put it rather bluntly, the public is convinced that some of their elected officials have been guilty of lies and deceit. During the Kennedy administration, there was talk of "managed news"; during the Johnson administration, it was called a "credibility gap"; and under the present administration, one day's official pronouncement often become "inoperative" the next day.

Recently, I received a copy of an address given by Robert C. Jeffrey, president of the Speech Communication Association and chairman of the Department of Speech Communication at the University of Texas at Austin. Mr. President, because of the pertinence of this address to the subject of my remarks, I ask unanimous consent that its text be printed in the Extensions of Remarks.

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

ETHICS IN PUBLIC DISCLOSURE

(Delivered by Robert C. Jeffrey)

Three years ago when I accepted the invitation to be a nominee for Second Vice-President of the Speech Communication Association, I did so as a matter of duty to the Association with little serious thought of being elected. Upon learning of my election, I was forced to contemplate the rigors of the offices suddenly thrust upon me. Contemplation led to the realization of a commitment to edit the convention abstracts, the principal duty of the Second Vice-President, and to plan the National Convention, the principal duty of the First Vice-President. These onerous chores could be endured, I concluded, if the thought of the presidential year were kept foremost in mind. I discovered that editing the convention abstracts was not as onerous as I had anticipated, and that planning the convention can be both pleasurable and rewarding, as well as time consuming. I have discovered more importantly, in the three years of official service to this Association, that accepting the demands of professional activity has proved, ultimately, to be its own reward.

Last December, with the first two years of service completed and Ted Clevenger's term approaching closure, I turned to the "Operations Manual" of the Association for assistance in performing the duties of the President. On the page titled "Guide for Presidents," Don Bryant stated one procedure succinctly: During the summer and fall of the Presidential year, "the President should compose an excellent Presidential Address for the national convention of such scope as the President thinks fit." He further advised: "Try out parts of it at regional and other meetings." The platform you provide me as President of the Speech Communication Association is a hearty source of professional satisfaction and, taking Don Bryant's admonition seriously, one I would like to capitalize on today in discussing a much neglected concept in the teaching and research in communication—the problem of ethics in public discourse.

Many of you at regional or state conventions have heard me refer to several events and practices in our world today that threaten our ethical communication conduct. One of those practices is the employment, with tax monies, of an "Executive Flunky," if you will, as a mouthpiece for the President of the United States. Mr. Ziegler in the present administration holds this post. As communication strategists we have passively and uncritically accepted this practice, thereby harboring and condoning the institution of a Presidential Scapegoat, an institution that permits our highest elected officer to test public opinion in a quasi-official fashion. If reaction to the statements attributed to the President is negative the President can deny responsibility for the statement. With this simple mechanism of public statement by proxy we encourage both deliberately designed deception and abrogation of responsibility.

By permitting our highest elected officials and those they appoint to administrative posts to classify information as confidential, and by placing no constraints on those public servants, we deny the public information necessary for proper decision-making in the democratic process.

Equally as reprehensible and deplorable is our national administration's malfeasant efforts to weaken the integrity of the press by deliberate design. At this convention last year, New York Times' writers Robert Semple and James Naughton concluded that the present administration has been so successful in undermining the credibility of the press that the public refused to acknowledge the Watergate saboteurs once exposed. That, of course, was prior to the Watergate Hearings. The word "coverup," however, has now become a household word and extends beyond the Watergate matter to areas perhaps yet to be discovered.

These practices are among many that lead inevitably to the conclusion that the American public refuses to demand an ethical responsibility from its leadership. It is a frightening prospect, and one that Richard Nixon viewed with alarm in 1970 when, recalling the bombing at the University of Wisconsin in that year, he said ". . . what corrodes a society even more deeply than violence itself is the acceptance of violence, the condoning of terror, excusing of inhuman acts in a misguided effort to accommodate the community standards to those of the violent few."

If we substitute the words "crime" or "irresponsibility" for the word "violence," we arrive at the basis for my remarks this afternoon.

The corrosive effect of the acceptance of deception has led to the cheapening of authority in America in recent years. Too many broken promises, too many empty words, too little real achievement of vital objectives, too many inept or insensitive or inexplicable decisions made by untouchable officials in unreachable institutions—all of these have undermined both the integrity of and our respect for the figures who lay claim to executive leadership and executive "privilege." This disintegration of administrative morality and accompanying public impertinence extend beyond the American Presidency to leadership in the universities, corporations, unions, and organized religion. Some of the practices of our profession have, in my opinion, contributed, however subtly, to this impalement of national morality.

First, the research emphasis in human communication has, for over a decade, been behaviorally oriented, accompanied by an abandonment in many academic programs of a healthy and balanced orientation with interest in humanistic and ethical aspects of communication. Historically, technological progress has always left in its wake agonizing political and social change, and even though earth's complexion has changed every minute since it first took off around the sun, what is so shockingly new about our changing world is that where it once changed imperceptibly, it now convulses and heaves and shatters and reconstitutes itself before our very eyes. Reflecting this scientific upheaval is the behavioral and objective orientation in communication research in which the human as individual is often neglected and the mass as individual is subjected to experimentation and manipulation.

We have been "scientifically" aware, however, since the turn of the century that no objective reality exists, that every perception of objectivity, regardless of the sophistication and precision of our measuring instruments, in the final analysis, is determined by individual perceptivity and capability. It is amazing that since Planck's discovery of Quantum Theory in 1900 the "scientific" world has recognized the reciprocity between the scientist as individual and the world he seeks to control, and yet, we in Speech Communication are propagating as "new," "progressive," and "innovative" a view of human behaviors strangely reminiscent of 19th century scientific thought.

Related to the emphasis on scientific investigation of communication behavior is a second practice contributing to the ethical and moral decline in our communicative society—an extreme concern with the development of images in leadership roles. As Daniel Boorstin so eloquently put it, "the making of illusions which flood our experiences has become the business of America." The sophistication of contemporary illusion making results from the subjugation of individual identity to group profile, inevitably leading to excesses in promoting products for human consumption and images for leadership roles. Encouraged by such falsified profiles of human behaviors, experimentation on changing human behavior on the basis of group norms rather than individual reasoning has become paramount. If, in persuasion, there were more concern for the integrity of the individual, there might be less need for truth in lending laws, truth in advertising laws and fairness in campaign practices legislation.

In speech criticism, our research and publications reflect a near obsession with tracing the development of images in political campaigns, resulting in an abrogation of our responsibility to students and the public. We no longer demand accuracy of statement, and too often train our students to be experts in the art of plotting the creation of deceptive practices rather than unmasking and

indicting those practices. The loss of respect for the spoken word, an inevitable product of image making, has led former Attorney General John Mitchell, referring to the Nixon Administration, to assert, "You will be better advised to watch what we do instead of what we say." This statement led Richard Harris, in his book *Justice*, to remark that the statement was "the most astonishing admission of high level duplicity in government history."

A third practice of teachers and researchers in communication that has contributed to the lack of concern for ethical and moral responsibility on the part of American leadership is our growing preoccupation with the superficial dimensions of non-rational discourse, body rhetoric, the rhetoric of the streets, the rhetoric of numbers. Wayne Booth, recognizing both the rhetorical validity of such acts of persuasion and their inherent dangers asserts: ". . . a case could be made for the claim that we live in the most rhetorical age of all time, if by rhetoric we mean whatever men do to change each others minds without giving good reasons for change." Booth's extension of what constitutes rhetoric demands a return to an ethical consciousness.

