tung of Munich said Mr. Leber's—West Germany's Defense Minister—visit indicated that Bonn was "more concerned than it initially admitted about unclarified matters" between the United States and its European allies. The paper said these included Mr. Kissinger's "pretentious reference to a new Atlantic Charter." The editorial concluded:

The question now is whether at the very beginning of the so-called multilateral age, bilateral relations with the USSR will have priority over vital questions of the Atlantic Community.

Leber wants to prevent advance reductions of the U.S. or European defense from imperiling the MBFR result. His concern appears justified. What is required is a stock-taking—rather than a substitute for NATO—aimed at revising the defense doctrine and at including political, economic and monetary policy within the scope of the Alliance.

In looking at the French viewpoint we see the following:

A writer in Catholic La Croix of Paris judged that American public opinion favored withdrawal of U.S. troops from Europe but said—

The White House is assuring its European allies that it holds the opposite view—while, however, letting doubt remain by implicitly linking together all the problems that stand between Europe and the U.S.

He inferred from Ambassador Irwin's Monday speech to the Paris diplomatic press association that "the threat to Europe is clear: pay or give up the troops." The writer said—

American proponents of withdrawal have the initiative and that this may both help the White House in its negotiations with Western Europe and embarrass it considerably in its negotiations with USSR: After all, how can the Soviets be persuaded to agree to bilateral reductions when they are assured beforehand of a unilateral American withdrawal from Europe reasonably soon?

As perhaps a forewarning of what might happen if Europe's commitment to Europe loses credibility, and particularly for those who are concerned about the question of nuclear proliferation a Paris newspaper headline read:

Pro-NATO, moderate-right opposition Aurore of Paris headlined today:

U.S. Pressures on Nixon for Sizable Withdrawal of Troops from Europe as France Prepares to Explode Bomb in Mururoa.

Military commentator General Andre Beaufre asserted Saturday in middle-of-the-road Figaro:

The Nixon-Brezhnev accord does not appear to me to be the beginning of a condominium, but rather the establishment of a state of increasingly stable *mutual neutralization*. (Emphasis added.)

He reasoned that—

The paralysis of the two superpowers gives others, including Europe, a greater degree of freedom. Europe can build itself up politically and strategically under the shelter of this *mutual neutralization*. (Emphasis added.)

Europe not only can but must do this if it does not want to stay within the Soviet-American system. . . .

To be sure, the big Soviet market, which some have coveted, will elude the Europeans. But Europe has other trump cards: its own internal market, Central Europe and the third world.

The moment thus appears opportune for a bold European policy, if the nations of Europe have the wisdom to work together and pull in the same direction. This is an opportunity that should not be missed.

Il Tempo of Rome devoted a full page Saturday to a byliner's discussion of "Prospects of the Western defense system for the seventies." He said in part:

U.S. policy . . . as defined by President Nixon and Mr. Kissinger, aims at obtaining a lasting peace and is based on the premise that a network of mutual economic interest, communication and financial relations between East and West can do more to prevent conflict than two armed encampments. . . .

"If . . . the desire for peace to detente could be regarded as sincere and dependable . . . perhaps the military apparatus of the Atlantic Alliance would become useless.

But . . . the road to hell is paved with good intentions and a real balance of forces guarantees peace better than a treaty . . .

However, now that the U.S. is vulnerable in its own territory, it may not wish to use its nuclear guarantees for its allies . . .

Independent Kurier of Vienna declared today that congressional calls for reduction of American troops in Europe support Soviet aspirations.

This is a paradox, but Congressional leaders who call for this are throwing away a trump card for the troop reduction talks here.

One thing is certain. If the Americans show they want to get their troops back home from Europe, they cannot expect the Soviets to grant them concessions voluntarily.

The real danger then would be that the force reductions would be unilateral and unbalanced. The USSR would be virtually given a dominating position in Europe both militarily and politically.

We do not have any objection to U.S. withdrawal from Europe, but the withdrawal should come as the result of negotiations and compromises, and should take place only after the East has demonstrated its sincere interest in detente.

The independent Times of London speculated today on the "outcome of the pressure to which the President is being subjected." The paper said:

Senator Mansfield's original demand . . . was for the American contingent in Europe to be halved. If this were carried through, the effect upon the North Atlantic Alliance would be disastrous. It would certainly mean a total restructuring of the Alliance's military posture, and would probably entail the withdrawal of the seven thousand tactical nuclear missiles which are under American command in Europe . . .

Happily, this is the least likely outcome of the pressure to which the President is being subjected. The most likely is that he will win a reprieve for his policy, at least until the Vienna talks are under way. It is no doubt upon the progress and the promise of these talks that the next chapter of this disturbing tale will depend.

De Telegraaf of Amsterdam declared yesterday that the West should not be "disappointed at a bad start and possibly further disappointments" at the conference. It declared—There is no just alternative," to a continuing effort to create better relations.

Considering the endless effort needed to obtain the smallest concessions, it would seem stupid to make concessions on one's own in whatever field. Such a weak policy would only reinforce the rigid attitudes of the Russian leaders.

What the Europeans fear, and what would represent the very destruction of our own defensibility is expressed by the Independent Kronen-Zeitung said yesterday that the symbolism of the choice of Helsinki for the conference was not lost on several critics of this diplomatic show because the conference could end in the "Finlandization" of Europe if it goes along the lines the U.S.S.R. desires—

"Finlandization" of Europe would mean no basic changes in the social order, but there would be no American troops in Europe and NATO would be dissolved. Western European governments would be so weak as a result that they would be forced to coordinate their foreign policies with the Kremlin.

This is not a very promising prospect. But the Western foreign ministers recognize this theoretical danger, and the Soviets, in the meantime, have also recognized that genuine detente cannot be achieved by pressing for superiority.

Another European fear is expressed by the independent London weekly Economist:

William Rogers . . . deliberately tried to assauge any unspoken fears that America and Russia would try to settle everything over the heads of the others. It needed saying.

Mr. Speaker, while I do not agree with every thought which was heretofore expressed, based upon this reaction by our European allies I feel any unilateral initiative to reduce our troops at a time, as I pointed out earlier, when we have the opportunity to negotiate a mutual reduction of East-West forces, would further erode our allies confidence; it would take away any Soviet incentive to negotiate and it would seriously threaten the credibility of this Nation's international commitments.

SENATE—*Friday, July 27, 1973*

The Senate met at 9:30 a.m. and was called to order by Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky.

PRAYER

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

Eternal God, our Father, may all that we do this day be done in the pure light of Thy presence. Guide us through every difficult decision. Grant us the insight to

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distinguish between our will and Thy will and give us the grace to obey Thy will. Through times of crisis hold us to the highest and best we know. When tempted to do less than our best, brace us and make us strong in resisting temptation, remembering how the Master turned His back on the Tempter. In all our coming and going, in all the ardent contention of the day, and amid the collision of ideas and objectives, nourish us in the truth which comes from above, so that we may come to the day's end without mistakes and without regrets.

We pray through Him who came not to save His life but to give it for others. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 27, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HUDDLESTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, July 26, 1973, be dispensed with.

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

LOOKING TOWARD SINE DIE ADJOURNMENT

Mr. MANSFIELD. Mr. President, the distinguished Republican leader (Mr. SCOTT) and I had a discussion relative to the administration proposals, which numbered 35, which were discussed in a recent Republican leadership meeting with the President. I believe that meeting was on Tuesday of this week.

Since that time, the distinguished Senator from Pennsylvania (Mr. SCOTT), the Republican leader, has furnished the Senate with a list of the 35 administration initiatives. We have gotten together and had our staffs make a survey as to just where each of these pieces of legislation is at the present time.

With regard to the 35 items which the Republican leader inserted in the RECORD on yesterday, 15 of these measures or 42 percent have already passed the Senate. Of the 20 bills which have not yet passed the Senate—

Two await House action first—tax reform and trade;

Two are on the calendar—pension reform and Election Commission;

One has been ordered reported—foreign assistance;

Two are in markup—Legal Services Corporation and stripmining;

Eight have already had hearings; and

Five have had no committee action yet.

In all, the Senate response to administration proposals has been good with only 5 on the list of 35 not yet acted on during the first 7 months of the 93d Congress.

I ask unanimous consent, on behalf of both the distinguished Republican leader and myself, that our findings be printed at this point in the RECORD.

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

Among many Administration initiatives, the following were discussed in recent Republican leadership meeting with the President. The list is not inclusive of all legislation pending in Congress and of interest to the Administration.

*1. Manpower Training—S. 1559; P/S July 24.

*2. LEAA—H.R. 8152; Conference report filed July 27.

3. Better Communities—S. 1743; hearings in progress.

4. Better Schools—S. 1319 (S1539); hearings in progress.

5. Bicentennial Reorganization—H.R. 7446; P/H; Senate hearings complete.

6. Election, Reform Commission—S.J. Res. 110; on calendar.

7. DENR—S. 2135 hearings scheduled for July 31. Labor Committee markup next week.

8. Legal Services Corporation—(amendment to S. 1815).

9. Gas Deregulation—S. 2048; tentative hearings in fall.

*10. Alaska Pipeline—S. 1081; P/S July 17.

11. Deep Water Ports—S. 1751; hearings in progress.

12. Trade Reform—H.R. 6767; executive markup in progress.

13. Export Administration—S. 2053; hearings held.

14. Foreign Assistance—S. 2026; ordered reported.

15. Pensions—S. 4 (S. 1557); on calendar.

16. Heroin Trafficking Act—S. 1300 pending; some provisions in conf. rept., S. 800.

17. Capital Punishment—S. 1401 hearings complete. Rept. late Sept.

18. Criminal Code Reform—S. 1400; hearings in progress.

19. Stockpile Disposal—S. 1849; no hearings planned.

20. Reorganization Authority Extension—S. 2003; no hearings yet.

*21. CIEP Authority—S. 1636; in conference.

*22. Unemployment Compensation—provision in Public Debt; PL93-53.

*23. Flood Disaster—S. 606; P/S February 1.

*24. Toxic Substances—S. 426; P/S July 18.

*25. Safe Drinking Water—S. 433; P/S June 22.

*26. Vocational Rehabilitation—H.R. 8070 in conference.

*27. Health Maintenance Organization—S. 14; P/S June 15.

*28. Northeast Railroad—S. 1925; P/S July 14.

*29. Federal Aid Highways—S. 502; conference report filed today.

*30. Urban Mass Transit—S. 502; retained in conf. rept. to be filed today.

*31. Par Value—H.R. 6912; in conference.

32. POW Tax Relief—H.R. 8214; reported in House July 24.

33. Tax Reform—House has finished hearings.

*34. Farm Bill—S. 1888; in conference.

35. Surface Mining—S. 425; exec. markup.

* Passed Senate.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1423) to amend the Labor Management Relations Act, 1947, to permit employer contributions to jointly administered trust funds established by labor organizations to defray costs of legal services.

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.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan desire to be heard?

Mr. GRIFFIN. No, Mr. President.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota (Mr. MCGOVERN) is to be recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if it is agreeable with the Senator from Iowa, that he be permitted to proceed with his order without prejudice to the Senator from South Dakota.

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

The Senator from Iowa.

Mr. HUGHES. Mr. President, I thank the distinguished majority whip for allowing me to proceed.

DEADLINE FOR ENDING U.S. BOMBING IN CAMBODIA

Mr. HUGHES. Mr. President, in less than 3 weeks the deadline for ending U.S. bombing in Cambodia will be at hand.

After August 15, under provisions of law duly enacted by the Congress and signed by the President, U.S. air war activity over Cambodian territory will be prohibited by law.

In recent days, high representatives of the administration have assured congressional committees that the administration intends to abide by the law.

Nonetheless, considering the history of deepening involvement, of secret, large-scale military operations covered by falsified reports, and of deliberate violation of already existing laws, no thoughtful person can escape being apprehensive about whether or not our Government really means business about stopping the Cambodian bombing.

Even for the war-weary American people, the actuality of pulling out of Cambodia is going to require some adjustment.

It is one thing to set a future date for ending our involvement. It is another to clench our teeth and take the action that should have been taken long ago.

We have been involved in the Indochina war so long that it has become a part of us like a chronic disease.

We have been brainwashed with tidal waves of propaganda telling us that it is our duty to continue a detested war to protect the people of South Vietnam, Cambodia, and Laos from Communist aggression.

We have had it dinned into us that our support of corrupt, dictatorial regimes is necessary in order that the peoples of these countries could attain political self-determination.

We have been admonished to support continuing and extending involvement on the grounds that just a little more effort on our part would enable non-Communist regimes in these countries to survive on their own power.

We have been threatened from time to time that a complete pullout on our part would result in a monstrous bloodbath of innocent people.

We have heard about the light at the end of the tunnel so often that we can almost see this rhetorical beacon.

While our ground troops have been withdrawn, we have not been released by our own official propaganda from the guilty feeling that we still have a distance to go to attain peace with honor.

In the meantime, we have gone on inflicting our own bloodbath from the skies against innocent people.

The corrupt political regimes into which we have poured untold billions still show no real signs of being able to support themselves on their own. They never did. They lack one essential element—the support of their own people. Their dictatorial power is weakened now as it always has been by the dry rot of corruption.

We have sacrificed 55,000 lives of the flower of our youth; 300,000 others are maimed and disabled; we have killed and crippled hundreds of thousands of innocent people; we have desolated and terrified millions and displaced them from their homes; we have cratered and laid waste peaceful, peasant villages and countrysides; we have spent nearly $200 billion while neglecting the poor, the unemployed and other critical needs of the American community at home.

With this mighty effort we have won the venal alliance of corrupt dictators. The people hate us.

As the August 15 deadline approaches, the pressures will inevitably mount to bludgeon Congress and the American people to continue our military involvement.

Sacred and secret diplomatic commitments will be pled. The mythical light at the end of the tunnel will be cited again. Once again we will be reminded of the impending bloodbath, somehow strangely different and more deserving of our compassion than the blood-spilling of innocent people that is going on now under our own auspices.

It is a well-known fact that when a prisoner is in a correctional institution for many years, he is apt to get to a point where he fears liberation. He has become "institutionalized," as correctional officials put it.

For many tragic years we have been prisoners of the Vietnam war and the harsh propaganda of our own Government that has supported this unwanted war.

I hope that we have not become so institutionalized about the Indochina war that we cannot, despite our deepest desire and our clearest reason, cast off the incubus.

Through the years, the controversy over our involvement in Indochina has cut across political administrations and other traditional alinements. It has been unquestionably the most detested, divisive, and unwanted war in our history.