An integral part of a new rhetorical theory must be a renewed consideration of ethics in public discourse. This consideration must of necessity revert to a discussion of Aristotle's determinants of a moral act. Father Lawrence Flynn succinctly describes the Aristotelian Determinants of a moral act in a 1957 article in the "Speech Teacher." He reasons first that a moral act is dependent upon the establishment of a human act. He writes, "A truly human act proceeds from a rational agent who knows what he does and chooses freely to do it. The power to reason, which distinguishes men from brutes, underlies man's recognition of a means-to-end relationship. So, before we choose means-to-end we must know the end, the means, and the relation between them. To perform human acts we need knowledge and human choice. . . ."

To determine the goodness or badness of a human act, however, requires an analysis of the object, the act, the intent of the agent, and the circumstances surrounding the act. Consequently, in determining the ethics of a public statement, it is necessary to analyze what the speaker does, why he does it and the circumstances under which he does it. The measurement of effects of a public utterance may offer historical fact, but reveals nothing of the utterance's ethical structure. Even though the speaker's purpose or ultimate end is good, Aristotle would require that the rhetorical devices, techniques, methods, or fact pass the test of morality according to the three determinants. If the end sought by the speaker is good, the act of achieving that end is unethical if the speaker selects unethical means. Likewise, even though means to achieve an end are ethical or good, the end itself may be bad. Consequently, to judge the goodness or badness of a speech or other communicative act, all of the determinants must be satisfied. Deliberate falsification is morally faulty because it frustrates the natural purpose of speech in a democratic society which is to transmit judgments to auditors, and because it interferes with the auditors' judgment capabilities.

Since the human act, to be judged morally, must be deliberate and free, one might suppose that an unconscious misrepresentation or falsification that may result in a partial distortion or complete misrepresentation through ignorance would be excused. However, a speaker must assume the responsibility for his statements and, consequently, do all that is possible to remove his ignorance before making the statement. Ignorance cannot be claimed as an excuse unless it can also be shown that the speaker did what was within his power to remove that ignorance. Father Flynn would have us ask the question, "Did he use care proportionate to the importance and gravity of the situation?"

It has been, and can be argued that the logical and emotional aspects or rhetoric are amoral, that they derive their morality from the good or bad intent of the speaker or agent. The use of logic in a particular discourse may be bad, but it is not morally bad unless the intent of the user is bad. The problem, then, is to determine the intent of the communicator or agent.

Often it is possible to determine the intent of the agent by the arguments assembled in the message. For instance, most rhetorical critics would consider Nixon's 1952 "Checkers Speech" logically unacceptable as a defense for misusing campaign funds. Few, however, have questioned the ethical base of the speech or the morality of the act. The general public response to the speech then, as now, lauded it as a monumental rhetorical effort. This kind of critical acceptance justifiably places the term rhetoric in dubious quarters.

Much to his credit, Barnet Baskerville wrote in his analysis of the Vice-Presidential candidate speaking in the 1952 campaign that the "Nixon affair" served to unify a divided Republican party and elevated Richard Nixon to a prominence seldom enjoyed by a Vice-Presidential candidate. He also observed, "It seems to this observer that the phenomenal public reaction to the original charge to the speech itself and to subsequent counter charges, revealed an alarming preference to appearances rather than realities, a widespread preoccupation with legality rather than morality, and a subordination (by Democrats and Republicans alike) of ethical considerations to political expediency." The period of the early 1950's might well serve as the reference point for the beginning of the deterioration of responsible public discourse in the high levels of government. Hal Gulley wrote in "Today's Speech" in 1970, that ". . . America's public statement-making is less dependable, reliable, and candid than it was two decades ago; that we are witnessing a national drift toward irresponsibility toward public utterance. In some areas of our national life, we cannot now be certain that we believe what some people are saying." Gulley's report contained an alarming exposure of the cavalier attitude with which government officials view high level duplicity. He quoted former Assistant Secretary of Defense for Public Affairs, Arthur Sylvester, as saying "It is the government's inherent right to lie if necessary to save itself when faced with nuclear disaster; this is basic."

We as a nation in 1973 have been brought to the brink of moral and ethical deterioration in our government. No one in this audience needs be reminded of the general and pervasive political debauchery associated with the amorphous term "Watergate." Testimony of men respected for their place in government has revealed the exhalted place of the lie and deceit. James Reston wrote in the New York Times "Future testimony from Messrs. Mitchell, Erlichman, Haldeman, and Dean may throw more light on who is lying and who is telling the truth. Meanwhile, it is probably better to follow Paul Porter's skeptical advice: "I don't say these men are liars, . . . it's just that they have such respect for the truth that they use it sparingly."

In this time of national despair and uncertainty, we should not neglect to celebrate the system of justice that has revealed the unethical conduct of some of our more respected leaders. Our system of justice may be slow in its process, but it offers assurance of ethical certainty in its results.

The real question, however, is not whether the guilty will vindicate the innocent. The question is, rather, "Where lies the culpability for having arrived at this near disastrous condition"

Every man, a president included, must be accountable for his acts and responsible for his statements. But if the President acts or speaks irresponsibly, those who elected him to office are not free of guilt if the evidence of irresponsibility was available at the time of election. Richard Nixon's questionable ethics have been observable for over two decades. But in those two decades, academic critics and scholars in communication have been more concerned with the technologies of communication than with its ethics. Richard Nixon was and continues to be a "technician" in manipulating public attitudes for self-aggrandizement. Our own publications reflect a preoccupation with Nixon's predictability, his appeals to audiences, his mastery of the television medium, and so on. Few articles, however, have analyzed the ethics or morality of his statements. It is a sad commentary on the state of rhetoric in the academy when we admit that ethical studies of the Nixon rhetoric are more readily available in the press than in scholarly journals. Traditionally, rhetorical critics have, in fact, recognized and accepted their charge as analysts and reporters of ethical conduct. The Fourth Estate, however, and not rhetorical scholars, first alerted the American public to Nixon's special brand of Administrative Rhetoric. Kenneth Burke has used the term "Administrative Rhetoric" to explore the ethical dimensions of Machiavelli's "The Prince." He contends that:

"Machiavelli's 'The Prince' can be treated as a rhetoric in so far as it deals with a producing of effects upon an audience. Sometimes the Prince's subjects are his audience, sometimes the rulers or inhabitants of foreign states are the audience, sometimes particular factions within the State. If you have a political public in mind, Machiavelli says in effect, here's the sort of thing you must do to move them for your purposes. And he considers such principles of persuasion as these: either treat well or crush; defend weak neighbors and weaken the strong; where you foresee trouble, provoke war; don't make others powerful; be like the prince who appointed a harsh governor to establish order . . .; do necessary evils at one stroke, pay out benefits little by little; sometimes assure the citizens that the evil days will soon be over, at other times goad them to fear the cruelties of the enemy; be sparing of your own and your subjects' wealth, but be liberal with the wealth of others; be a combination of strength and stealth (the lion and fox); appear merciful, dependable, humane, devout, upright, but be the opposite in actuality, whenever the circumstances require it, . . . in order that you may get the advantage of good advice without losing people's respect, give experts permission to speak frankly, but only when asked to speak; have a few instances who are encouraged to be completely frank, and who are well-plied with rewards."

Each of us can find specific instances of the Nixon speeches. They are identifiable as these administrative rhetorical strategies in early as 1948 when, in his senatorial campaign, he goaded the public to fear the cruelties of the enemy and assured the voters that the fear would end with his election. The strategies are even more identifiable today with the crumbling of popular respect for the man and his rhetoric.

As communication critics and educators, we failed in our responsibilities to officially oppose those practices when they became so blatantly evident. We persist in that failure today. In the ten hours of deliberations of

the Legislative Council at this convention, not a single resolution was introduced to condemn the unethical practices of the Nixon administration for withholding information from the public for political and private purposes; for deliberately deceiving the public with false statements as in the denial of bombing in Cambodia when, in fact, it occurred; for refusing to supply tapes, notes and correspondence relating to possible criminal activities; for taping private conversations without the knowledge of the parties being taped; for other acts relating specifically to the free flow of information and privacy of communication that should be the central concerns of teachers and scholars in speech communication.

This temerity in speaking to the corrupt communication practices of the present national administration reveals an abrogation of our role as protectors of ethical communication. If there is one thread that binds together all of the varied interests in our association, it is a decision to free and responsible speech. Yet, when that freedom and responsibility is abridged or threatened, we fail to act. In this case, the excuse that we must act only in areas of professional competence cannot be claimed as a defense by those who would oppose censure resolutions by this association.

Last year, at this convention, the Legislative Council passed a resolution declaring that "it is the role of the Speech Communication Association, defining itself as a humanistic organization, to be concerned with the communication process and how that process affects human beings; that since those in political power make decisions affecting millions of people, those people have a right both to know those decisions and to offer information and well-considered opinions on them; that in the past it has been apparent that government plays a substantial role in determining the limitations of freedom of speech and the amount of information made available to the public; and that there is a need to study government use of communication, whether it involves abridgment of free speech, failure to communicate to the electorate, or responsible use of communication channels." With this expression of concern for government's use of communication controls, our purpose should be to monitor it and to condemn or praise as the case may warrant.

It may well be true that the moral and ethical permissiveness of the present administration has, as Russell Baker wrote, so accustomed us "to accepting mendacity as a normal condition of life that we assume it is natural for everybody to lie to us, even our best men." But ethical permissiveness, even in a just cause, corrodes the soul; and condoning it can corrode a nation. As Adlai Stevenson once asserted, "Those who corrupt the public mind are just as evil as those who steal from the public purse."

As teachers and scholars in communication, our purpose should be to develop respect for ethical communication and a healthy disdain for deception in and corruption of public discourse. Henry Wieman and Otis Walter wrote in 1957, ". . . Ethical Rhetoric has the promise of creating those kinds of communication which can help save the human being from disintegration, nourish him in his growth toward uniquely human goals, and eventually transform him into the best that he can become." That should be our paramount goal as teachers and scholars in communication.

HON. WILLIAM S. MAILLIARD

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. ROBISON of New York. Mr. Speaker, it has been a high honor and a privilege, these past 17 years, to have been enabled to call William S. Mailliard, of California, both colleague and friend.

My lasting impression of Bill Mailliard will be, first and foremost, that he so perfectly fit the old, time-honored description of a man who was, at one and the same time, a "gentleman and a scholar."

Gentlemanly, in his approach to his congressional colleagues—always respectful of their right to disagree with him, and of his equal right to disagree with them—and scholarly, in his careful approach to his legislative duties and congressional responsibilities. As we all know, his special forté became that of foreign affairs, and he further became a tower of strength for both Democratic and Republican Presidents, alike, in aiding them to advance legislated responses—however domestically unpopular at the moment—designed to further the cause of peace, abroad, and American foreign policy initiatives in support thereof.

It is probable that, in large measure, his understanding of the need for such a bipartisan approach to foreign policy stemmed from his own truly distinguished military record, as well as from his early-on designation as U.S. delegate to the United Nations 18th session. But, to such understanding, he added his own, natural tendencies to provide both a sense of balance and of basic commonsense to his committee responsibilities; and, Mr. Speaker, it seems to me that it is, precisely, for his projection of and faithfulness to such characteristics, that he will be most missed.

Nevertheless, we who will now so badly note his absence from our ranks—along with his calm and steadying influence—can take pride in the fact that these special characteristics I have mentioned, along with his accumulated years of expertise in this area, have been sufficiently recognized by the President as to result in his deserved appointment as Permanent Representative of the United States to the important Organization of American States. This is an organization that, it has seemed to me, has not received the degree of attention—at all times in the recent past—its own importance to us, in the relative scheme of such things, deserved. Bill Mailliard's appointment thereto will help remedy that situation, and his presence will give needed stature to our Nation's participation in its essential work.

It is with regret, therefore, Mr. Speaker, that we see Bill Mailliard leave our midst—but it is also with pride and confidence that we see him take on new duties, for which he so well has qualified. We know he will do well therein, and Mrs. Robison joins me in wishing both he and his wife, Millie, much success and happiness in their years ahead.

TRIBUTE TO O. I. "CAP" CLAMPITT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. ANDERSON of California. Mr. Speaker, on January 1, 1974, Mr. O. I. "Cap" Clampitt retired after 38 years of dedicated service to the labor movement, and thus, to improving the quality of life for all of humanity.

Born and raised in Missouri, he had to go to work at age 6 to help support his mother and two brothers. This experience of working 12-hour days, first in a brewery and later in a shoe factory, instilled in him a burning desire to eliminate the hardships of life and improve the conditions of working men and women.

Denied a formal education in his early years due to financial restraints, "Cap" hired a tutor and educated himself to the extent that he was allowed to enroll in William Jewell College at age 16. Through college he supported himself by singing with an evangelistic group, and was ordained a minister when he was 18. While still a college student, he was a pastor of a church.

Later, Mr. Clampitt entered the military as a chaplain and held the rank of captain in the Army, serving as a morale officer and athletic director for the Hawaiian Division and later for the Seventh Division. On the general's staff, he coached the division's basketball, football, and baseball teams.

As an Army officer, he was entitled to own two horses—one of which became a sensational jumper, establishing a still unbroken world record broadjump of 32 feet 4 inches. And, as the trainer and rider, "Cap" was nicknamed "the flying chaplain."

He was later offered a movie contract with Metro Goldwyn Mayer, and moved to California where he worked for several years with such stars as Greta Garbo.

Then, in 1936, "Cap" Clampitt entered the labor movement where he organized the Retail Clerks Local 1442 in Santa Monica and negotiated some of the first contracts in southern California. Due to his dedication and outstanding ability, he soon served as vice president of the State council. During these years, he was awarded citations from medical groups and other unions for his aid in pioneering the prepaid medical and dental programs.

He served as the first president of the first sheltered workshop and was recognized by President Roosevelt who appointed him to serve on the Ration Board.

Active in civic affairs, "Cap" served on the board of directors of the Commu-

nity Chest, the Red Cross and the Boys Club and as part of his community service, he belonged to a group of clergymen in Santa Monica.

In recognition of the humanitarian efforts of his local, the Catholic Institute Award, and awards from the NAACP, were presented to the members of local 1442.

Mr. Clampitt is married to Ilse, who is known to all as Billie, and they are the proud parents of six children—Susanne, Nora, Carroll, Billie, Jackie, and Kent.

Mr. Speaker, on March 28, in Los Angeles, "Cap" Clampitt will be honored by his colleagues, his coworkers, and his many friends for his years of unparalleled service and outstanding accomplishments as secretary-treasurer of the Retail Clerks Union.