In the debate over this war, never has there been a clearer case of the triumph of bias over reason. Either you were for it or against it, and the bitterness ran deep on both sides. No nuances or reservations were allowed either side in the heat of the continuing debate. Honorable people on both sides suffered. Those who approved of the war came off as inhuman and militaristic; on the other hand even the patriotism of those who opposed the war policies was questioned, at times.

Now it is time to sort out what we really believe about this war and the course we should now take. Not what the peace movement thinks, not what the military-industrial group thinks, not what administration or antiadministration sectors think—but what the people think.

Today—3 weeks in advance of the August 15 deadline to end the bombing—I want to summarize what one American, HAROLD HUGHES, believes about where we are on this overriding matter and the direction in which I think we should move in the national interest.

As we all know—and whoever doubted that it would happen—the Lon Nol government in Cambodia now wants an extension of the bombing.

As of now, heavy fighting goes on in Cambodia; only a partial truce has been reached in Laos; and bloodshed continues in South Vietnam.

A recent news dispatch from the Mekong Delta in South Vietnam tells of three army trucks pulling up to a Province hospital and unloading a grisly cargo—150 bodies of South Vietnamese soldiers killed in a Vietcong ambush.

Since the cease-fire last January 22, government officials have been frequently assassinated or kidnaped. The Canadian truce supervisory team that recently withdrew from the multinational peace supervising commission in Vietnam has accused North Vietnam of "massive" and "unrelenting" infiltration of troops into the Mekong Delta since the cease-fire—in deliberate violation of the Paris truce agreement.

According to the Canadian report, thousands of fresh troops coming into the South had never heard of the Paris accord, the peacekeeping forces, or the withdrawal of U.S. troops.

It is not my purpose here to question or confirm this report, although I personally believe it to be true. The point I want to make is: What American with eyes in his head and in his right mind ever doubted that such things might happen?

Whoever doubted that the determination of the North Vietnamese to unite the two Vietnams and bring them under Communist domination would continue despite cease-fires and peace accords? Whoever doubted that they would use murder and subversion and torture or anything else to gain their ends.

In opposing this war over the long, difficult years, I never at any time imputed any benign motives or compassionate behavior to the North Vietnamese military dictatorship or its forces in the field.

These are harsh, ruthless people engaged in a struggle to which they are totally committed.

The torture of American prisoners of war by the Vietcong and North Vietnamese was not an isolated example of their conduct. The terrorist bombings and rocket attacks that killed innocent civilians were all in the day's work.

Whoever said that these were nice people and that once a truce was signed there would be a rose garden of peace? Rather, what we have is a dirty back-alley brawl.

Let us make no mistake about it—the North Vietnamese have disregarded or flagrantly violated numerous provisions of the agreement. They made a last-minute land grab; they are pouring political cadres and material into South Vietnam; they have stymied the effective functioning of the International Commission for Control and Supervision.

The violations by the Saigon regime would appear moderate by comparison.

The brutality of the North Vietnamese in some of their prison camps, as reported by our returned prisoners of war is fresh in our memory. We should think a long time before taking the risk of losing another American to one of those prisons.

What we have in plain words—now and from the beginning—is a civil war in which two harsh military dictatorships are locked in mortal combat. If the Thieu regime, non-Communist, but nonetheless a dictatorship, is preferable over the North Vietnamese regime, which it may well be in some respects, the fact is that General Thieu has never proved his ability to hold the voluntary allegiance of his people. The North Vietnamese, for good, bad, or worse, are unified and committed.

In any event, the overwhelming point to be made is that the United States, in its national interest, has no business being militarily involved in Indochina another week, another day, another hour beyond the legal deadline.

In retrospect, many Americans believe we never, at any time, had sufficient cause to be involved in Vietnam. But whether or not we should have intervened in the beginning is not the issue now. In point of fact, we did intervene in the most massive way. If we had an obligation, we discharged it; if we had an official commitment, we honored it; if our goal was to shore up the Thieu government so that it could stand alone, then we have done everything possible to achieve this end short of using nuclear weapons or remaining in military intervention in perpetuity.

Now the focus is on Cambodia.

We have dumped thousands of tons of bombs, clandestinely and openly, on that hapless country without convincingly bailing out its military dictatorship.

The war goes on in Cambodia with the issue in doubt, but the edge is apparently going to the Communists even with the American bombing. We do know who the losers are—the innocent civilians—whose casualties are no less dead and homes no less destroyed whether by Communist mortars and rockets or American bombing.

From the standpoints of what we have done to our own society and the countries we are trying to help, almost everybody now admits that we have made an incredible mess of our involvement in Southeast Asia.

Now we are approaching some semblance of unity. The Congress wants out. The American people want out. The other civilized countries of the world want us to get out.

The question is that as the hour of truth approaches, will we have the tough determination and horse sense to do what has to be done?

Or have we become so imprisoned, so institutionalized by the long years of ceaseless, dinning propaganda that some subliminal reflex will betray us into saying—"not yet—just a little while longer."

Considering our long involvement in Southeast Asia, advised or ill-advised as the individual may see it, and our participation in the peace negotiations, a credible case can be made that we have some responsibility to do what we realistically can to stabilize the situation between North Vietnam and its adversaries in Indochina and to use our influence on behalf of a genuine truce and a lasting peace.

I would agree that we should do what we can short of continuing what has already been discredited and disproved as an acceptable or effective means of shaping the political destinies of these countries.

There must be no, but no, resumption of American bombing or other military operations either secret or open, either illegal or within constitutional bounds, in Indochina. No more risk of American POW's or MIA's, no more wrong or more wrong or right-targeted civilian casualties, no more villages destroyed to save them.

It is time to bite the bullet and stop the senseless, ineffectual killing now.

Ruling out military intervention from August 15 on, what can we do as a nation to stabilize the situation in Indochina and further the fairest possible peace?

If expeditionary forces of over a half million plus the most awesome concentration of air, naval, and ground power in modern history plus untold billions in other military-related aids could not bring peace in Vietnam; perhaps it is time to use the carrot instead of the discredited stick.

In the past year, President Nixon's countrymen and the nations of the civilized world have praised the President for his historic initiatives in opening a new era of relations with the People's Republic of China and the Soviet Union. In connection with these new and encouraging developments, Mr. Nixon has stressed the importance of trade and economic détente. I think he is right in this. There are even some authorities who say that the Russian wheat deal which was negotiated at the cost of $160 million in public subsidy and immeasurable domestic sacrifice here in the United States in terms of soaring prices and glutted transportation routes will measure up in history as a great example of statesmanship.

Why not consider using this nation's awesome economic power to further peace and stabilization in Indochina?

Having said this I need quickly to make my position clear on a few related points.

We are given to understand, without details or officials confirmation, that the possibility of massive economic aid to North Vietnam is under consideration by the administration and undoubtedly was discussed in the peace negotiations between Dr. Kissinger and Le Duc Tho.

Under what I consider to be the right circumstances, I would favor such aid, in fact, would strongly support it.

However, I want it to be known that as things now stand, with our planes still bombing Indochina and the North Vietnamese infiltrating and otherwise violating the Paris peace accord, I would fight to my last breath on the floor of this Senate any proposal to give a nickel's worth of aid of any kind to the People's Democratic Republic of North Vietnam.

This is not hard-line doctrine; it is just commonsense.

On the other hand, if economic aid for peaceful, constructive purposes for the countries of Indochina, including North Vietnam, could be used as a lever to bring about stability in Southeast Asia and to provide a measure of protection to defenseless people from acts of harsh retribution and political retaliation, I think this would be an initiative well worth considering.

By this time, I believe it is obvious to all of us that we cannot dictate the political system that countries will have on the other side of the world. At the same time, I think it is a reasonable assumption that if we used a fraction of the vast billions that we sank in military intervention in Southeast Asia for peaceful economic investment in those same countries, we might have moved mountains instead of demolishing them.

We cannot enforce the peace ourselves but we may be able to encourage it by the following steps:

First, by the clearcut refusal to give one penny of economic aid to Hanoi until it demonstrably lives up to the Paris agreement—and that means no troop reinforcements or war materiel except for 1-for-1 replacements—and, of course, a full accounting of the MIA's.

Second, we should condition aid to South Vietnam on the same full compliance with the Paris accords.

Third, as the fighting subsides, we should consider providing moderate amounts of reconstruction assistance to all sides, so long as they are moving toward a general peace.

Fourth, we should also seek agreement with the Russians and Chinese on respective limits of aid to Indochina. Specifically, we should offer no more aid to South Vietnam than its own allies give to North Vietnam.

These steps, I believe, would serve to insulate Indochina from great power dependence and contribute to the achievement of a stable peace in Southeast Asia.

In summary, if the peoples of South Vietnam, Cambodia, and Laos remain under non-Communist rule; then we can feel that we did everything we could to help make this possible. If their governments ultimately come under Communist control; then it still stands on the record that we did all that could reasonably be expected and more to provide them a free choice.

But if the latter possibility comes to pass—and we must clearly recognize this possibility—it seems to me a little incongruous to consider this the end of the world. For at the very time we are giving up the ghost of hope, the President of the United States may be in friendly discourse with Chairman Brezhnev in Moscow or with Chairman Mao in Peking.

So far as extending the bombing in Cambodia or otherwise perpetuating American military intervention in Indochina, I will oppose it so long as there is a breath in my body or my voice can stir an echo in this Chamber.

Whatever persuasive objections may be raised, the senseless, futile killing by our forces in Indochina must now stop.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota (Mr. McGovern) is recognized for not to exceed 15 minutes.

Mr. McGOVERN. Mr. President, I shall speak on a different subject than the Senator from Iowa, but I want to take just a moment to commend him on a superb statement on our challenge in Southeast Asia, and also to express my personal appreciation to the Members of the Senate for the excellent, valuable hearings that he has been conducing into the unauthorized and illegal bombing of Cambodia, which apparently began in 1969 and 1970. I think we are all indebted to the Senator from Iowa for bringing this information to the attention of Congress and the Nation. I wish him well in those continuing efforts.

THE WAY OUT OF THE WATERGATE WALLOW

Mr. McGOVERN. Mr. President, the first and final source of power in our society is the people. The Government belongs to them, not to political leaders. Elections should be determined by them, not by big money, manipulators, and influence peddlers.

But, as T. S. Eliot warns—

> Between the ideal and the reality, falls the shadow.

Last year, that shadow darkened our democratic process. This year, we must seek, as best we can, to dispel the darkness—by correcting the wrongs that were committed and by preventing a similar subversion of our freedom in the future.

The only way to restore public trust in our political process is for our politicians to trust the people. No candidate or official has a right to hide the truth about his campaign or conduct in office. And the people have the most solemn right to know what their representatives have done in the pursuit and exercise of power.

That right cannot be suspended by a former Attorney General's curious judgment that one President's reelection is more important than the laws of the whole Nation.

In that connection, Mr. President, I think one of the most startling exchanges in the entire Watergate hearing conducted by Senator ERVIN's committee has been the dialog between Mr. Mitchell and Senator TALMADGE on this very point, when the former Attorney General said, in effect, that considering the alternative being offered the American people on the other side, criminal behavior was justified to prevent that horrible possibility from becoming a reality.

But the right of the people to know cannot be suspended by citing an obscure and exaggerated concept of executive privilege to conceal evidence of an unprecedented abuse of executive power.

That right cannot be suspended in the name of a false view of national security that has left America more insecure than at any moment in our memory.

And the right of the people to know must now be defended from subversion at home with the same vigor that we would defend our territory from foreign attack.

What the executive branch must do is open up the record of the past to public view. Last May I expressed the hope that the President was not involved in the crimes and the coverup of Watergate. I said then that I wanted to believe him, and I still do. But it is hard to believe someone who demands to be taken on faith but declines to be forthcoming with the facts that would establish his innocence. If Mr. Nixon insists on a President's special prerogative to withhold evidence, how can he fairly invoke an ordinary citizen's presumption of innocence?

This President now has one responsibility above all others—to restore the credibility and capacity of Government. Some essential steps only he can take—such as releasing the tapes of his conversations about Watergate and the surrounding incidents. But the burden rests not only on the White House; it is also here on Capitol Hill. The Congress has a responsibility beyond the Watergate investigation to enact long overdue reform legislation, so that never again will the lowest standards of crime degrade the highest offices of government. That, I think, is what we must do for our country in this troubled hour.

We begin with the Campaign Reform Amendments of 1973. Let us resolve that we will end with real reform, without any element of shame. Let us resist any effort at retreat cloaked in the name of reform.

We must enact a campaign reform bill, not an incumbent's preservation bill; strict reporting requirements, not easy loopholes for those who think they can buy political influence and even Presidential elections; strong legislation which will encourage the confidence of Americans in the system, not weak legislation which will discourage the people even more, and lead still more of them to believe that this is a government of tricksters and fixers.

I feel certain no one in the Senate wants to increase the public cynicism, which is already one of the most alarming phenomena in this country. I am equally certain that it could happen here unless we are careful that every decision we make during this debate on campaign reform is above suspicion.

The Rules Committee, under Senator CANNON's leadership has worked hard and honestly on campaign reform. There are areas in which I think their work could and should be perfected. But as we do so, we must caution ourselves that any change which weakens the campaign laws further weakens our position in the eyes of the people of this country.

One major test is the disclosure section of the Rules Committee bill. The new provision stipulates that campaign committees need report only the name and address of a contributor who gives more than $100 instead of the 1971 requirement to report name, address, occupation, and principal place of business. I had personal experience with that very tough provision in the last election, and I would be the first to state that compliance is difficult and time consuming. But it is also essential. Without provisions for reporting occupation and principal place of business, corporations that are prohibited by law from making direct contributions could use a few cooperative employees as conduits to forward corporate funds to a candidate with very little fear of discovery. And complete identification guards against the possibility of someone using name variations to exceed legal limits on individual contributions.

A second measure of our commitment to campaign reform is the ceiling we set on the size of contributions. In S. 372, individuals and committees are limited to contributions of $5,000 to a congressional candidate with subsequent requirements on other contributions. The provision was modified by the amendment of Senator BENTSEN yesterday, but I think we are still permitting too large contributions to presidential campaigns.

I am aware that in my own campaign last year, while we were not entirely successful in achieving our objective, we did demonstrate certain things. We demonstrated that we could finance a national campaign, involving nearly $30 million, and could do it almost completely with small contributions. Roughly 80 percent of our funds came from direct mail solicitation, with average gifts of about $29. We had some large gifts, but the average of everything we received in that campaign was something less than $30 a contribution. We proved, in other words, that it is possible to finance even a major national campaign with the contributions of ordinary citizens. Therefore, I believe the limitations now in the bill are too high. More reasonably, as Senator HART suggests, we should set an annual limit of $1,000 for all contributions to a candidate by an individual, $3,000 on committee contributions, and $15,000 on total contributions by any single individual and his family to any and all candidates.