I am pleased to call this tribute to the attention of the Congress, as I join in saluting this rare individual who has dedicated his life to improving the conditions of our society through his work in the ministry, in the community, and in the labor movement.

BYELORUSSIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. BIAGGI. Mr. Speaker, on Monday, March 25 marks the 56th anniversary of the proclamation of freedom by the people of Byelorussia. As I have done in the past, it is my pleasure to join with my colleagues in paying tribute to the brave people of Byelorussia.

The history of Byelorussian statehood goes back to the ninth century when several Slav tribes founded independent principalities on the territory of what today is Byelorussia. The Byelorussians were forced to live under czarist rule for several centuries until they seized the opportunity afforded by the Bolshevik Revolution of 1917, and subsequently proclaimed their independence on March 25, 1918.

The newly formed democratic state immediately showed great vitality, and was successful in rebuilding their war-ravaged land. Yet, this era of freedom and relative prosperity was short lived. In December of 1918, in a brutal onslaught which stunned the free world, the Red Army overran Byelorussia, annexed it to the Soviet Union and all Byelorussians became the Soviet Union's helpless pawns.

Since that time for five long decades, the Byelorussians have been forced to endure life under the oppressive regime of the Soviet Union. To this day Moscow-Byelorussian relations are strictly colonial in nature and have two distinct aims. One is to exploit the Byelorussian natural resources for the benefit of Russian imperial expansion and the other is to eradicate Byelorussian nationalism in the hope of fostering a homogeneous Soviet empire.

Today, more than ever as it appears that the Soviet Union is not quite the partner in détente that we had hoped, we must renew our commitment to the cause of freedom for all the peoples of the world. Unlike the Russians we can achieve our ends through peaceful means, and it is our fervent hope as a nation that the brave people of Byelorussia can again join with us in tasting the fruits of liberty.

AMENDMENTS TO H.R. 69

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. PEYSER. Mr. Speaker, I am placing four amendments in the RECORD today which have already been printed, and hence, I do not require any additional computer runs by the Library of Congress. I have merely made a technical and conforming change to these amendments. The amendments follow:

AMENDMENT NO. 7

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of Title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 (one) per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(ii) the amount necessary to make payments pursuant to subparagraph (B); and

(iii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clauses (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of section 131 (a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State or, if greater, in the United States multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does

assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 50 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $4,000 for each fiscal year of this Act, except that no county shall receive less than 100% of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made, (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all the following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

AMENDMENT NO. 15 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot for such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with the Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commisisoner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of Section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for

any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 80 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (c) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

AMENDMENT NO. 16 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of Title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized, to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B) and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 3(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 3(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pur-

suant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentences, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(D) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) or all local educational agencies as declined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

AMENDMENT NO. 17 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum, of the amount appropriated for such year for payments to States under section 134 (a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for

payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs or deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 13(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 40 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the programs of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income of less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

THE GREAT PROTEIN ROBBERY NO. 20: THE STUDDS-MAGNUSON 200-MILE BILL

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. STUDDS. Mr. Speaker, I am very happy to announce to my colleagues that field hearings on the Studds/Magnuson 200-mile fish conservation zone bill have

been scheduled for May 2 and 3 in Maine and New Bedford, Mass.

The gentlewoman from Missouri (Mrs. SULLIVAN) chairman of the Committee on Merchant Marine and Fisheries, and the gentleman from Michigan (Mr. DINGELL) chairman of the Subcommittee on Fisheries, Wildlife Conservation, and the Environment, have approved holding these hearings where the fishermen are and where the problem of foreign overfishing is seriously jeopardizing our American fishing industry.

By taking the subcommittee to Maine, May 2, and to New Bedford, May 3, the subcommittee members can hear, firsthand, the problems our domestic fishermen face from the giant, government-subsidized foreign fishing fleets that are literally sweeping the ocean floor clean of all marine life. These foreign fleets are operating sometimes within sight of our coastline with no regard for conservation measures or the continuation of any given marine species.

Since introducing this legislation on the House floor on June 13 of last year I have the cosponsorship of 73 of my colleagues. Senator WARREN MAGNUSON of Washington, chairman of the Senate Commerce Committee, who filed companion legislation in the Senate the same day, now has 18 cosponsors. I hope that by holding these hearings in the field where the problem exists and by talking with the fishermen whose very livelihood is threatened, the subcommittee will focus the attention of the entire Congress on the serious plight of our domestic fishermen and a remedy that could save this industry.

A BILL TO HELP AVERT FUTURE SHORTAGES

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. LITTON. Mr. Speaker, in the past few years as shortages of various raw, agricultural, and manufactured products have begun to appear in our economy, one continuing question has remained in my mind: Why, since our society is so sophisticated and advanced, could not our Government foresee and resolve most of these shortages before their economic impacts were felt?

The energy shortage has brought greater focus to this question and leads me to one conclusion: That the Government is a "now" type of system capable primarily of providing for the short-term problems of the American people.

Mr. Speaker, I have today introduced a bill which would create one central, broad, long-range planning agency responsible solely for projecting future social, economic, and natural resource requirements of our Nation. This agency would assume the long-range planning functions currently within existing departments and would provide a greater and more thorough nature of planning throughout all those agencies which deal with social programs and natural resources. In addition, the agency will be responsible for projecting the economic impacts of current and projected needs and recommendations, and will be required to report annually to the President, to Congress, and to each instrumentality of Government.

The intent of my bill will be to direct all of the long-range planning, which currently is or should be within the framework of the Federal Government, to the responsibility of one Federal agency. I would expect this agency to undertake and conduct a study of long-range needs of the American people and to make recommendations according to the scope of existing and projected resources which are or will be available, and with emphasis on the impacts upon the economy of those studies and recommendations.

ARLIE EWING OF RETAIL CLERKS TO RETIRE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. ANDERSON of California. Mr. Speaker, on March 28, 1974, the many friends of Arlie O. Ewing will be honoring this fine American upon his retirement as president of Retail Clerks Union, Local 1442 of Santa Monica, Calif.

I am honored that I might be able to share in this tribute befitting a man who has given so much of himself for the benefit of his fellow man.

Settling 40 years ago in the San Joaquin Valley, Arlie Ewing worked for DiGorgio Winery as a refrigeration engineer. Here he became very concerned for the welfare of his fellow workers and became very much involved in the organized labor movement. Through his tireless efforts as an avid organizer, he helped membership grow through contract development. In fact, as was brought out in a meeting of the State Federation of Labor in 1957, Arlie was responsible for getting the first contract with DiGorgio Winery in 1937.

Later, Arlie O. Ewing and his family moved to Redondo Beach where he applied his time and talent in numerous civic activities.

He has been an active member of the retail clerks since 1950. In addition to serving for the past 10 years as president of local 1442, Arlie Ewing has also served for many years on the State council of the retail clerks.

He has also been a very active member of the Democratic Party serving as president of the North Redondo Democratic Club for many years, chairman of the 67th Assembly District for four terms, and chairman of the 17th Congressional Democratic Council for four terms. In addition, he has served as a member of the Los Angeles County Democratic Central Committee for 15 years, and has for four terms been a member of the State committee.

A true civic leader, Arlie Ewing has been involved in numerous community affairs. He has served for several years as chairman of the budget and finance committee of the city of Redondo Beach; has held the office of vice president of the Food and Drug Council; and has served on State committees. Currently, Arlie is serving as a member of the harbor commission in Redondo Beach.