If a candidate cannot rely on large gifts, through contributors, he will have to seek small gifts from many contributors. Nothing should reduce the evil influence of big special interest money on public policy so dramatically as eliminating the large contributions which, either directly or in a subtle kind of way, do exert an influence on the recipients of those contributions. This should make elected officials more responsive to the average citizen and their own consciences, and less responsible to powerful special interests. A campaign for the support of the people should be financed by contributions from the people.

Finally, as the bill now stands, it is generally deficient in its favorable treatment of incumbent candidates. As Senators that may be in our interest—but it is not consistent with our duty. Of course, as incumbent Senators, that may be in our interest, but it is not consistent with our duties.

We must amend this legislation to insure that holding an office is not an insurance policy for keeping it. Incumbents have an understandable advantage. But we must not encourage a repetition of the situation in the 1972 campaign, where the power and auspices of an elected official were exploited almost without restraint to assure his reelection at all costs—an exercise which the commentator Sam Lubell has described as the first case in American history of total politics, by which he means the full and unrestrained use of power of an incumbent's office to secure reelection.

Mr. President, the provisions of this bill, with the amendments I envision, will be tough. They will inflict more than a little hardship on candidates and campaign organizations. But the last year has inflicted fearsome damage on our free system. It has painfully strained the already frayed bonds of trust between Government and the people. Now, in the wake of the Watergate scandal, every American politician is on trial. If that means imposing some restrictions on campaign funding that many of us could live quite conveniently without, then that is the price we must pay.

We must also look beyond reforms in private campaign contributions to public financing of campaigns, a practice which the British have used to good advantage for many, many years.

When I last testified on this bill during committee hearings last March, the sordid details of Watergate were not fully disclosed. But it was clear to me even then that it was imperative to enact a system of public financing in Federal elections. Senator KENNEDY and Senator SCOTT of Pennsylvania made that effort yesterday and I hope it will be revived again at some future date, because only that method will provide the strongest safeguard against corruption, conspiracy, and criminal misuse of campaign funds. It would also serve, quite obviously, to lessen the inherent advantages of an incumbent candidate. It would dispose of restrictive reporting procedures that are now necessary but always difficult and cumbersome to enforce.

Whether or not public financing becomes part of the current bill, it is a fundamental step forward which must become part of the law of the land.

The path out of the swamp will be hard to travel.

It will be hard for us to impose restrictions on many honest candidates in order to prevent the depredations at the earliest possible date. Senator CANNON has pledged prompt hearings on this

question, and the Congress must follow with prompt action. A campaign should be an appeal for the support of the people on the basis of the issues, not an appeal for the support of special interests on the basis of special favors.

Last week President Nixon complained about those who "wallow in Watergate." But let us remember how this wallow was created. Let us remember as well who keeps us in this wallow by refusing to release the evidence that could open the way to a solid ground for final judgment of the few who abused the privilege of campaign financing.

It will be hard for the President to reveal facts that may be ambiguous or even incriminating.

It will be hard for the witnesses at the Watergate hearings to tell the truth when the truth is damaging to them.

But, as Mr. Nixon is fond of reminding us, the hard thing to do is frequently the right thing to do.

Whether we sit in the Senate or the west wing of the White House, we are not here to secure our own advantage. We are bound to an ideal beyond our own interests, to a principle beyond partisan victory, to a service beyond selfishness. And now more than ever, it is important that we fulfill the highest purpose of our power.

Mr. President, just a few days ago I received a letter from a young man named Danny Nolte. He wrote:

I am 16 and live in a rural Nebraska county near Lincoln. This past June I was in Washington on a 4H trip. While there, we saw sessions of both the Senate and the House. I am very much interested in the political system of this country. Most of the people in this rural area, unfortunately, don't take an active interest in government. They believe the government is working against them, not for them.

As I read this letter, and I have read thousands of such letters from all over the country in the past few months, I asked myself: How have we reached the point where a young man and his neighbors in rural America think of Government as their enemy rather than their servant?

I thought, too, of the answer we must give to this young man and the American people. We must return the Government to them. We must restore their faith in the system that is supposed to stand for them, not against them. We must seek and settle for nothing less from ourselves—and from the President who was elected to lead us all, not into a dark night for our democracy, but to the brighter day of a free and open society.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 372, which the clerk will state.

The second assistant legislative clerk read as follows:

S. 372, to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of sec. 315 with respect to presidential and vice presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. The pending question is on the adoption of the amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD) No. 423, on which time for debate is not to exceed 30 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged against either side.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, on behalf of Senator FONG, that Dorothy Parker be permitted the privilege of the floor during the discussion of the pending amendment.

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

Mr. ROBERT C. BYRD. I make the same request for Thomas Hart of the Committee on the Judiciary.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

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

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.

Mr. ROBERT C. BYRD. Mr. President, the amendment I have offered would amend title 18 of the United States Code by adding a new section 617 at the end of chapter 29—Elections and Political Activities. The new section would make it a Federal crime for a candidate, or any officer, employee, or agent of a political committee, or anyone acting on their behalf, to embezzle or knowingly convert to his own use, or to any other noncampaign use, any contributions or campaign funds entrusted to him or under his possession, custody, or control. It would also make it a Federal offense to deposit such contributions in any place or in any manner except as authorized by law.

The new section would also make it a Federal crime for anyone to receive, conceal, or retain a contribution or campaign funds, with the intent to convert the money to his personal use or gain, knowing it to have been embezzled or converted.

The penalty for violating this section would be a fine of not more than $25,000 or imprisonment for not more than 10 years, or both. If the funds involved do not exceed the sum of $100, the violator shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

The events of the past year have served to intensify efforts for campaign reform and legislative efforts to so structure the Federal law affecting campaign activities as to preclude any reoccurrence of the events that have had a chilling effect on the American political system.

This amendment would assure that any political contribution made to the party or candidate of one's choice would be used for the intended purpose for which it was given—lawful political activity.

The provisions of this amendment would prevent any person in the future from attempting to knowingly divert political contributions from their intended use without fear of possible violation of Federal law. Perhaps equally important, the spelling out of criminal penalties for these acts by the Congress indicates to the American people that Congress will not tolerate this type of subversion of our political process and will take whatever steps are necessary to insure that those who would engage in such activity in the future shall not escape punishment by possibly slipping through a loophole in the law.

Incidentally, it may come as a surprise to many that embezzlement, as here referred to, is not in itself a Federal crime. It is a purely statutory offense and, under present Federal law, the embezzlement of campaign contributions would not be a Federal crime under title 18, section 641, since that section requires that the money embezzled be property of the United States. Title 18, section 654, makes it a crime for a Federal officer or employee to embezzle money of another which comes into his possession in the execution of his office, so it would not apply to campaign employees.

This amendment fills the gaps in the statutory offense of embezzlement as it applies to contributions to a political campaign.

The ACTING PRESIDENT pro tempore. Who yields time?

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

Mr. ROBERT C. BYRD. I yield.

Mr. TAFT. I note in the language at the end of the Senator's amendment it refers to retaining funds from one campaign to another. I note that it also includes a provision under which the funds could be donated to a political party. I wonder if the Senator believes the language is broad enough so that, if a candidate had funds left over from a particular campaign, he might put them in the hands of the State campaign or the State party committee to hold against any future campaign in which such candidate might partake in the future.

I know that it has been done in Ohio at times. I wonder if as a matter of history the Senator has an opinion on that subject.

Mr. ROBERT C. BYRD. I think the Senator has raised a very pertinent question. I have a modification of my own amendment drawn which would provide on page 2, line 12, strike out all after "provided" and insert the following:

That notwithstanding the provisions of this section, any surplus or unexpended cam-

paign funds may be contributed to a National or State political party for political purposes, or to educational or charitable organizations or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

Mr. TAFT. I believe the Senator has covered the point. I wanted to bring it up so that it is understood that that type arrangement which would be desirable could be provided for.

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

Mr. President, I ask unanimous consent that I may be permitted to modify my amendment, in accordance with the language I have just read. I send the language to the desk to be read by the clerk.

The ACTING PRESIDENT pro tempore. The amendment is so modified. The clerk will read the modification.

The modification was stated as follows:

On page 2, line 12, strike out all after "provided" and insert the following:

That notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a National or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

Mr. ROBERT C. BYRD. Mr. President, I am ready to yield back the remainder of my time.

Mr. CANNON. Mr. President, I think this is a good amendment. I am willing to accept the amendment. If the minority has no objection, I am ready to yield back my time.

Mr. GRIFFIN. Mr. President, will the distinguished Senator from West Virginia yield?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. Mr. President, is there time available on this side?

The ACTING PRESIDENT pro tempore. There is 15 minutes remaining.

Mr. GRIFFIN. Mr. President, I yield myself 3 minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. GRIFFIN. I wish to address an inquiry of a technical nature to the author of the amendment, the distinguished Senator from West Virginia.

One of the staff members has raised a question as to whether this amendment as drafted would apply only to candidates for Federal offices or to candidates for all offices, including city commission, sheriff, and so forth? The question is asked because it appears that this amendment would add a new section to title 18 of the United States Code without a definition of the word "candidate."

I am confident that the Senator from West Virginia intends that his amendment should apply to candidates for Federal office. But the amendment may not be so drafted that it will achieve that purpose.

Mr. ROBERT C. BYRD. I am advised that section 608 of title 18 does not exist any longer except as it appears in the act before us, and in the act before us the Senator will note the reference to section 608 on page 6 of the Federal Election Campaign Act of 1971. In that act "legally qualified candidate" is defined on page 1 of the act. On page 5 of the act the word "candidate" appears and the text states that the definition is as follows:

"Candidate" means an individual who seeks nomination for election, or election, to Federal office * * *.

The definition on page 5 is to title 18, United States Code.

On page 8, with reference to the disclosure of campaign funds it is stated:

"Candidate" means an individual who seeks nomination for election, or election, to Federal office, * * *.

Mr. President, I think the definition is adequate to cover it, and, of course, may I say it is the intention of the author of the amendment to cover only candidates for Federal office—not to cover candidates for State, local, municipal, or county office.

Mr. GRIFFIN. I have before me a copy of Public Law 92–225, and on page 5 it says, "When used in sections 597, 599, 600, 602, 608, 610, and 611 of this title, 'election' means" this and "candidate" means that.

Mr. ROBERT C. BYRD. The sections to which the able Senator has referred refer to the present law. In the bill we are creating new sections and we are including them in title 18.

Mr. GRIFFIN. Let me thank the Senator for his clarification. Apparently, the technical point that concerned me has been considered and the amendment has been appropriately drafted. Perhaps this colloquy will be helpful in terms of providing legislative history to support the clear intent of the author of the amendment.

Mr. ROBERT C. BYRD. Yes. I thank the Senator for raising the question, because I think it is important that the legislative history show that it is the intent that the word "candidate" in my amendment cover only a candidate for Federal office.

Mr. GRIFFIN. Now, let me indicate my support for the amendment and I hope it will be adopted.

Mr. ROBERT C. BYRD. I thank the distinguished assistant Republican leader.

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time, if no other Senator has any question.

The ACTING PRESIDENT pro tempore. All time on the amendment has been yielded back. The yeas and nays have been ordered. The question is on agreeing to the amendment of the Senator from West Virginia, as modified. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(During the call of the roll, occupants of the galleries applauded.)

Mr. ROBERT C. BYRD. Mr. President, may we have order in the galleries? Will the Chair state the rule regarding order in the galleries?

The ACTING PRESIDENT pro tempore. The Chair would like to say for the benefit of the galleries that rule XIX of the U.S. Senate provides as follows:

Whenever confusion arises in the Chamber or the galleries, or demonstrations of approval or disapproval are indulged in by the occupants of the galleries, it shall be the duty of the Chair to enforce order on his own initiative and without any point of order being made by a Senator.

I instruct the attendants in the galleries to see that order is maintained in the galleries.

The clerk will continue to call the roll.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

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

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Nebraska (Mr. CURTIS) and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

The Senator from South Carolina (Mr. THURMOND) is absent to attend the funeral of a friend.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) the Senator from Nebraska (Mr. CURTIS) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 88, nays 1, as follows:

[No. 340 Leg.]

YEAS—88

Burdick	Fannin	Montoya
Bayh	Fong	Moss
Bartlett	Fulbright	Muskie
Allen	Goldwater	Nelson
Aiken	Griffin	Nunn
Baker	Gurney	Packwood
Biden	Hansen	Pastore
Bellmon	Hartke	Pearson
Beall	Haskell	Pell
Bennett	Hatfield	Percy
Bentsen	Hathaway	Proxmire
Bible	Helms	Randolph
Brock	Hollings	Ribicoff
Buckley	Hruska	Roth
Byrd, Harry F., Jr.	Huddleston	Schweiker
Byrd, Robert C.	Hughes	Scott, Pa.
Cannon	Inouye	Scott, Va.
Case	Jackson	Sparkman
Chiles	Javits	Stafford
Church	Kennedy	Stevens
Clark	Long	Stevenson
Cook	Magnuson	Symington
Cranston	Mansfield	Taft
Dole	Mathias	Talmadge
Domenici	McClellan	Tower
Dominick	McClure	Tunney
Eagleton	McGee	Weicker
Eastland	McGovern	Williams
Ervin	McIntyre	Young
	Mondale	

NAYS—1

Metcalf

NOT VOTING—11

Abourezk	Gravel	Saxbe
Brooke	Hart	Stennis
Cotton	Humphrey	Thurmond
Curtis	Johnston	

So Mr. ROBERT C. BYRD's amendment, as modified, was agreed to.

Mr. ROBERT C. BYRD subsequently said: Mr. President, the amendment I offered earlier today, and which was adopted by the Senate, may or may not do one thing that I would like it to do.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. I understand, in talking with technical experts, that it is arguable as to whether or not my amendment does go to a point that I want it to reach. I therefore ask unanimous consent that my amendment No. 423, which was agreed to earlier today, be reconsidered, that I be permitted to modify it in the following way, and that it again be adopted and be reconsidered, and that the motion to reconsider be laid on the table.

I would modify it in the following fashion: On page 2, line 4, after the word "or", insert the following: "uses any campaign funds to pay or defray the cost of attorney fees for the defense of any person or persons charged with the commission of a crime".

I think it is self-evident as to what the amendment would do.

If it is accepted, then the paragraph will read as follows:

"Whoever, being a candidate, or an officer, employee, or agent of a political candidate, or a person acting on behalf of any candidate or political committee, embezzles, knowingly converts to his own use or the use of another, or deposits in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or uses any campaign funds to pay or defray the cost of attorney fees for the defense of any person or persons charged with the commission of a crime;

The PRESIDING OFFICER (Mr. DOMENICI). Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the resumption of the unfinished business today, the Senator from Wisconsin (Mr. PROXMIRE) be recognized to call up an amendment.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORT ON ADMINISTRATION OF THE NATURAL GAS PIPELINE SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. RIBICOFF) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

I herewith transmit the Fifth Annual Report on the administration of the Natural Gas Pipeline Safety Act of 1968. This report has been prepared in accordance with section 14 of the act, and covers the period of January 1, 1972, through December 31, 1972.

RICHARD NIXON.

THE WHITE HOUSE, *July 27, 1973.*

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. RIBICOFF) laid before the Senate a message from the President of the United States submitting the nomination of Maj. John V. Brennan, U.S. Marine Corps, for permanent promotion to the grade of lieutenant colonel in the U.S. Marine Corps, which was referred to the Committee on Armed Services.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session for not to exceed 2 minutes, for the purpose of considering the nomination of Gen. John B. Ryan.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senate will now proceed to the consideration of executive business, and the clerk will state the nomination.

U.S. AIR FORCE

The assistant legislative clerk read the nomination of Gen. John D. Ryan to be a general in the U.S. Air Force.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. ROBERT C. BYRD. Mr. President, the nomination has been cleared by the distinguished acting chairman of the Committee on Armed Services (Mr. SYMINGTON) and the ranking minority member of the Committee on Armed Services (Mr. GOLDWATER).

I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be immediately notified of the confirmation of the nomination.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to.

CONTINUANCE OF RAIL SERVICES IN THE NORTHEASTERN UNITED STATES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Calendar No. 327, S. 2060, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2060) to authorize the Secretary of Transportation to act to assure the continuance of rail services in the Northeastern United States, and for other purposes, reported from the Committee on commerce with amendments on page 2, line 22, after the word "railroad", insert "in reorganization under section 77 of the Bankruptcy Act"; on page 3, after line 18, insert:

"(c) There is authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of administering this section."

And, on page 4, line 6, after the word "exceed", strike out "$250,000,000" and insert "$210,000,000"; so as to make the bill read:

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 "Emergency Rail Services Act Amendments of 1973".

SEC. 2. Section 1 of the Emergency Rail Services Act of 1970 (Public Law 91-663) is amended by striking out "1970" and inserting in lieu thereof "1973".

SEC. 3. Section 2 of the Emergency Rail Services Act of 1970 (45 U.S.C. 661) is amended by adding at the end thereof the following new paragraph:

"(5) Trustees means the person or persons appointed as trustees of the property of a railroad pursuant to section 77(c)(1) of the Bankruptcy Act, as amended (11 U.S.C. 205 (c)(1))".

SEC. 4. Paragraph (4) of subsection (b) of section 3 of the Emergency Rail Services Act of 1970 (45 U.S.C. 662(b)) is amended to read as follows:

"(4) in the event of a default in the payment of principal or interest as provided by the certificates, the money paid or expenses incurred by the United States as a result thereof shall be deemed to have been applied to the contract price or the acquisition cost, if any, under section 4 of this Act.".

"SEC. 4. In case of an actual or anticipated cessation of U.S.C. 661 et seq.) is amended by—

(a) redesignating sections 4 through 10 (45 U.S.C. 663-669) of such Act as section 5 through 11 thereof; and

(b) inserting a new section 4 of such Act as follows:

"EMERGENCY OPERATIONS

"SEC. 4. In case of an actual or anticipated cessation of essential transportation services by any railroad in reorganization under sec-Rom. 77 of the Bankruptcy Act, the Secretary is authorized to—

"(a) contract with the trustees for the continued provision of such services; or

"(b) acquire by purchase, lease, or other transfer, any equipment and facilities of such railroad and any operating rights over the tracks of such railroad as in the judgment of the Secretary is required for the continued provision of such services by the Secretary, the trustees, or the Secretary's assignee or assignees. The terms of such contract or acquisition shall be subject to the approval of the reorganization court, and operations over the lines of such railroad pursuant to this section shall be subject to the approval of the Commission under section 5 of the Interstate Commerce Act (49 U.S.C. 5). In no event, however, shall the provision of essential transportation services by the Secretary, the trustees, or the Secretary's assignee or assignees pursuant to this section await the outcome of any proceedings before the reorganization court or the commission.".

(c) There is authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of administering this section.

SEC. 6. Subsection (a) of section 6, as redesignated, of the Emergency Rail Services Act of 1970 (45 U.S.C. 664(a)) is amended—

(a) by inserting in the first sentence thereof after the words "section 3" the following: "and section 4"; and

(b) by striking out at the end thereof the period and inserting in lieu thereof the following: ", not to exceed $210,000,000.".

SEC. 7. Section 7, as redesignated, of the

Emergency Rail Services Act of 1970 (45 U.S.C. 665) is amended by adding the following new subsection at the end thereof:

"(c) For purposes of this section, the National Railroad Passenger Corporation is an instrumentality of the Federal Government.".

Mr. HARTKE. Mr. President, I ask unanimous consent that the Senator from Connecticut (Mr. RIBICOFF) be added as a cosponsor of S. 2060.

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

The Senate will be in order.

Mr. HARTKE. Mr. President, I do not intend to take long in discussing this measure. S. 2060 is a bill to authorize the Secretary of Transportation to act to assure the continuance of rail service in the Midwest and Northeastern part of the United States.

It is an interim financial measure, which has, at least as far as the committee is concerned, unanimous support.

Mr. ROBERT C. BYRD. Mr. President, the Senate is not in order. I know the Chair has laboriously tried to secure order. I hope he will persist until order is obtained.

The ACTING PRESIDENT pro tempore. It is necessary for the Senate to be in order. The Chair would suggest that Senators having conversations continue them in the cloakrooms, so that the Senator from Indiana may be heard.

The Senator may proceed.

Mr. HARTKE. The bill primarily deals with the interim situation we face, and the continuing financial difficulties of the railroads in the Midwestern and Northeastern part of the United States. What it really does is provide the authority for the Secretary of Transportation to enter into service contracts to continue that service which would be terminated by action of the courts or some precipitous action of a railroad which found itself unable to continue to operate, because of insufficient finances.

As I say, this is not a long-term solution, and is not intended to be.

The primary purpose of S. 2060 is to assure the continuance of essential rail service in the Northeast and Midwest by providing short-term emergency aid while a long-term solution to the rail transportation crisis is being formulated. The bill would enable the Secretary of Transportation to meet two immediate problems. Through the issuance of obligations, the Secretary could prevent the cessation of essential railroad operations caused by a cash shortage. The Secretary could also enter into a service contract with the railroad to provide sufficient funds, with appropriate conditions attached, to stop further erosion of the estate, and thereby avoid any cessation of essential rail service.

S. 2060 would amend the Emergency Rail Services Act of 1970 and authorize the Secretary of Transportation to contract with the trustees of any railroad in reorganization for the continued provision of essential services in the case of actual or threatened cessation of such services. The bill would also allow the Secretary to acquire by purchase, lease, or other transfer any equipment, facilities, or operating rights over the tracks of such a railroad. At the present time, the Emergency Rail Services Act of 1970 authorizes the Secretary to take action only with respect to those railroads which have accepted loans under authority of the act from the Federal Government; and the Secretary is not authorized to enter into service contracts. The amendment would authorize the Secretary to enter into service contracts or acquire by purchase, lease or other transfer any equipment, facilities, or operating rights over the tracks of any railroad in reorganization under section 77 of the Bankruptcy Act. The terms of any such service contract or acquisition would be subject to the approval of the reorganization court, and the operations over the railroad's lines would be subject to the approval of the Interstate Commerce Commission. The Emergency Rail Services Act of 1970 presently authorizes the Secretary of Transportation to issue obligations to pay for authorized acquisition. S. 2060, the bill before us, amends the present act, which authorizes such sums as may be necessary, by placing a ceiling of $210 million on the authorization to issue obligations to pay for service contracts or acquisitions.

Rail transportation problems in the Northeast and Midwest regions of the Nation are approaching crisis proportions. Trustees of the Penn Central Transportation Co. who are responsible for the Nation's largest railroad proposing to cease rail operations and sell the rail property if aid is not immediately forthcoming. Trustees of other railroads are proposing similar plans.

In order to avert the imminent prospect of a widespread shutdown in rail service routes in this populous region of the United States, with consequent disruption to the economy of the entire Nation and peril to the public health and welfare, this committee has been intensively studying the situation, holding public hearings, eliciting detailed information from railroads, and engaging in independent analysis of proposed long range plans for solving the crisis.

Reluctantly the committee has come to the conclusion that the availability of short term emergency aid is necessary in order to avoid the tragic consequences that a cessation of rail service in the Midwest and Northeast would produce. The cash forecast of the Penn Central Transportation Co. is particularly distressing. In May of this year the trustees informed the committee that by the end of August they projected a negative cash position of $9.9 million. By February 1974 a negative cash position of $27.2 million was projected. As of July 2, 1973, the cash forecast picture was even bleaker, with a projected negative cash position in February 1974 of $34.8 million.

Even if the negative cash position of the Penn Central Transportation Co. were corrected, the continued operation of the railroad would not be assured. The trustees have filed a plan of reorganization with the reorganization court and the Interstate Commerce Commission which sets forth the conditions of continued Penn Central rail service. First, the trustees condition continued rail service upon relief from erosion. On page 5 of the plan filed with the Interstate Commerce Commission the trustees state that—

If the court shall, prior to October 1, 1973, have approved arrangements pursuant to which relief is forthcoming from the United States, other government authorities, or other sources to stop the erosion of the Debtors' estates, Penn Central shall continue to provide rail services in the manner approved by the Court for a period not to exceed 12 months from the date of such approval. Promptly after court approval, the trustees shall file any necessary amendments to sections II and III of this plan.

The trustees go on to explain that in the absence of such relief from erosion, the trustees plan to cease all freight and passenger service beginning October 1, 1973, on a schedule estimated at 10 weeks, in order to effect the "best interest of the overall preservation of the Debtors' estates and of an orderly liquidation of the Debtors' rail services."

As has been previously stated, cessation of Penn Central rail services would have drastic consequences not only in the Midwest and Northeast but throughout the United States. For example, it has been predicted that a shutdown of the Penn Central would produce a decrease in the rate of economic activity in the region of 5.2 percent, a decrease in the entire Nation of 4 percent and a decrease in the GNP for the Nation as a whole of 2.7 percent after the eighth week of such a shutdown.

A study by the Indiana Department of Commerce predicted that a shutdown of the Penn Central would produce unemployment of that State of 24 percent during the first month. A 60-day shutdown would cause the Indiana Industrial Economy to suffer a 25 percent reduction in its capacity. In addition, east coast marketing of corn and soybeans, two of Indiana's cash crops, would be hamstrung.

Given the present crisis in rail transportation there is a twofold need:

First, there is a need to develop and implement a long range solution; and

Second, there is need to provide short term aid to avert a shut down of a vital rail system.

S. 2060 addresses itself to this latter need. Without waiting for the cessation of essential rail services, the Secretary of Transportation is authorized to take steps to insure continuing service. The Secretary is given the authority to meet the cash shortage problem and the erosion problem. The bill specifically confers upon the Secretary authority to enter into a service contract with the trustees of a railroad about to cease rail service. The service contract arrangement authorized would enable the Secretary to secure the services of the present management. Another advantage of the service contract approach is that it would permit the Secretary to attach conditions in the service contract to assure employee protection—a result which I favor.

The committee has already reported favorably, and the Senate has passed, S. 1925, which would authorize the Interstate Commerce Commission to direct one carrier by railroad to operate over the lines of another carrier which is

unable to transport the traffic offered it because:

First. Its cash position makes it continuing operation impossible; or

Second. It has been ordered to discontinue service by a court; or

Third. It has abandoned service without obtaining a required certificate from the Commission.

S. 1925 would serve as a backstop in case a railroad ceased operations prior to the passage of S. 2060 or in the event the administration refused to extend aid as authorized in S. 2060.

Let me repeat that S. 2060 is only an emergency measure designed to infuse into the ailing midwest and northeast rail system just enough blood to keep the system from dying while a cure is researched and then applied. It is an infusion belatedly supported by the administration.

I am pleased to report that the Senate Commerce Committee yesterday took the first step toward finding a cure for the ailing rail system by ordering reported a bill (S. 2188) to provide for the identification of a restructured rail system in the Midwest and Northeast regions of the Nation. Through a new quasi-independent Rail Emergency Planning Office in the Interstate Commerce Commission an intensive study of the present ailing patient would be undertaken and the identification of a vital and healthy rail system would be achieved. Following this study and identification the Department of Transportation and the Commission would recommend to Congress ways of restoring the health of the ailing patient and securing a strong, vigorous, up-to-date rail system. Congress, within 15 months, would then perform the final doctoring.

I urge my colleagues to take favorable action on S. 2060 so that the existing rail system in the Midwest and Northeast does not expire while a cure for it is being discovered.

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

Mr. HARTKE. I am glad to yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I want to take this opportunity to commend the distinguished Senator from Indiana for his outstanding leadership concerning rail transportation in America. The Senator from Indiana is well aware of the role played by the railroads in the economic life of our Nation. As a Senator from the State of Connecticut, deeply concerned with the implications of the difficulties of the Penn Central Railroad, I am well aware of what we need if Connecticut is to be able to continue to take care of the industrial, agricultural, and commuter life of the people of the State.

Whenever I have had occasion to talk with the distinguished Senator from Indiana, he has shown himself to be well aware of the problems affecting the entire Nation, and we in the Senate are indeed fortunate to have the advantage of his leadership. Again, my commendations to him for continuing to exercise this leadership for the sake of the economic life of our Nation.

Mr. HARTKE. Mr. President, I thank the Senator from Connecticut for those words of encouragement. I am hopeful that we can develop a solution which will not only continue our present service but upgrade it to the point where the Nation will have an outstanding rail service helpful to all our people.

Mr. RIBICOFF. And let me add, it would be my hope that the administration and the Secretary of Transportation would be equally as concerned as the Senator from Indiana. The times certainly require cooperation between the executive branch and the legislative branch to solve the sticky and knotty problems that plague the railroads of America. I know what the Senator from Indiana is doing, and I would hope that the administration would meet him half way.