Mr. Speaker, we are fortunate in southern California that we have individuals like Arlie O. Ewing who are willing to give of themselves for the benefit of their community and fellow man. I know that his wife Jessie and his children—Glen, Wayne, and Margaret—share in the pride we have for this great humanitarian.

ARCHER FULLINGIM RETIRES; TEXAS POLITICIANS BREATHE EASIER

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. CHARLES WILSON of Texas. Mr. Speaker, I do not guess it is very often that a Member will rise in these chambers to pay homage to someone who has slandered him. We are all accustomed to having our egos trampled, of course, but that does not mean we should do honor to the tramplers. Archer Fullingim, though, is a far cry from your standard, run-of-the-mill ego-trampler.

For 22 years now, Archer has been putting out a little weekly paper in a little town named Kountze, and there probably has not been a year when he could not count almost as many libel suits as paid advertisers. That does not mean he is irresponsible or unfriendly or anything; he just believes in getting things off his chest and letting you know whose newspaper it is you are reading.

That the Kountze News belongs to Archer is a fact nobody has ever seen fit to challenge. He turns it out every Tuesday on a cranky, wheezy old flatbed press that looks like something Gutenberg improved on, talking to it and tinkering with it till it agrees to meet him halfway. In the process, that old press gets two things from Archer that no Texas politician in the last 22 years has been able to get: flattery and compromise.

In between his various cantankerous campaigns and crusades, Archer has found time for his other interests as well. He is a yarn-spinner and shirt-cuff raconteur without par, and he makes something called Mayhaw Jelly that you would swear was a collaborative effort between Mother Nature and Sardi's.

Archer has also fallen in love with the pine bogs and backwoods of the Big Thicket Wilderness, and he will tell you with a straight face that he can talk to the trees. And you cannot help but believe him. He looks like he probably can, tall and angular and all, about as gnarled and ageless as some king cypress hidden off in a timeless corner of the thicket wilds.

At any rate, Archer has decided to quit the newspaper business. That is probably going to make the world safer for a lot

of us politicians, but it is sure going to make newspaper reading a lot duller, too. I remember when Archer got so exasperated at Lyndon Johnson that he cut off Lyndon's subscription, and the White House was not sure if it should be angry or thankful.

Just because he is giving up the paper, though, does not mean Archer is going to retire. What he says he wants to do now is search full time for the ivory bill woodpecker, something he is been doing part-time for a quarter century. Next to Archer, the ivory bill is probably the strangest constituent I have got: a huge, solitary bird, ornithologists say it is possibly the rarest creature in North America and they doubt if any of them live anywhere outside the Big Thicket. And even there, if they still exist, the ivory bill is hidden away back in places even the Indians could not get to.

Godspeed, Archer, it sounds like an even match.

THE WAR ON POVERTY MUST NOT BE ABANDONED

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. SEIBERLING. Mr. Speaker, on March 16, 1964, when President Johnson called for "a national war on poverty," he said our objective in that war was "total victory."

In a spirit of hope and enthusiasm, Congress passed the Economic Opportunity Act of 1964, establishing the Office of Economic Opportunity. With an $800 million appropriation, the war on poverty was launched.

Now, 10 years and $13 billion later, the Nixon administration is pushing to abandon the war on poverty by abolishing OEO and eliminating all funds for Community Action Agencies—the heart of the antipoverty program.

Their public rationale for killing OEO is that the programs have not succeeded in eradicating poverty in America. Yet they offer nothing in its place. The only conclusion one can draw is that the long-overdue Federal commitment to "total victory" over poverty, enunicated by President Johnson in 1964, is no longer a goal of this administration.

With the benefit of 10 years of experience, we now know that some of our expectations for OEO programs were naive. For example, it seems clear today, now that we know more about the nature of urban poverty, that the key to braking the poverty cycle lies not only in providing social services to the poor, but in providing decent paying jobs to those who can work and adequate income maintenance to those who cannot.

But it is precisely because we have had the benefit of learning from OEO programs for the last 10 years that our knowledge about what is effective in eradicating poverty has become more sophisticated. Just because OEO cannot make poor people unpoor does not mean that it has not and cannot continue to perform a valuable function.

In addition to serving as a national laboratory for poverty experiments, OEO has, through the local Community Action Agencies, been able to provide many services to the poor which make a difference, however small, in the quality of their lives. And perhaps most important of all, the Community Action Agencies have given the poor a voice in their community and in their government. For the first time in our history, millions of poor people have developed a sense of belonging to and participating in their government and in making policy which affects their lives. There is no better investment in the future of democracy than this kind of involvement at the local level of government.

For example, in Summit County, Ohio, the Community Action Council has established seven neighborhood centers throughout the area which provide important social services including emergency assistance, credit unions, food cooperatives, referral to other agencies, transportation, emergency housing and recreation to poor people living in the area.

According to Don Ellis, executive director of the Summit County Community Action Council, these neighborhood centers are "the most important part of what we are doing" not only because they provide important services which would otherwise not be available, but because they involve the people being served in their government.

Like other CAC's, the Summit County program has had some failures along with some successes. And it has not decreased the number of poor people in Summit County. But as Akron City Council President Ed Davis put it recently—

> CAC has presented an opportunity for the release of the anxieties and frustrations of a people who had no outlet before.

Davis predicts:

> If CAC's lose their funding, the rising expectations in the poor areas will be cut off. There could very well be a social holocaust if we don't see that this program continues.

I ask unanimous consent that three articles from the Akron Beacon Journal of March 17 describing the Summit County Community Action Council program be printed in the RECORD at the conclusion of my remarks. These articles illustrate in graphic terms the great range of the council's antipoverty programs and the devastating effect the administration's cuts will have on these programs.

I am pleased that the administration is talking of supporting a negative income tax-type program to replace the current hodge-podge of welfare payments. I support this concept and look forward to reviewing the administration's proposal as soon as it is sent to Congress. But income maintenance alone will not end poverty. It will keep people alive. It will not help them to become self-supporting.

The war on poverty must be many-faceted: it must contain an adequate income maintenance program; it must contain a massive public works job program; it must contain substantial manpower training programs; it must contain quality educational opportunities for all; and it must contain some kind of Federal antipoverty office, such as OEO, which can focus national attention on the need to eliminate poverty and continue to fund local and national antipoverty efforts.

In 1964, when the poverty war was launched, there were 36.1 million people living below the official Government poverty line. Today, there are some 25 million. Although the number of officially "poor" people has decreased in the last 10 years, the gap between what poor people have and what the rest of us enjoy has actually widened in that time. Clearly we are a long way from meeting our goal of abolishing poverty in America.

Since the administration has left no doubt about their intention to kill the poverty program, it now falls to Congress to maintain the pledge made 10 years ago with the passage of the Economic Opportunity Act. I understand that the Equal Opportunities Subcommittee of the House Education and Labor Committee is now working on a bill (H.R. 12464) to extend the Office of Economic Opportunity for an additional 3 years. That bill deserves the full support of every Member of Congress who believes that poverty has no place in American society today.

Th above-mentioned newspaper articles follow:

[From the Akron Bacon Journal, Mar. 17, 1974]

PROGRAMS FOR SUMMIT'S POOR NEAR COLLAPSE

(By Bruce Larrick)

The Summit County-Greater Akron Community Action Council (CAC) story over its 9½ years has been one of successes, failures, internal bickering, rising hopes and, now imminent collapse.