Mr. HARTKE. On this measure the administration has done better than that. They have endorsed this particular measure. The Department of Transportation only disagreed as to how much money should be in the authorization. They asked for $85 million. We have gone to $210 million. The Department would make the final determination, however, so we are not at odds on this interim measure. But the Senator is correct, and I hope that the Department of Transportation changes its views concerning the much needed long-term solution.

Mr. RIBICOFF. I thank the Senator. I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, I also ask unanimous consent to be listed as a cosponsor of this measure.

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

Mr. PELL. I join with my colleague from neighboring State of Connecticut in congratulating the Senator from Indiana on his leadership in this field. I know that he shares the views of those Senators who believe in railroad transportation for people, that it is a disgrace that we do not provide our people with the kind of railroad service that the inhabitants of so many other nations around the world do enjoy, and that only by forward thinking, which he is seeking to do himself, and by joining hands with the administration, and with the administration thinking bravely and thinking ahead, can we do what we should, which is to drain some of the people from the skies onto the ground, so that instead of talking about new airports in New England, we could provide local travelers with adequate ground transportation.

A third of the flights from the Logan Airport go to other airports within the corridor. With decent ground transportation, we could remove that third of the flights from Logan, and would not have to talk about the immediate need for a new jet airport in that area. Without being faced with that emergency, eventually we can think about building new airports where they should be built, perhaps out in the oceans on pilings. But we need 20 years of time, and we could have that if the railroads were used to capacity.

So I congratulate the Senator on this measure, which is a temporary measure, as he says, but at least it helps the problem for the moment, and with his position of leadership and good will, I am sure we will arrive at some form of solution.

Mr. HARTKE. Mr. President, I want to thank the Senator from Rhode Island. He has not only worked in this field, but is the author of some worthwhile papers and books on the subject.

The ACTING PRESIDENT pro tempore. The time of the Senator from Indiana has expired.

The question is on agreeing to the first committee amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the committee amendments are considered and agreed to en bloc.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized for 10 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, on December 30, 1970, the Senate passed legislation authorizing a loan guarantee for the Penn Central Railroad. It was a loan guarantee of $125 million. I opposed that because I said that if we do that, it would be merely the beginning of a bottomless pit for the use of tax funds.

Now, this legislation would materially change that act of 1970. This is not a loan guarantee of $210 million. This will authorize an appropriation out of the Federal Treasury of $210 million.

Now, Mr. President, no plan has been agreed upon for continuing the operations of Penn Central Railroad. The Senator from Indiana has a plan. The administration has a plan. The Interstate Commerce Commission has a plan. Other proposals have been advanced by Members of the House of Representatives. But there is no agreement, as yet; therefore, we do not really know to what use the funds authorized will be put. There is a very good chance that the sum authorized in S. 2060 is only a down payment on a massive bill which the taxpayers will be required to pay in order to keep a sick enterprise alive.

I say, Mr. President, that we are quite literally voting blind on this question. The administration presented a proposal. While I do not have the details of it in my mind, because this bill was brought to my attention only yesterday and I have not had a chance to check the administration's plan, but as I recall it, it had a plan for the handling of this problem without the use of tax funds. The committee, I understand, did not go along with that.

Mr. HARTKE. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. HARTKE. Let me clarify that for the Senator. I am in no way disagreeing with your right to disagree with the merits of the bill. This measure is not in conflict, however, with the difference of opinion among the committee itself, Congress, and the Department of Transportation, as to what should ultimately be done to solve the Midwest and Northeast rail crisis.

It does not make any difference at this point if we adopted the Department of Transportation proposal, or any other proposal. These long-term solutions do not address the immediate problem, and

that is the simple fact that the Penn Central Railroad will run out of cash and the end result will be a cessation of services. There is no plan—and I do not think this can be successfully contradicted—which could avoid the necessity of having this legislation. We are not trying to mislead anyone. Frankly, the $125 million loan guarantee was as much of a grant as anything we have done. Under the pending bill, that $125 million would be included in any service contract entered into with the Penn Central. I quite agree with the Senator from Virginia on that point. But this legislation deals directly with the immediate problem which, as I have said, is to continue service.

I just wanted to clarify that for the Senator.

Mr. HARRY F. BYRD, JR. I thank the distinguished Senator from Indiana.

As I mentioned earlier, the $125 million that the Senate approved on December 30, 1970, less than 3 years ago, was a loan guarantee. Now we come back today, less than 3 years later, to seek $210 million as an appropriation from the Federal Treasury to make available operating cash for the railroads. There is no long-range plan to solve the problem. There are a multitude of different plans.

I am convinced that the statement I made on December 30, 1970, was an accurate one. This bill shows it. The bill shows that it is a bottomless pit for tax funds. This is an attempt to bail out a private company which is in bankruptcy.

Mr. President, there are 11,000 bankruptcies in this country every year. If we in Congress undertake to use tax funds to bail out private companies which go into bankruptcy, I submit there will be no end to the use of tax moneys.

Now, Mr. President, I yield to the distinguished Senator from Wisconsin (Mr. PROXMIRE).

Mr. PROXMIRE. Mr. President, I objected to the original loan guarantee because, as the Senator from Virginia said, that was, in my view, a handout to a corporation. But, at least, it was a loan guarantee, that some opportunity would exist to get the funds back. In that case, it was clear that the Penn Central Railroad needed the funds and urgently. No showing has been made that they need the full $210 million. The indications are they need something like $38 million. We provide far more than that urgent need. If they need cash, here we are, coming in at this point to bail out a private enterprise which is bankrupt.

It seems to me that we should have some recourse, some opportunity, with our responsibilities to the taxpayers, to get that cash back. There should be some kind of claim by the Government, in the event the long-range plans for the railroads operation work out, so that we will have the opportunity to reclaim the amount provided to them.

One other point, the distinguished Senator from Virginia did point out that there are thousands and thousands of bankruptcies in this country every year.

How do we justify to the other companies which have gone bankrupt simply picking out one large corporation and bailing it out, and bailing it out without any real conditions under which we can reclaim the taxpayers' money when we bail them out? If we bail out Penn Central, why should we not do the same for a small company in my State which is going bankrupt?

I have great sympathy for the position of the Senator from Indiana. It is not easy. I know he has the responsibility in his position as chairman of the Transportation Subcommittee, but I do think we should have some basis for protecting the taxpayers' interests other than providing $210 million in an appropriation and under conditions in which there is no way, apparently, that the taxpayer will be protected.

I thank the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the able Senator from Wisconsin for his contribution to this debate. I think he makes very clear that from the point of view of the taxpayers, this is a very dubious arrangement, indeed.

Now, Mr. President, I yield to the distinguished Senator from Maine (Mr. HATHAWAY).

Mr. HATHAWAY. Mr. President, I would like to ask the Senator from Indiana as to what a service contract is?

Mr. HARTKE. A service contract?

Mr. HATHAWAY. Yes.

Mr. HARTKE. To continue service on the railroad. We are faced with an order of the court on a liquidation plan for which the railroad itself had asked. There are eight regional railroads now in bankruptcy in the Middle Western section of the country. When the order to liquidate is given, the service will stop. At that time the Department of Transportation is authorized by this bill to enter into a contract to continue essential service.

The difficulty, even with the present bill, is that it is an open-ended authorization up to $210 million. If anyone has a better solution to this situation, neither the Commerce Committee nor the Department of Transportation has heard it.

It is one of the remarkable situations in which I, as chairman of the Surface Transportation Subcommittee, have been able to agree almost totally with the Department of Transportation and the Interstate Commerce Commission. I do not think there is any question that this legislation is probably absolutely essential to the continuation of a healthy economy in the United States. Industrial employment in the United States, if we have a cessation of operations, will experience a greater decline than the depression of the 1930's. That is what we are faced with.

Mr. HATHAWAY. The service contract, in effect, is a gift from the Federal Government to the railroad to maintain service over a line where they could not maintain service on their own if they had to pay for it themselves. Is that not correct?

Mr. HARTKE. There are two problems. One is to continue service over the line itself. In other words, it is to provide service to the shippers. It is like a lease, but less complicated.

The second point is that, by virtue of the action of Congress taken last year, we forced the railroads to continue to operate. This, in effect, is a taking without compensation. There is no question in my mind that unless action of this kind is taken, the reorganization courts will proceed in a court of claims for compensation for taking without due process of law.

We are trying to prevent the actual cessation of services, to continue operating and at the same time avoid the necessity of seeing what ultimately would be a claim against the United States, if Congress forces these railroads to operate.

Permitting unemployment to go to 25 percent in 8 weeks is untenable. Many people say we are bailing out the railroad. We are bailing out the American economy.

Mr. HATHAWAY. Unlike the loan guarantee which we passed last year or the year before, this is not a loan guarantee; it is an outright subsidy.

Mr. HARTKE. This is an outright payment from the Treasury for the contracted services.

The court will not authorize further loan guarantees, because there is no hope of repayment. I agree with the Senator from Virginia that the $125 million probably could have been listed just as well a grant. We are in a very unhappy situation.

Mr. HATHAWAY. I was out of the Chamber for a while, and the Senator may have already answered this question. What is the long-range plan for this? Let us say this goes through. What is the next step?

Mr. HARTKE. The long-range plan, as adopted by the Committee on Commerce with only one dissenting vote, Senate bill 2188, was ordered to be reported. I have had conversations with practically everyone directly involved. The House has not agreed that this proposal should be followed, but is inclined to proceed in this fashion. The Department of Transportation at the present time is still opposed to that measure.

Mr. HATHAWAY. The long-range plan would take the Federal Government off the hook so far as further subsidies are concerned?

Mr. HARTKE. The long-range plan provides that the Interstate Commerce Commission will submit an economic restructuring, with the financing necessary to do that, within 1 year. It is the most massive economic reorganization ever proposed in the United States.

Mr. HATHAWAY. Which would put the railroad on a paying basis—presumably.

Mr. HARTKE. It would presumably put it on as close to a paying basis as we can. It would be wrong to mislead the Senate into thinking that we are going to restructure the system without financing. Down the road, we are faced with some very tough decisions on money—tougher than this one, by far.

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

Mr. HARTKE. I yield.

Mr. COOK. I would add that no one should live under any great apprehension that regardless of which restructuring plan is ultimately selected—and we have seven or eight before the committee now—we can ever get what is commonly referred to as the northeast

corridor of the United States on a paying basis.

Mr. HARTKE. That is our problem.

Mr. HATHAWAY. I take the same position as the Senator from Wisconsin and the Senator from Virginia. If we are going to do this for the Penn Central, should we not be doing it for various other enterprises throughout the United States?

Mr. COOK. This involves eight railroads.

Mr. HARTKE. It is not just the Penn Central. It deals with eight railroads.

Mr. HATHAWAY. There are other industries as well.

Mr. HARTKE. Fourteen went bankrupt last weekend—14 smaller lines.

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

Mr. HARRY F. BYRD, JR. I have the floor. I am glad to yield to the Senator.

Mr. BEALL. My understanding of the proposed legislation is that it does not apply to all bankrupt railroads. It is designed to save essential service. If there is a cessation of operations, the Department of Transportation will determine what are essential services to help the economy in a particular area. The purpose of the proposal is to keep railroad service operating that is essential.

Mr. HARTKE. The Senator is 100 percent correct.

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

Mr. HARRY F. BYRD, JR. I yield.

Mr. BROCK. How does one define essential services? Are we training to maintain uneconomic routes that simply are not essential? That is what I gather from the response to the question of the Senator from Maine—that $210 million would go to continue services that really should have been abandoned a long time ago were it not for the mandate of the ICC and the Federal Government.

Mr. HARTKE. That argument ultimately will have to be met. That is not the discussion or the debate on this bill. We are talking about, as the Senator from Maryland has indicated, a threatened cessation of essential services. The Department of Transportation will decide what services must be maintained and will provide the necessary money to maintain them. We are not going to give the money to the railroad. They will have to enter into a service contract to pay the bills and prevent erosion of the estate. We are not giving anybody anything.

Mr. BROCK. Where is the determination as to what routes should be served?

Mr. HARTKE. This determination will be made by the Department of Transportation, with the approval of the reorganization court involved and of the Interstate Commerce Commission. In the meantime, we do not have to wait for the court decision.

If the Penn Central ceased operating, let us assume, or even the Reading or the Erie-Lackawanna at the present time, we would have a complete stoppage of the whole movement of freight. The Department of Transportation would be authorized to enter into service contracts to keep the service going. Some of that authority is open ended now. This puts a limit on it of $210 million.

Mr. BROCK. I know what would happen if the Penn Central stopped operating. I also know that the Penn Central operates some ridiculous routes that should have ceased a long time ago.

Mr. HARTKE. That decision is in the hands of the Department of Transportation.

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

Mr. HARRY F. BYRD, JR. I yield.

Mr. PEARSON. Mr. President, the Senator from Tennessee is absolutely right. One of the great problems in the Northeast corridor is an enormous duplication of lines, and no one understands that better than the Department of Transportation.

As a matter of fact, one of their great objections to the plan that was sent to the Committee on Commerce was that they were too ruthless in specifying what are essential services. They did not take into consideration some of the social and economic needs of the rural communities. I do not think any agency of the Government today has a better understanding of what is essential and takes a more brutal view as to what the services are.

I say to the Senator from Tennessee and the Senator from Virginia and the Senator from Wisconsin that if they want to say this is a bad bill, I am ready to agree with them. But I have to ask them the same question we had to ask ourselves: What is the alternative? It is a shutdown of the rail system in the Northeast part of the United States.

Mr. HARRY F. BYRD, JR. That is not my understanding of what the Secretary of Transportation presented. I understand the Secretary of Transportation presented a program to Congress——

Mr. PEARSON. That is right.

Mr. HARRY F. BYRD, JR. (continuing). Which would not require tax funds.

Mr. PEARSON. If the Senator will check the record now he will find that the Secretary of Transportation changed his proposal to a very considerable extent and he does now recognize that an enormous amount of money is going to be put in. He was not trying to indicate ahead of time how much money will have to be laid out. I think he was wise to do that.

Mr. HARRY F. BYRD, JR. The Senator from Indiana said a while ago that the Department of Transportation did not request $210 million, but rather $85 million. Is that correct?

Mr. PEARSON. As a matter of fact, in 1970 the authorization was open-ended and it was $125 million. This is an additional $85 million, bringing it up to $210 million.

Mr. HARRY F. BYRD, JR. And the $125 million was loan guarantee; it was not an appropriation.

Mr. PEARSON. The $85 million here is the amount of money to be used if a service is to be discontinued by a bankrupt railroad. Then you come in with the money. It is not a good proposal. The Senator does not like it, and I do not like it.

Mr. HARRY F. BYRD, JR. The bill states $210 million. Also, I invite the attention of the Senator to page 3, line 19, where it is stated:

There is authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of administering this section.

Mr. HARTKE. Not to exceed $210 million. There is not as much disagreement as appears on the surface, even with the $85 million. The Department of Transportation voluntarily indicated they would not object to the enactment of S. 2060. They are talking about $85 million, which they think will carry these railroads through the next year. I personally have previously issued a statement based on information we were able to put together which shows that $62.5 million will do the job.

We are faced at this time with the problem of how to get through the interim period. The Department of Transportation will be in complete control of the money subject to a limit of $210 million.

Mr. HARRY F. BYRD, JR. It was also open-ended, as Senators will see on page 3.

Mr. HARTKE. It is not a loan. I said that in the beginning. First, it is not used to authorize a loan. The court would not accept it, because there is no way to repay it. This is a guarantee from the Federal Government because there is no legitimate way they can repay under the reorganization plan.

Mr. HARRY F. BYRD, JR. Will the $125 million be paid out of this $210 million?

Mr. HARTKE. I did not hear the Senator's question.

Mr. HARRY F. BYRD, JR. Will the $125 million loan guarantee be paid from the $210 million?

Mr. HARTKE. Yes.

Mr. HARRY F. BYRD, JR. It is correct, I gather from the Senator's assertion, that the Department sought only $85 million, yet we are giving them $210 million?

Mr. HARTKE. Yes. They had to pay off the loan. As I said, we came up with a figure of $62.5 million. I do not agree on the $85 million figure.

Mr. HARRY F. BYRD, JR. Why do we not change the legislation and make it $85 million?

Mr. HARTKE. We cannot because the railroads could not then pay the $125 million loan and still keep the trains running. I wish the problem were as simple as the Senator wants it to be. I would like to cut it back.

Mr. HARRY F. BYRD, JR. I do not think it is a simple problem because of what the Senator from Indiana said a while ago, if I heard him correctly. He did not use the words "drop in the bucket," but he said there will be many heavier demands—I think he used words along those lines—on the taxpayers as time goes by in regard to these loans.

Mr. HARTKE. I did not say that, or at least I did not want to leave that impression. I said that some hard decision will have to be made by Congress ultimately on the future of the railroad industry. Anyone who gives any other impression is misleading this body and the country.

The problem is, what are we going to do with the rail transportation system? It is the only transportation system which is not subsidized in America. The airports are subsidized. Some of them,

like Dulles and Washington National, are owned by the Government; the air traffic controllers and navigation aids are federally paid; we pay 75 percent of the cost for runways.

I agree with the Senator from Kansas. We do not like this bill, but it is the best answer we have, including that from the Department of Transportation.

Mr. PEARSON. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. PEARSON. Mr. President, some response should be made to the assertion that if we are going to do this sort of thing for bankrupt railroads, why not do it for everyone else? The answer is that wherever there is found an industry as essential as the railroad industry to the entire national economy, we are going to be here doing somewhat the same thing. But if you take the possibility a step further, if you have these roads failing and not running in northeast United States, you are going to have bankrupt manufacturers and bankrupt shippers failing by the dozens, by the scores, by the hundreds. We are trying not so much to maintain a railroad, but to maintain the economy in the given area we are considering.

The answer is that wherever an essential part of the National economy is involved, we will be here doing this sort of thing until we solve our problems.

Mr. HATHAWAY. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. HATHAWAY. I wish to ask the Senator from Kansas why the reorganization plan contemplated in another bill was not made a part of this bill?

Mr. PEARSON. We are dealing now on a patch work basis. The other day we had a piece of legislation to provide authority for the ICC to let other railroads run across the bankrupt and failing railroad lines. That was patchwork and this is patchwork. We are trying to get to the point where we can have a reorganization of the railroads in northeastern United States. It takes years and it takes studies to come up with a proposal. The Senator from Indiana now has a bill; the ICC came in with a proposal; the Department of Transportation has a proposal. We move into the bankruptcy stage with six, seven, or eight railroads under reorganization. Bankruptcy will not work and we are at the point of total collapse. It is difficult to draft a new system to affect the entire rail system. It takes time. The great objection to the plan sponsored by the Senator from Indiana is that he does not do anything to call for another study for another 18 months. It is an enormous thing to do but it must be done.

Mr. HATHAWAY. We do not know at what time in the future reorganization will take place.

Mr. PEARSON. The Senator is correct.

Mr. HATHAWAY. We may be back in 6 months voting for more money.

Mr. PEARSON. The Senator is correct. The only alternative might be a worse situation.

Mr. BUCKLEY. Mr. President, I must vote against the Emergency Rail Service Act Amendments of 1973 for the following reasons:

First, it will merely prolong the emergency with a concomitant continuation of the deterioration of our railroads by further deferring the hard decisions. We need a permanent solution to a longstanding problem that the Congress ought to have faced up to by now.

Second, the $210,000,000 appropriation is an expenditure that would not have been necessary had the Congress adopted the Secretary of Transportation's proposal or the other comparable ones that would not have required large expenditures of public funds in order to reorganize our northeastern railroads in a more sensible, promising basis.

Third, given the nature of things, it is safe to predict that having set out on this course, we may consider this to be a $210,000,000 first installment on an endless series of subsidies as the Congress ducks the decisions.

I admit, Mr. President, that because of congressional inaction this payment is now made necessary. The bill will be passed. I hope, however, that a substantial negative vote will emphasize the urgent need to conduct a full set of hearings on the rail transportation problem with a serious discussion of alternatives.

I urge the Committee on Commerce to make the reporting out of definitive legislation to terminate the emergency its first order of business.

Mr. PEARSON. Mr. President, during hearings on the Northeast rail problem, it became apparent that at least some of the six bankrupt class I railroads serving the region will be forced into liquidation—absent direct Federal assistance—within the next 12-month period. The courts constitutionally cannot permit continued erosion of creditors' estates without the prospect of successful reorganization.

The Commerce Committee has directed its attention, in the short term, to the problems which would accompany precipitous cessation of essential rail services to shippers in communities served by the bankrupt carriers. The process of liquidation of a railroad could lead not only to severe financial problems for shippers, but also to food and fuel shortages which threaten human health and welfare. The committee has approved, and the Senate has passed, one bill designed to respond to short-term crises of this nature.

S. 1925, a measure requested by the Interstate Commerce Commission, permits the Commission to direct an operating carrier to perform—for a limited period of time—essential rail services over the lines of a defunct carrier. This authority, however, cannot be used to substantially impair the ability of the operating carrier to serve communities and shippers on its own lines. S. 1925 is pending consideration in the other body at this time.

The committee now seeks favorable Senate action on S. 2060, the Essential Rail Services Act Amendments of 1973. Before reporting this measure, the committee adopted all proposed administration amendments. The bill comes to the floor with administration support.

The purpose of S. 2060 is to assure the continuance of essential rail services in the Northeast and Midwestern States served by the bankrupt carriers. It provides emergency aid while the long-term solution to the problem is being developed. Regardless of the ultimate determination of the Congress in respect of a long-term solution, the assistance contemplated in S. 2060 will almost certainly be needed. The administration's plan for dealing with the crisis, for example, is a plan based upon reorganization of the bankrupt railroads wholly in the private sector. But the administration plan, if it were adopted, would require time to be implemented. And in the interim, the administration has requested authorization of an additional $85 million for emergency assistance to maintain essential rail services without interruption.

The pending bill provides the Secretary with the authority he seeks. It should, in my judgment, be approved promptly by Congress and enacted into law.

S. 2060 would amend the Emergency Rail Services Act of 1970 and authorize the Secretary of Transportation to contract with the trustees of any railroad in reorganization for the continued provision of essential services in the case of actual or threatened cessation of such services. The bill also would allow the Secretary to acquire by purchase, lease, or other transfer, any equipment, facilities, or operating rights over the tracks of any railroad in bankruptcy.

The bill amends the present act, which has an open-ended authorization, by placing a ceiling of $210 million on the authorization to issue obligations to pay for service contracts or acquisitions. The $210 million limit was recommended by the Secretary of Transportation, with the approval of the Office of Management and Budget. The bill as introduced had a limit of $50 million.

Under the bill as reported by the committee, the Secretary will have authority to accomplish two purposes: He will be able to prevent cessation of essential rail services caused by cash shortages while a final plan for the Northeast rail system is developed and implemented. He will also be able to provide a railroad with sufficient funds to prevent further erosion of estate and thus avert a court-ordered shutdown on constitutional grounds.

Mr. President, this legislation certainly does not contain sufficient authorization of appropriations to defer resolution of the Northeast rail crisis for any significant period of time. Even with the authority contained in this bill, it will be necessary for Congress to proceed with an ultimate solution at the earliest possible time. S. 2060 will provide at most a year before fundamental changes must be made to effect reorganization of the Northeast rail system along rational lines.

Mr. President, I urge favorable action on the Emergency Rail Service Act Amendments of 1973.

Mr. PELL. Mr. President, I am happy to support S. 2060, the Emergency Rail Services Act of 1973. This bill, reported by the Senator from Indiana (Mr. HARTKE), addresses itself to the immedate problem of continuing essential rail service in the Northeast and Midwest, until we find longer range solutions to the

crisis facing our railroads, especially those confronted by bankruptcy proceedings.

The legislation we consider today has relevance to the desperate plight of the Penn Central, threatened by possible liquidation unless the Congress takes effective action.

As the committee report points out, cessation of Penn Central rail services would have drastic consequences not only in the midwest and northeast but also throughout the United States.

Latest figures supplied by the Penn Central employs 1,165 individuals, spends annually $8,493,381 in wages and salary payments, makes purchases of equipment in Rhode Island totaling $74,389, and invests on an annual basis $550,000 in its industrial development within the State.

Mr. President, my State has been stricken by what I continue to believe is the totally unwarranted loss of our traditional naval installations. Liquidation of the Penn Central could lead to additional serious hardships.

In terms of longer range solutions, I would like to take this opportunity of emphasizing that on June 26 of this year I introduced S. 2080 to provide for the establishment of improved rail passenger services in transportation corridors in the United States. This bill has applicability to both present and long-term needs in the areas prescribed in S. 2060, and I hope it will be favorably considered as we move forward from needed emergency solutions.

As I said on June 26, and as a Senator who has worked for more than 12 years for the betterment of our Nation's railroads, I am convinced that we can turn losses and deficits and bankruptcies into ultimately profitable enterprises, if we concentrate on providing our citizens with services that are sufficiently upgraded—fast, safe and clean, and on schedule.

As we think beyond the emergency needs of today, let us keep our eyes on this goal which in my judgment is well within attainment.

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. HARRY F. BYRD, JR. I wish to point out that in the letter from the Secretary of Transportation on page 11 of the report he said:

> The Department would not object to the enactment of S. 2060 limited to an additional $85 million.

Note he says he would not object. He apparently does not express support.

The PRESIDING OFFICER (Mr. BENTSEN). All time having expired or been yielded back, the bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Nebraska (Mr. CURTIS) and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

The Senator from South Carolina (Mr. THURMOND) is absent to attend the funeral of a friend.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) would vote "yea."

On his vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 59, nays 30, as follows:

[No. 341 Leg.]

YEAS—59

Aiken	Hartke	Pastore
Baker	Haskell	Pearson
Bayh	Hatfield	Pell
Beall	Hollings	Percy
Bennett	Huddleston	Randolph
Bible	Inouye	Ribicoff
Biden	Jackson	Roth
Brock	Javits	Schweiker
Cannon	Kennedy	Scott, Pa.
Case	Long	Stafford
Cook	Magnuson	Stevens
Cranston	Mathias	Stevenson
Dole	McGee	Symington
Dominick	McGovern	Taft
Eagleton	McIntyre	Tower
Eastland	Montoya	Tunney
Fong	Moss	Weicker
Fulbright	Muskie	Williams
Griffin	Nelson	Young
Gurney	Packwood	

NAYS—30

Allen	Clark	McClellan
Bartlett	Domenici	McClure
Bellmon	Ervin	Metcalf
Bentsen	Fannin	Mondale
Buckley	Goldwater	Nunn
Burdick	Hansen	Proxmire
Byrd, Harry F., Jr.	Hathaway	Scott, Va.
Byrd, Robert C.	Helms	Sparkman
Chiles	Hruska	Talmadge
Church	Hughes	
	Mansfield	

NOT VOTING—11

Abourezk	Gravel	Saxbe
Brooke	Hart	Stennis
Cotton	Humphrey	Thurmond
Curtis	Johnston	

So the bill (S. 2060) was passed, as follows:

S. 2060

An act to authorize the Secretary of Transportation to act to assure the continuance of rail services in the northeastern United States, and for other purposes.

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 "Emergency Rail Services Act Amendments of 1973".

SEC. 2. Section 1 of the Emergency Rail Services Act of 1970 (Public Law 91-663) is amended by striking out "1970" and inserting in lieu thereof "1973".

SEC. 3. Section 2 of the Emergency Rail Services Act of 1970 (45 U.S.C. 661) is amended by adding at the end thereof the following new paragraph:

"(5) Trustees means the person or persons appointed as trustees of the property of a railroad pursuant to section 77(c)(1) of the Bankruptcy Act, as amended (11 U.S.C. 205 (c)(1))".

SEC. 4. Paragraph (4) of subsection (b) of section 3 of the Emergency Rail Services Act of 1970 (45 U.S., 662(b)) is amended to read as follows:

"(4) in the event of a default in the payment of principal or interest as provided by the certificates, the money paid or expenses incured by the United States as a result thereof shall be deemed to have been applied to the contract price or the acquisition cost, if any, under section 4 of this Act.".

"SEC. 4. In case of an actual or anticipated cessation of U.S.C. 661 et seq.) is amended by—

(a) redesignating sections 4 through 10 (45 U.S.C. 663-669) of such Act as section 5 through 11 thereof; and

(b) inserting a new section 4 of such Act as follows:

"EMERGENCY OPERATIONS

"SEC. 4. In case of an actual or anticipated cessation of essential transportation services by any railroad *in reorganization under section 77 of the Bankruptcy Act,* the Secretary is authorized to—

"(a) contract with the trustees for the continued provision of such services; or

"(b) acquire by purchase, lease, or other transfer, any equipment and facilities of such railroad and any operating rights over the tracks of such railroad as in the judgment of the Secretary is required for the continued provision of such services by the Secretary, the trustees, or the Secretary's assignee or assignees. The terms of such contract or acquisition shall be subject to the approval of the reorganization court, and operations over the lines of such railroad pursuant to this section shall be subject to the approval of the Commission under section 5 of the Interstate Commerce Act (49 U.S.C. 5). In no event, however, shall the provision of essential transportation services by the Secretary the trustees, or the Secretary's assignee or assignees pursuant to this section await the outcome of any proceedings before the reorganization court or the Commission.".