Formed in late 1964 to handle War on Poverty funds meted out by the U.S. Office of Economic Opportunity (OEO), CAC has brought about $17 million in Federal funds Summit County's poverty pockets in Akron, Barberton, Springfield Twp. and Twinsburg Heights.

The war is far from won. Only about a fourth of the county's poor have been touched by the program—and the bulk of the money has not been funneled directly to the poor who have been involved.

But now it appears on June 30, CAC will lose $826,000 of its $2.4 million annual budget.

Less than $1.6 million will remain for programs that will essentially be leaderless and without input from the poor people they are to serve.

Included in the money to be lost is support for what CAC Executive-Director Donald J. Ellis describes as the "head" and "heart" of CAC. The "head" is the CAC central administration, which oversees CAC's 13 programs; the "heart" is the Neighborhood Centers.

There are seven CAC neighborhood centers —east, west, north and south Akron, and Springfield, Barberton and Twinsburg Heights.

"Those centers are the most important part of what we're doing," Ellis said. "They're dealing with poor people on a grass roots level. They provide emergency assistance, credit unions, food cooperatives, referral to other agencies, transportation, emergency housing and recreation. You name it, they do it.

"They're also the very foundation of our democratic structure. We formed neighborhood councils at each center. They elect representatives to our governing board and ad-

vise in the operation of the centers and the other programs.

"You know how everybody these days is talking about citizen participation in government and community organizations? CAC has had that since 1965 because we realized that programs aren't worth anything without input from the people you are supposed to help."

Included among the 48 members of CAC's Governing Board are 16 representatives of the poor, 16 representatives of community interest groups and 16 public officials.

The poor is what CAC is supposed to be about. Ellis admits frustration at being able to reach 25 pct. of Summit County's poor at the most. But he said he can tick off the names of 100 persons CAC "has lifted out of poverty."

Among them are Diane Hill and Lois Bailey.

Mrs. Hill, 26, of 1246 Laffer av. came to Akron in 1968 from Tennessee, where she dropped out of school at age 14. She enrolled in the STRIDE program for high school dropouts.

"I started as a clerical aide in the north Akron center," she said, "I was trained as a clerk-typist and got my high school equivalency diploma."

Mrs. Hill, then began full-time work as a receptionist for the Akron City Demonstration program.

* * * * *

She is now switchboard operator for the Summit County Red Cross.

The mother of six said, "Things are much better now. I'm certainly not rich, but I have some training, a job and a future.

Mrs. Bailey, 43, of 1002 Pitkin av., worked for CAC for five years before becoming a bookkeeper for the United Rubber Workers International office.

"I started as a neighborhood aide at the Lane Wooster Center," Mrs. Bailey said. "From there, I went to the central office, where I ran the Xerox machine. Then I became secretary for the Foster Grandparents Program and eventually went to the housekeeping department.

"The training I got definitely helped me. I was able to buy a home and my daughter Margo is now in her fourth year of college, the mother of three said.

Such success stories were hard to come by when CAC was in its infancy. The governing board meetings would last hours as arguments flared—primarily between representatives of the poor and public officials.

Directors went in and out of CAC as if the agency were a revolving door. Programs were begun and discarded with regularity.

Ellis has been executive director since July of 1969. In the previous four years he was preceded by Mrs. Lois Scherer, William Fowler, Alan Jackson and Blanford Fuller.

"For too long, the executive director was considered the 'enemy' by the poor people on the Board," Ellis said. "It's impossible to have such turmoil at the top and have an effective program."

Mrs. Ann Gates, the Akron Board of Education's representative on the Governing Board for six years, said the early years of CAC were hampered by an "anti-establishment" attitude.

"We had our money and thumbed our noses at everybody else," Mrs. Gates said. "We alienated people by telling them they blew their chance to help the poor. That was the wrong way to go about it.

"We should have sat down with other agencies and asked how we could combine our efforts. We didn't. Now that attitude is gone, but it's still hurting us in terms of community relations."

Ellis agrees with Mrs. Gates.

"Only recently have we begun to mend some fences," he said. "We've matured, and other organizations are now beginning to respect us.

"You have to realize that in those early years, the poor people had never before been given an opportunity for participating and having a say in anything. So they stepped on a few toes when they had a chance to get a piece of the action.

"Along with that problem was the fear of CAC in the minds of many, who saw CAC as something that would take money away from other programs."

Although poor people do participate in CAC, the bulk of the $17 million has not gone directly to the 10,000 poor people CAC serves, Ellis admits. And he estimates there are 45,000 poor people in the county.

"The real beneficiaries of this money have been area businessmen from whom we buy or lease things," Ellis said.

"It's shameful, but we deal with no black businesses."

The 290 CAC employes spend their salaries which comprise the majority of CAC expenditures, with merchants and landlords. Ellis said he is "saddened with the lack of support we get from local businessmen."

Of CAC's 290 employes, 85 pct., or 247, are classified as former poor persons. They take home 58 pct., or about $1.39 million, of CAC's $2.4 million annual budget.

Ellis also admits that CAC's money has not brought about a decrease in Summit County's poor population.

"Truthfully, there were fewer disadvantaged people in the county in 1965 than there are now," he said. "It's a vicious cycle of people being lifted out of poverty and others being born into it.

"We feel we've had an impact, but the money has gone to hire staff to provide services with little left over to operate on. Had there been adequate funding, say $50 or $60 million over these nine years, then we would have made a significant dent in the area's poverty."

Ellis lists three other major failures of CAC:

Lack of involvement of "a substantial portion of the poor white population. The percentage of blacks that are poor is higher, but the total number of poor whites is higher. We've tried, but haven't been able to establish a greater balance." Ellis estimates that 70 pct. of those served by CAC are black.

No effective public relations activity. "For too many years we've had no means of telling our side of the story," Ellis said.

Lack of documentation of the positive effects of CAC's programs. "I can't pull out a document that tells you how many people CAC has taken off the welfare rolls," he said.

The lack of documentation and poor relations with the rest of the community could hurt CAC badly after June 30, when it will have to depend on local funding sources if it is to survive.

If Congress does not act to extend the life of OEO, Ellis said, City Council will be asked to pick up a large chunk of CAC's $826,000 shortfall.

CAC officials will appear before City Council's Finance Committee at 5 p.m. Monday to present a request for $500,000 in Federal revenue sharing money. Akron's revenue share is about $4.1 million a year.

"The poor are entitled to some of that money," Ellis said. "We'll also be asking Barberton, Springfield Twp. and Twinsburg Twp. for some money."

Akron Mayor Ballard said Wednesday that CAC would have to prove to him the value of its programs before he could recommend giving it money.

"Before I would be inclined to use City funds to perpetuate these programs, I want to see the benefits," Ballard said.

"I want to see who is winning the war on poverty and where the battle is being waged. I know the costs. What I need now is to see the results and find out the track record of CAC."

Council President Ed Davis (D-3) predicts that if the City fails to come to CAC's rescue, "Attitudes will be worse in the poor areas than before CAC began. The rising expectations will be cut off. There could very well be a social holocaust if we don't see that this program continues."

Davis added that CAC "has not only provided services for the poor. It has presented an opportunity for the release of the anxieties and frustrations of a people who had no outlet before."

The CAC Governing Board last year vowed not to close up shop and go home after June 30.

"We're a private, non-profit corporation and will continue to exist after June 30," Ellis said. "The only way we'll lose our other program is if it's obvious no more money is coming in. Then we'll have to cooperate with other agencies who may take them over.