(c) There is authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of administering this section.

SEC. 6. Subsection (a) of section 6, as redesignated, of the Emergency Rail Services Act of 1970 (45 U.S.C. 664 (a)) is amended—

(a) by inserting in the first sentence thereof after the words "section 3" the following: "and section 4"; and

(b) by striking out at the end thereof the period and inserting in lieu thereof the following: ", not to exceed $210,000,000.".

SEC. 7. Section 7, as redesignated, of the Emergency Rail Services Act of 1970 (45 U.S.C. 665) is amended by adding the following new subsection at the end thereof:

"(e) For purposes of this section, the National Railroad Passenger Corporation is an instrumentality of the Federal Government.".

Mr. HARTKE. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The PRESIDING OFFICER (Mr. BENTSEN). Under the previous order, the Senate will resume the consideration of the unfinished business which the clerk will report.

The legislative clerk read as follows:

A bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of sec. 315 with respect to Presidential and Vice Presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 342.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

On page 50, strike lines 8 through 18.

On page 50, line 19, strike "Sec. 18" and insert "SEC. 17".

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

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, the amendment strikes section 17 of the Federal Elections Campaign Act of 1973. In doing so it maintains in effect a law that has been on the books since July 19, 1940, prohibiting campaign contributions—directly or indirectly—by Government contractors.

If we leave section 17 intact then this 1940 law will be gutted. For section 17 permits separate segregated corporate or labor funds to be used for political contributions. Thus that part of the 1940 law prohibiting indirect contributions would be null and void. Since direct contributions by corporations or labor unions have long been proscribed by other legislation this indirect contribution prohibition has been the "teeth" of the 1940 law—section 611 of title 18 of the United States Code.

Why the sudden turnaround, one could well ask. Why has a law that has been on the books for so long finally been selected for virtual elimination? The answer is distressingly straightforward. Common Cause, the citizens lobby, went into the courts in 1972 to enforce the law for the first time since it was enacted 32 years ago. Before the Common Cause suit against TRW, Inc., a very large defense contractor, companies having Government contracts had simply been violating section 611 by making campaign contributions indirectly through segregated committees. Committees had been formed for the purpose of making campaign contributions by Crown Zellerbach, Quaker Oats, subsidiaries of General Telephone & Electronics Corp., and Hughes Aircraft, among others.

Common Cause filed their suit on May 15, 1972. TRW, the defendant, rather than contest the issue, simply dissolved the fund. But the fat was in the fire and Congress went quietly to work. On September 27 of last year H.R. 15276 was reported from the House Rules Committee without the benefit of hearings. The bill did pretty much what section 17 of the Federal Elections Campaign Act does. It permitted Federal corporate contractors to make campaign contributions indirectly through independent good government committees.

The bill was placed on the suspension calendar. Because of the lack of hearings and the way the bill was quietly, almost stealthily, reported Common Cause had less than 1 day to get the one-third plus one vote needed to block passage on the suspension calendar. They came very close—miraculously close considering the short time involved—but they failed to block a two-thirds vote approval by the razor thin margin of one vote. The bill was passed—249 to 124.

A mere 2 days after the legislation passed the House it was reported by the Senate Rules Committee. Speed was of the essence. The supporters of the legislation must have known that there would be strenuous objections from the man in the street if he caught on to what the Congress had up its sleeve. The Senate leadership realized this also and canceled out the Rules Committee's hasty action by refusing to schedule the repeal legislation.

But the supporters, undaunted, made one last desperate effort to tack the legislation on to a minor tariff bill. Senators STAFFORD and AIKEN, together with this Senator, were successful in beating back this last minute attempt to sneak the bill through in the waning hours of the 92d Congress.

This, then, is a brief history of last year's attempts to rush this proposal through the Halls of Congress before the people discovered what was afoot. Now we are confronted with another effort to accomplish the same end—buried in a generally progressive campaign reform proposal. It is worth noting that no testimony was given in support of this provision before the House Rules Committee whereas Common Cause spoke out against an amendment of this sort in their testimony. Thus we are once again confronted with a proposal that has more or less quietly been introduced without substantial hearing consideration.

The argument is made that we should put all corporations on a par, whether or not they have contracts with the Federal Government. Why, we are asked, should a corporation with a Federal contract not be on the same footing with a corporation without such interests? The answer is very obvious. A Federal contractor has a direct monetary interest in gaining favorable consideration by the U.S. Government as the contract is being carried out. This favorable consideration may evidence itself in a reluctance to make the contractor live up to all the terms of the contract. It may be shown in a failure to enforce the penalty clauses in the contract. Extensions may be given where they are simply not warranted. Future contracts may be given to the same firm despite poor performance on existing contracts. There are a million and one ways in which a contractor can benefit by staying on the good side of a Federal agency, and therefore there are many reasons why a Federal contractor should want to put himself in a position where he is in the good graces of those who have influence on the terms of the contract.

An obvious way to curry such governmental favor is to apply pressure on an agency through a Member of Congress. We all know that companies residing in our respective States often ask for help with the Federal Government. And as constituents they are entitled to receive from us all proper assistance. But it would be highly improper for a corporation to, in effect, buy congressional pressure or influence, by making very substantial contributions to, say, the chairmen of the House and Senate Appropriations Subcommittees handling the funding for the agency with which the company does business. This is the sort of situation that section 611 is meant to avoid—the sort of situation that section 17 of the Federal Elections Campaign Act would foster.

The PRESIDING OFFICER (Mr. BENTSEN). The Senator will withhold further remarks until the Senate is in order. The Senate will be in order. Senators desiring to confer will retire to the cloakroom.

The Senator from Wisconsin may proceed.

Mr. PROXMIRE. Some may protest that these separate political committees simply are expressing the wishes of the hundreds of company employees who are encouraged through the committee to participate in the electoral process through their donations. If this were truly the case—if the various employees earmarked the funds for their preferred candidate or candidates—then there would be no cause for alarm. The section 611 prohibition simply would not apply. For the law is very clear that the fund has to be controlled by the company through its agents for the contribution to be prohibited. Only if the good Government committee itself exercises discretion as to where the dollars contributed by company employees go does the section 611 prohibition apply.

It is quite clear that defense contractors, for example, are barred from making political contributions by section 611. But how far does the prohibition extend? Would recipients of Federal funds for cancer research, job training programs, Head Start activities or other public service programs be banned from making political contributions? The answer is emphatically no. The law is precise on this point. Section 611 refers to contracts for the provision of "personal services, or furnishing any material, supplies, or equipment or for selling any land or building to the United States." A job training contract, for United States. A consultant contract would.

Does the prohibition apply to nonprofit organizations? This is not entirel. clear, but the legislative history of the act would seem to indicate that it does not. For example when the late Senator Byrd proposed this legislation on the floor of the Senate on March 18, 1940, he twice referred to it as applying to "those who

make money out of Government contracts." He also pointed to the greatest source of corruption in American politics today as "those who make profit out of contracts with the Government."

Quite clearly, then, the original sponsor of the amendment considered it as a measure aimed exclusively at profit-making groups or individuals. And why should not this be the case? After all, nonprofit organizations have no reason to scurry after Government contracts. They do not make a red cent from Government work.

How does the public view this section 17 attempt to repeal the prohibition against campaign contributions by Federal contractors? Judging from the mail I have received over the past few days the man in the street thinks such a repeal would be outrageous. And the press reaction to last year's attempt to gut the law reflected this attitude. Here are a few comments on the effort to repeal the prohibition from some of the Nation's leading newspapers:

Apparently when it comes to getting money, Congressional Democrats and Republicans stand together in defiance of public opinion and the canons of sound public policy.—Washington Post.

Outrageous, sly and cynical raid on the law by loophole seekers.—New York Times.

That is the way the Times characterizes the provision in the bill that this amendment would knock out.

The amendment has a great potential for evil and should be stamped out.—Cleveland Plain Dealer.

Given the choice between reducing the possibilities of political influence-peddling and increasing the number of potential sources of campaign funds, Congress will choose the latter.—Greensboro (N.C.) Daily News.

What disturbs us most about the loophole, however, is that it further expands a system of raising political contributions that we view as both corrupt and corrupting.—Dayton Journal Herald.

The people are entitled to know what elements their elected representatives are representing. And they have every reason to expect restrictions against the ability of these most powerful interests.

If there had been no other evidence of the influence that campaign money has had on public affairs, the handling of this bill would suffice.—Louisville Courier-Journal.

The whole business smells. Worse, it shows that the wrong attitudes toward campaign spending control are still alive and kicking in Congress.—St. Petersburg (Fla.) Times.

To my mind anyone who votes against this amendment does so at his peril. The American people are absolutely fed up with big money politics. Recent revelations, all the way from the ITT and Vesco deals to the American Airlines and Ashland Oil violations, have made Americans more aware than ever of the fact that big money favoritism is still a potent force in American politics. If we turn back the clock to 1939 in the face of this public awareness, we will deserve what we get—a further cynicism on the part of the American people toward politics and politicians. If we repeal a good Government law that has been on the books since 1940, because a group of concerned citizens finally tried to enforce that law we will be taking more than a backward step—we will be repudiating the good intentions that produced S. 372.

As I have said, the late Senator Harry F. Byrd, of Virginia, the father of the present Senator HARRY F. BYRD, JR., was the author of this law. I am very happy to yield 3 minutes to the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I support the position of the able senior Senator from Wisconsin (Mr. PROXMIRE).

I think it would be a mistake to change this law, which has been in effect since 1940. It was originally introduced in 1935 by the then Senator from New Mexico (Mr. HATCH), together with my immediate predecessor, the Senator from Virginia. It was referred to the Committee on Appropriations in 1935 but was not reported to the Senate.

It was in 1940 that my immediate predecessor, Mr. Byrd, introduced the amendment which became law at that time, in 1940. It has been a part of the law ever since.

It prohibits those who are doing business with the Government—firms doing business with the Federal Government and making a profit from the Federal Government—from making contributions, directly or indirectly, to political campaigns. It seems to me that that is an appropriate position.

I note that the Senate committee handling this matter feels—and I think correctly so—that it does discriminate against certain corporations. But it discriminates for one purpose; that is, it discriminates against those who are doing business with the Government and those who are making a profit from the Government. That being the case, it seems to me that such corporations are in a different category in regard to political contributions than the average corporation.

I support the position of the Senator from Wisconsin (Mr. PROXMIRE). I think it is better to leave the law as it is now, and as it has been since 1940, rather than to change it. To change it would be to change the entire intent of Congress over a long period of years; namely, that companies doing business with the Government and making a profit from the Government should not be permitted to make political contributions. Individual executives and individual employees can make contributions individually if and when they desire, but not in a collective way through either compensation or labor union.

Mr. PROXMIRE. Mr. President, I yield 7 minutes to the distinguished Senator from Vermont (Mr. STAFFORD).

The PRESIDING OFFICER (Mr. BENTSEN). The Senator from Vermont is recognized for 7 minutes.

Mr. STAFFORD. Mr. President, the bill before the Senate at present has been called a campaign reform bill. And, the measure does offer some reform, even though it is clear that many Members of this body are convinced that the times call out for even more reform than is proposed by the bill.

But, by no stretch of anyone's imagination can section 17 of this bill be seen as a reform measure. The effect of section 17 is clear and simple. It would give legal sanction to one of the most dangerous of all political campaign practices: It would permit those who make money out of Government contracts to use their money in an effort to influence Government policy and Government decisions.

When I joined with the Senator from Wisconsin (Mr. PROXMIRE) earlier this month in the introduction of this amendment to strike section 17 from the bill, I asked who favored the changes proposed by section 17.

I think by now that we all know who favors the change. Our simple effort to preserve a provision that has been in the law for more than 30 years has generated intense pressure from those interests who want to get rid of section 611 once and for all. By now, I am certain we all know who wants the Senate to lead the parade back into the dark age of politics when there were few legal barriers to interrupt the flow of political campaign money.

But, Mr. President, those days are over with. Every indicator we have makes it clear that the American public wants to tighten election campaign laws, not to loosen them. If events of recent times have told us anything, it is that the greatest potential source of corruption of the American political system is big money handed out by those interests seeking to buy special treatment from the Government.

What would the Proxmire-Stafford amendment do? Stated simply, it would preserve section 611 of the law as it is at present. That section makes it illegal for Government contractors to establish, administer, and solicit contributions to a separate, segregated fund to be utilized by that contractor for political purposes.

That law has been on the books for more than three decades as a monument to our good intentions. No one ever complained about it until last year when Common Cause began action to see that the law was enforced. Since then, efforts have grown to repeal section 611. The issue is squarely before us today.

Three of the arguments I have heard most often for repeal of section 611 are, first, it discriminates against Government contractors; second, it discourages public participation in our political process; and third, repeal would broaden the base of political contributors to the political system.

Let me respond to each of those arguments.

First of all, section 611 does discriminate against those who do business with the Government. That is the idea of section 611. Recent history reminds us once again of the need for the highest possible standards to avoid any kind of improper influence upon the Government by an organization that does business with the Government. Organizations that have a direct interest in Government decisions should not be permitted to send money to the decisionmakers in Government or to their bosses.

On the second argument that section 611 discourages public participation in our political process, the answer is that is simply not so. There is nothing in section 611, and our amendment would not add anything, that would prevent any

employee of a corporation or member of a union from making campaign contributions to the political party or candiate of his or her choice. Indeed, section 611 permits a Government contractor to establish a separate fund—provided that the employees and union members who contribute to that fund also specify who is to receive their contribution. It is only when the decision on who gets the money is left in the hands of the corporate and union officials that the activity is illegal. And that, of course, is the idea of the section.

The third argument that repeal of section 611 would broaden the base of contributors to the political system by permitting Government contractors to get in on the action is a little like saying we could increase the vote totals of elections by letting rich people vote more often than poor people. Any Government contractor who wants to encourage his employees or members to contribute money to political activity can legally do so under the provisions of section 611. All the corporation or union has to do to remain within the law is to make certain that the money is contributed freely and to permit those who contribute the money to make the decision on which party or candidate will receive the money. Surely any corporation or union complaining that the political process will be damaged unless section 611 is repealed should be willing to permit their employees and members freedom of choice in such an important matter.