"But if that happens, the poor people will lose their voice in control over the programs."

SUMMIT PROGRAMS FACING PHASEOUT

The CAS programs and funding the Nixon Administration is proposing to eliminate are in the "local initiative" category. Those programs and their OEO funding for this year are:

Central Administration—$158,781 to coordinate, direct and evaluate all other CAC programs.

Neighborhood Centers—$386,755 for seven centers to provide manpower, housing, education, welfare, consumer education, transportation, food cooperative and health services. The centers are in north, south, east and west Akron, Barberton, Springfield Twp. and Twinsburg Heights.

Economic Development Program—$70,200 for business management training for poor people.

Youth Economic Development Program—$159,916 for job training and placement for poor youth.

Akron-Summit Tutorial Program—$51,248 for cross-age teaching, in which high school students teach younger student to read.

The total of the "local initiative" funds scheduled for cut-off on June 30 is $826,000.

Two other OEO-funded programs are scheduled for transfer to other agencies. They are:

Senior Workers Action Program—$35,000 for work on the problems of the elderly poor.

Legal Services—$94,978 for the Summit County Legal Aid Society, which provides legal advice and representation for those who cannot afford it. Congress has already passed a bill transferring the administration of this program to a quasi-governmental agency.

The rest of the CAC programs are funded by other agencies and are not threatened with immediate cut-off of funds. They are:

Project STRIDE—$265,042 from the U.S. Department of Labor for hiring, education and counseling of high-school drop-outs.

Head Start Program—$740,000 from the U.S. Department of Health, Education and Welfare (HEW) to provide pre-school training and health services for disadvantaged children. The program is run by the Akron, Barberton and Twinsburg school systems.

CAC-CARES—$35,000 from HEW for an alcoholic rehabilitation program.

CAC-SCENE—$30,000 from HEW for a drug rehabilitation and crisis center.

Foster Grandparents Program — $72,088 from ACTION, a Federal agency that also handles such programs as the Peace Corps, to employ senior citizens in hospitals, day care centers and nursing homes.

Barberton Child Development Center—$51,785 from the Ohio Welfare Department for pre-school training and health services for disadvantaged children in Barberton.

Model Cities Transportation Service—$243,374 from the U.S. Department of Housing and Urban Development to operate a mini-bus service for senior citizens in the

Model Cities neighborhood southwest of downtown Akron.

The Nixon Administration also has proposed a June 30 cut-off of the Model Cities program, but adds that funds may still be available through special revenue sharing.

If funds are available, Akron's City Demonstration Agency will decide whether to continue this program.

AREA OEO PROGRAMS SUFFER BUDGET CUTS

When Federal funding for the War on Poverty expires June 30, the Summit County-Greater Akron Community Action Council (CAC) will not be the only such agency in the Akron area in dire straits.

Community action agencies in Stark, Portage and Wayne counties also will lose more than a third of their budgets.

In CALTON, the Stark County Human Development Council has brought in more than $7 million in Federal funds over the past 10 years.

Council Director Charles L. Currence said his agency, formerly known as the Stark County Council for Economic Opportunity, "does not intend to lay down and be killed by some administration in Washington. We've started a job and we're not quitting until it's done."

Currence said the Stark County Council this year is spending $340,000 in U.S. Office of Economic Opportunity (OEO) funds to help more than 10,000 of Stark's 28,000 poor.

The Portage County Community Action Council has concentrated its effort on improving conditions in the black ghettos of McElrath Park and Skeels allotment.

Aside from the $250,000 annual budget, Portage CAC has worked to bring a $1.6 million sewer and water project to Skeels and McElrath. The Federal government gave $900,000 for the project, and CAC is trying to raise another $100,000 for those unable to pay assessments.

The Ashland-Wayne County Community Action Commission operates on an annual budget of $4,036 which goes to help rural poor in the primarily agricultural counties.

THE QUESTION OF FEDERAL LAND USE PLANNING IS VERY MUCH ALIVE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. RARICK. Mr. Speaker, the Federal land use legislation question continues very much alive. Discussions of the subject by various "land-use experts" suggests that they are more interested in influencing public opinion toward acceptance of a revolutionary new Federal program, than in analyzing its effect and determining how it would operate.

Characteristic of these one-sided discussions of land use is the soft sell technique to convince the public that the land use program would be completely controlled and operated by the States, that the program is "voluntary," and that land use planning is not a "no-growth program."

The "land use experts" often refer to the bill H.R. 10294 when illustrating their position, however, few care to mention the report of the Interior and Insular Affairs Committee which accompanied the bill, explaining the proposed law.

So that our colleagues may have a better understanding of the intent of the law, with respect to State control, voluntary participation and no-growth policy, I insert related excerpts of the committee report with my remarks.

STATE CONTROL

Beginning at page 44 of the report, under section 103 State land use planning grants, we read:

The Secretary of the Interior here is authorized to make annual grants to a State having an "eligible State land use planning agency" and an "intergovernmental advisory council" to assist in development and administration of a "comprehensive land use planning process."

An eligible State land use planning agency is defined as one having primary authority and responsibility for development and administration of a comprehensive land use planning process and having a "competent and adequate interdisciplinary professional and technical staff as well as special consultants" available to it throughout the planning process.

In so describing the character of this agency, the Committee seeks to make clear that something more than a "State Planning Department", common in many States in the past, is required to retain eligibility under the Land Use Planning Act. The emphasis is on *land use* planning rather than *program* planning; also the elements of competence and varied disciplines on the agency staff are of particular significance.

Further, at page 47, under section 108, we find the following language:

Prior to making any land use planning grant, the Secretary is required to consider the views and recommendations of the Interagency Land Use Policy and Planning Board and of all Federal agencies involved in programs significantly affecting land use but not represented on the Board. He must then determine eligibility of a State not later than three months after its application is received.

Prior to making a grant during the first three years after the Act goes into effect, the Secretary must be satisfied that the grant will be used to develop a comprehensive land use planning process; or, if developed within the three-year period, the State is proceeding to administer it.

At page 51 of the report, section 401 tells us which Federal agencies, commissions and bureaus will head the program:

This section establishes an Interagency Land Use Policy and Planning Board composed of an appointee of the Secretary of the Interior as Chairman, and representatives of 12 agencies—the Departments of Agriculture; Commerce; Defense; Health, Education, and Welfare; Housing and Urban Development; Transportation; and Treasury; the Atomic Energy Commission, Federal Power Commission, Environmental Protection Agency, General Services Administration, and the Council on Environmental Quality. Other agency participation is provided for when matters affecting their responsibilities are under consideration. State and local governments and regional entities having land use planning and management responsibilities also would participate.

The Board is to meet regularly and is directed to provide information and advice concerning the relationship of land use planning to programs of agencies represented on the Board, to assist CEQ and the Secretary of the Interior in promulgation of guidelines and rules and regulations, assist in the development of consistent public land use plans, provide advice on such land use policy matters as are referred to it by the Secretary, and submit reports to the Secretary on land use policy matters referred through agency representatives on the Board.

As examples of how the Board will function, it is here that the Coastal Zone Management Act program can be coordinated with land use planning; and that HUD will be able to assure that State land use planning processes are more effectively coordinated with the Nation's housing goals.

VOLUNTARY PARTICIPATION

At section 110, the report reveals:

Where a State is found ineligible for grants, this section requires any Federal agency proposing "any major Federal action significantly affecting the use of non-Federal lands" after five years from the date of enactment to hold a public hearing, make findings, and submit them to the Secretary for review and comment.

The purpose of this section is to provide a form of suasion short of sanctions to persuade a State to take advantage of the provisions of this Act. The findings and comments would be made part of the detailed statement required under the National Environmental Policy Act. If the President were to determine that the interests of the United States so require, this section would be subject to exception.

NO-GROWTH POLICY

At page 43 of the report, we find:

In summary, the Committee has no objection to identification of the Land Use Planning Act as environmental legislation, and in fact believes it to be an accurate characterization. But every effort has been made to take a balanced approach to the concept of land use planning and to recognize that we are considering the *use of land* for various purposes that must be achieved, and are *not* proposing a no-growth policy. Individual States well may decide there shall be no growth or development in certain areas as a part of its comprehensive land use planning process, but this bill does not contemplate adoption of such a National policy. Balanced with the ecological considerations we believe to be important are the broader environmental concepts that will promote a wise use of land for all the purposes required by mankind.

Special attention should be given part B—Comprehensive Land Use Planning Process, found on page 45. It gives a graphic description of how far the Federal Government is planning to go in dictating what Americans can and cannot do with their private land and buildings.

PART B—COMPREHENSIVE LAND USE PLANNING PROCESS

The four sections in this part of title I provide for the development of a comprehensive land use planning process and the subseqent administration or implementation of the process. These sections also set forth certain requirements as to use and development in accordance with the comprehensive land use planning process. Where the term "development" is used in this latter sense it means, in the context of the American Law Institute Model Code, the dividing of land into two or more parcels, the carrying out of any building or mining operation, or the making of any material change in the use or appearance of any structure or land. Development includes, but is not limited to erection construction, redevelopment, alternation or repair. When appropriate to the context, development refers to the act of developing or to the result of development.

By looking beyond the mere title of the Land Use Planning Act, we can see the bill for what it is, a blueprint for all land in the United States controlled by the Interagency Land Use Policy and Planning Board of the Federal Government.

This board is composed of an appointee of the Secretary of the Interior as chairman and representatives of 12 Federal agencies.

State acceptance of this latest Federal program would be "voluntary" provided the State could afford to turn down the Federal seed money, and after 5 years, could battle against Federal "suasion short of sanctions to persuade a State to take advantage of the provisions of this act."

Despite assurances by the committee that the bill does not contemplate "no-growth" as a national policy, many American citizens are gravely concerned. When we look at the intent and scope of this bill, we learn that their concerns that the use of their private property will be taken away by the Federal Government without regard for the constitutional prohibition against seizure of private property, "without just compensation," are justified.

I, as one Congressman, share their concern, and hope that our colleagues will, also.

"THE SKY IS GETTING BLACK, MY THROAT AND LUNGS HURT, AND THE AIR STINKS—WHY, IT MUST BE SPRING"

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. BROWN of California. Mr. Speaker, as you walk about Washington over the next few weeks and months, enjoying the blooming of the cherry blossoms and the other beautiful indicators of the arrival of spring, I would like you and our colleagues here in the Congress to spend a few moments every now and then thinking of the residents of southern California and the environment we are currently enjoying—no, enjoying is not appropriate, let me say the environment we are currently undergoing. Let me read you an article which appeared in the Riverside Press-Enterprise of last Saturday, March 16:

YEAR'S FIRST SMOG ALERT CALLED IN RIVERSIDE AREA

(By Mark Gladstone)

The first smog alert of the year was called in Riverside County Friday, as temperatures continued in the 80s and 90s.

The first-stage alert was called by the Air Pollution Control District in Rubidoux at 4:15 p.m. when the oxidant level reached .27 parts per million parts of air (ppm).

At 4:23 p.m., a high of .28 ppm was reached in the Riverside area. The alert was called off at 4:30 p.m.

An alert is called by the Riverside County APCD when oxidants reach .27 ppm.

The APCD said a first-stage alert means that people with respiratory problems should stay indoors and refrain from strenuous activity.

When the alert level is reached, the APCD contacts the news media, schools, and hospitals.

Press-Enterprise weather records show that Friday's alert is as early in the year as an alert has been called in the Riverside area. On March 15, 1972, an alert was called when the oxidant level reached .27 ppm.

Oxidant highs in other Riverside County communities as of 5 p.m. were: .21, Prado Park; .16, Perris; .09, Hemet; .06, Indio.

Outside the county, the high oxidant reading San Bernardino was .13 ppm; central Los Angeles .21 ppm; and Anaheim .15 ppm.

By 6:30 p.m. the oxidant reading in the Riverside area was .12 ppm. The oxidant level first went above .10 ppm at 11:38 a.m., according to the APCD. The state Air Resources Board has said that conditions adverse to health exist when the level is above .10 ppm for more than one hour.

The APCD expects the level to be .30 ppm or less in the Riverside area today and Sunday; .20 ppm or less in Prado Park; and .10 ppm or less in Hemet and .15 ppm or less in Palm Springs and Indio.

Temperatures in the western county remained in the 80s for the second day in a row. Riverside had a high of 83—the high for the year.

In the desert, the high for the year, 98, was recorded in Thousand Palms.

The National Weather Service expects the warm temperatures to continue today and Sunday.

Crop protection should not be needed in the western county Saturday night, according to the weather service.

Mr. Speaker, I intend to say a great deal more about this situation during this session of the 93d Congress, particularly as legislation which could have some effect on the pollution situation reaches the floor of the House for debate, but for now I will close with this brief reminder that the people of my district are having years taken off their lives by the man-made poison they are forced to breathe. Happy spring.

AMENDMENT TO H.R. 69

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 21, 1974

Mr. PERKINS. Mr. Speaker, pursuant to the provisions of House Resolution 963 regarding amendments to title I of H.R. 69, I am inserting in the RECORD the following amendment on behalf of Congressman AL QUIE and myself:

On page 46 in line 3 insert after "that" the following: ", notwithstanding the provisions of section 425 of the General Education Provisions Act,"; strike in the same line the word "has" and insert in lieu thereof the word "may"; and in line 4 before "an" insert the following: "an advisory council for the entire school district and must establish".

HOUSE OF REPRESENTATIVES—*Monday, March 25, 1974*

The House met at 12 o'clock noon.

Rev. Cecil LeRoy Morris, retired minister, United Methodist Church, Springfield, Ill., offered the following prayer:

Dear Lord and Father of mankind, amid the turmoil and tension of our times, may we be still and know with confidence that Thou art God. Let us be so attuned to the infinite that our finite selves may hear the still small voice, and may Thy spirit bear witness with our spirits that we are Thy children.

This day, we pray for the nations of the Earth, and for all who hold places of responsibility. Give wisdom that good will prevail. Especially, let Thy benediction be upon this House of Representatives, and let Thy grace reach out to the last individual in the farthest district.

Help us, O Lord, to have a deeper sense of gratitude for our goodly heritage. May "In God We Trust" be a true affirmation of our faith. And let us be reassured that righteousness does exalt a nation.

In the name of Jesus Christ. 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes.

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

H.R. 13025. An act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7130) entitled "An act to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over impoundment of funds by the executive branch, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ERVIN, Mr. MUSKIE, Mr. RIBICOFF, Mr. METCALF, Mr. CANNON, Mr. PELL, Mr. ROBERT C. BYRD, Mr. ALLEN, Mr. PERCY, Mr. ROTH, Mr. BROCK, Mr. COOK, Mr.