The truth is, of course, that the corporations and unions that are complaining so much about this amendment do not want to permit their employees and members this freedom of choice. All they want to do is to permit their employees and members the freedom to cough up the money. Officials of the corporations and unions, like big brothers everywhere, will then decide how the money should be handed out. The corporations and the unions will decide how to make the investment that will yield the best return.

The issue before us is a simple one. It is clear cut.

Section 611 is designed to reduce the chances for political corruption that are part of the hazards of the mixture of politics and big money.

I think the American public is sick and tired of the clear evidence that big money has been corrupting our political system. I think the American public is disillusioned with the clear evidence that big political contributors demand big dividends on their investments—and that the average American foots that bill. I think most Americans want a tougher campaign spending law. I think they want a law that will shut off the flow of big money that is designed to return even more money for the special interests.

This is not the time in our history to loosen the law governing campaign financing. Our amendment simply preserves the present law. It does not write new law, but simply protects the integrity of section 611.

Section 611 is designed to prevent those who have a business relationship with the Government from buying access and influence through political campaign contributions.

Judging from the source of all the pressure that has been exerted in favor of repeal of this section, section 611 must be doing the job it was intended to perform. Our amendment is designed to guarantee that it continues to do that job.

This is no time to legalize the type of political financing that has the smell and the look of corruption about it.

Cutting the heart out of section 611 is the kind of so-called campaign reform that can only lead to greater damage to our body politic and greater disillusionment on the part of the American public.

It is the kind of "reform" we can do without.

I urge the adoption of the Proxmire-Stafford amendment.

Mr. President, I yield back the remainder of my time.

Mr. BIDEN. Mr. President, will the Senator from Wisconsin yield for a question?

The PRESIDING OFFICER (Mr. RIBICOFF). Does the Senator from Wisconsin yield to the Senator from Delaware?

Mr. PROXMIRE. Mr. President, I would prefer not to use my time right now but would be happy to yield to the Senator a little bit later.

Mr. CANNON. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 10 minutes.

Mr. CANNON. Mr. President, this amendment has been subject to more misinterpretation and more misstatement of fact as to what it would or would not do than any amendment that I have been acquainted with for some time.

Section 610 of title 15 of the United States Code was originally adopted as a bar against campaign contributions and expenditures by large banks, corporations, and labor organizations. Section 610 is still in effect.. There is nothing in the bill that would change any part of section 610.

Now, in 1971, the House of Representatives approved an amendment to section 610 to permit corporations and labor organizations to establish, administer and solicit contributions under a separate, segregated fund for political purposes.

Such contributions have to be voluntary donations from employees or members of corporations or labor organizations. That is in the law at the present time, and there is no attempt to change that provision of the law in this bill.

Section 611, which relates to Government contractors, prohibits any contribution to a political campaign by anyone who has a contract with the U.S. Government. This has been interpreted as prohibiting the voluntary organizations set up to solicit dues, if they have any type of Government contract, from among the members of labor organizations or of corporations. That is a legal interpretation that has been given, so that it is believed that it would now prohibit that type of voluntary contribution from employees of a corporation or members of a labor union.

The Senate accepted the House amendment to section 610 to which I referred earlier, and it thereafter became apparent that many of the corporate entities and many of the labor organizations in the United States are government contractors to some extent—perhaps only to 1 percent of their business in some instances. Government contractors are prohibited from making contributions or expenditures for political purposes under section 611, as I said, and this would not be affected. Government contractors still would be prohibited from making contributions. A corporation cannot make a contribution and a labor union cannot make a contribution to a political campaign.

The issue is not so much the difference between government contractors and nongovernment contractors but the discrimination between the employees and members of the former category of organizations and those of the latter category.

Employees and members of corporations and labor organizations are citizens of the United States and should be treated equally. It is not fair or just to prohibit those citizens who are employed by Government contractors from making contributions to a separate, segregated fund to be used for political purposes.

The committee's intent in amending the law was to treat all such citizen employees in the same manner, while allowing all corporations and labor organizations the same privilege to establish funds to solicit voluntary contributions.

Again, I say that this would not affect in any way the prohibition now in the law prohibiting a corporation and prohibiting a labor union from contributing to a political campaign. Those three are prohibited under section 610.

As I said, in 1971 this amendment was put into section 610, permitting this type of separate political fund which could be made up to take donations from individuals, to make contributions.

Representative HANSEN, the sponsor of the amendment to section 610, explained at that time that those types of political activities were proper, that they should be allowed, and that they should be codified and clarified into existing law and explained in the statutory language, and that is exactly what happened.

This would permit them to conduct get-out-the-vote campaigns on a truly nonpartisan basis, but certainly on a voluntary basis of the contributors—that is, employees or the members, whichever it happens to be.

It has been interpreted, as I said earlier, that the broad language of section 611 would raise the question as to whether or not this did actually constitute a prohibition in section 611 if they were actually a Government contractor.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. CANNON. I yield.

Mr. PASTORE. Yesterday, the Senate adopted what is known as the Bentsen amendment, permitting contributions to any candidate up to $3,000. Could a fund which is raised by a solicitation of the

employees of either a nondefense plant or a defense plant give more than $3,000 to any candidate?

Mr. CANNON. No.

Mr. PASTORE. In other words, there is a limitation. No matter what money is gathered, what amount, regardless of whether it comes from a defense plant or not, whether or not it comes from the employees or the members of a labor union, that organization cannot give more than $3,000 to either the candidate for the Presidency of the United States or to any other candidate.

Mr. CANNON. That is absolutely correct. And that is completely contrary to what the opponents of this provision in the law have stated on the floor here today. They simply do not understand it.

Mr. PASTORE. The reason why I raise that question is that we are here in the realm of corruptibility. I am very sensitive to that argument, because it has tremendous weight. I can understand that a great deal of money could corrupt. Here what is said is that we are not discriminating between a nondefense plant and a defense plant, but we are more or less in a limitation because of the Bentsen amendment, that insofar as giving any money to any candidate is concerned, that organization can give only $3,000, whether it be a candidate for the Presidency or any other Federal office.

Mr. CANNON. The Senator is correct. Under the law last year, there was no prohibition on the amount that could be given, but that could not be given if they were employees of the Government contractor. Under the Bentsen amendment limiting the amount to $3,000, the bill itself, on page 13, in the definition of a political committee, refers to any committee, association, or organization engaged in the administration of a separate, segregated fund described in section 610 of title 18, United States Code.

Mr. PASTORE. Under the law, before the Bentsen amendment, where contributions would be unlimited, there would be some cause for concern. But now that we have that limitation. I think much of anything that might be feared has been more or less taken care of by the distinguished Senator from Texas.

Mr. CANNON. I say to the Senator from Rhode Island that every nickel that has been contributed has to be reported. It is completely accountable and reportable under this bill, as we now have the law, and the maximum that could be given would be $3,000 to any one candidate, be he a candidate for the House of Representatives, for the Senate, or for the Presidency of the United States.

Mr. BENTSEN. Mr. President, will the Senator yield for a question?

Mr. CANNON. I yield.

Mr. BENTSEN. First, I thank the distinguished Senator from Rhode Island, because I think we have placed a very reasonable limitation on the maximum contributions that can be made, and I think it is a meaningful one.

Another phase concerns me, too. Suppose you had a conglomerate, a large corporation, and one of its subsidiaries did perhaps one-tenth of 1 percent of the total business volume of that corporation in defense work. Under the present law, does that mean that the employees of that corporation could not participate in a fund, if they wanted to contribute voluntarily, for political purposes?

Mr. CANNON. The answer is "Yes." Section 611 would prohibit the voluntary fund if they did one-tenth of 1 percent or any fraction of their business as a Government contractor.

We do not believe that was the intention of the law, because section 610 provides a specific exemption. All we are doing now is trying to write in here the same provision under section 611 that is under section 610 at the present time.

Mr. BENTSEN. Does it also mean that if you did one-tenth of 1 percent of the volume of your business in defense work, the employees and officers of the corporation and the labor union could not contribute even in nonpartisan political activities in any way, on a voluntary basis?

Mr. CANNON. The answer is "Yes." That is the legal interpretation that has been placed on section 611 as it now stands—that they could not create a voluntary organization for a separate, segregated fund to accept, on a voluntary basis, contributions from its members to be used in a get-out-the-vote drive, if it was a nonpartisan get-out-the-vote drive, or to contribute to a particular candidate or to do anything in any way in relation to an election.

Mr. BENTSEN. Does that mean someone like A.T. & T., which has over 100,000 employees; that because they have some lines leased to the Pentagon, all those employees would be precluded from voluntary participation?

Mr. CANNON. That is the legal interpretation if our proposed section 17 of the bill is adopted. This would give them the same right as any other corporation or labor union that is not a Government contractor.

Mr. BENTSEN. In effect, we have discriminated against those employees. The Senator and I know that attorneys, in counseling labor unions or the corporations, are going to lean over backword to put the most conservative interpretation they can on this provision to be certain their clients would not be considered as violating the law as it is.

Mr. CANNON. The Senator is correct.

Mr. BENTSEN. I thank the Senator.

Mr. BIDEN. Mr. President, will the Senator yield for a question?

Mr. CANNON. I yield.

Mr. BIDEN. I think the one concern I have is as to what constitutes a Government contractor. For instance, in the Senator's interpretation, if a corporation or a labor union has only one dealing with the Federal Government is that a Federal contract? Let us say that one dealing is the equivalent of a job training program or a manpower program whereby some of the unions and some of the corporations have an arrangement with the Federal Government to get moneys to train employees to work them into the labor force. Would that be considered a Government contract.

Mr. CANNON. There is no doubt about it. That is considered a Government contract and it is prohibited, even if they are negotiating for a Government contract.

Mr. BIDEN. As I understand it——

Mr. CANNON. I might add, if it is a nonprofit operation—one of the opponents of this section placed that interpretation on it, but that is not correct.

Mr. BIDEN. That is the point I wanted to get to; with respect to the elimination of people who could profit financially from having access to determine who is going to profit in terms of contributions.

What I do not understand is how can an interpretation be placed on it as the Senator just stated if, in fact, there is a clear showing of no possibility of profit?

For instance, in a job-training program, how does a labor union profit from the Government in that regard?

Mr. CANNON. Obviously, they do not profit if it is on a nonprofit basis, but it is still a contract and the law states that whoever enters into any contract with the United States or any department or agency thereof either for rendition of personal services or furnishing material or supplies or equipment to the United States or any department or agency thereof, or sells any land or buildings, and so forth. It is very broad and all-inclusive.

In 1971 when the amendment was offered to section 610 there was no thought at that time but that it would take care of all corporations and labor unions who were desirous of administering a separate segregated fund made up from voluntary corporations. It was after that amendment became part of the law that the question was raised as to whether or not they could do this if they were Government contractors, because of section 611.

What we are proposing now is to write that into law in section 611, to put them on the same footing with anyone else.

Mr. BIDEN. Could that be written into the law by just amending section 611, to run something like this: Organizations with contracts with the Government on a nonprofit basis, and so forth?

Do we have to eliminate the whole section? Can we just say on a nonprofit basis?

Mr. CANNON. It was the committee position that it should not be on a nonprofit basis. If it were made up of nonprofit contributions a person could make a contribution—in a separate, segregated fund. The union is prohibited from contributing union dues and union moneys to any candidate or political campaign, and the corporation is prohibited. That is not changed.

All we propose in section 17 is the following:

"It shall not constitute a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration, and solicitation of contributions to, such fund do not constitute a violation of section 610.

Section 610 prohibits union dues or union moneys to a political campaign. and it prohibits a national bank from making such contributions.

Mr. BIDEN. I understand that. One of

the current concerns that I have and that I know some of my colleagues have is that we are going to be somewhere in the middle of both the Senator from Nevada and the Senator from Wisconsin. For example, I personally would think it wrong if a labor union has a contract with the Federal Government where they are going to profit; I think it would be a sham for them, under the guise of contributing individually, to make a fund and not as the labor organization contribute to JOE BIDEN, but to do so as an individual fund. That is the same as the labor union coming out and contributing the money.

I am referring to a situation where a union or a corporation has a manpower training program, where, in fact, they are not employees of the Government in any way; they are working hand in hand with the Government to provide jobs for business.

I am afraid that would be limited by the amendment of the Senator from Wisconsin. I have spoken with the strong proponents of this amendment, for example, Common Cause, and they interpret it the same as I. The Senator knows how Common Cause always comes to us and wants a commitment, "How are you going to go on such and such?"

I cornered them and I said, "Can I quote you on the floor of the Senate saying it is your opinion that if there is no profit involved and no profit relationship can be shown, that section 611, as it stands, does not apply?" They said, "Yes, you can quote us as saying that."

Mr. CANNON. It is interesting that the Senator can quote them, but corporations do not believe it and labor unions do not. I know that Common Cause does not put up candidates for election. I would like to see some of them run on a position they can substantiate.

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

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes so I may respond to the Senator from California.

Mr. TUNNEY. Mr. President, this argument about whether 611 presently applies to contracts for profit or whether it also encompasses nonprofit contracts is interesting in light of the legislative history.

The distinguished Senator from Virginia had a very distinguished father who sat in this body for many years and he was one of the original proponents of section 611.

I wish to quote from the CONGRESSIONAL RECORD of March 18, 1940, from the remarks of the distinguished senior Senator from Virginia, Mr. Byrd. He said:

> Mr. BYRD. Mr. President, 5 years ago the distinguished Senator from New Mexico [Mr. HATCH] prepared a bill designed to prohibit contributions for political purposes from those who make money out of governmental contracts. The language just read by the clerk is identical with the bill that was prepared by the Senator from New Mexico 5 years ago and introduced jointly by the Senator from New Mexico and the Senator from Virginia.
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> Mr. President, it seems to me that if we propose to do that we ought to take the further step and prevent those who are making money out of governmental contracts from making contributions to any political party; to prevent them from making contributions which may be considered in some instances as briberies in order to secure governmental contracts for themselves.

Does the Senator from Wisconsin believe, based upon this legislative history, that section 611 encompasses only contracts for profit?

Mr. PROXMIRE. I think the legislative history could not be more clear. This was the statement of the author of the amendment. This was his position. This is what he said. I think the Senator from California documents it very clearly and emphatically. The record shows that hearings were held, and the only people who appeared at those hearings were representatives of Common Cause. They gave the same interpretation.

If there is a record on the other side, that is, that this does apply to nonprofit operations, there ought to be more than just an assertion by the manager of the bill. There ought to be some evidence. But there is none. For a final answer all we can do is await court interpretations of this aspect of the law, but on the basis of the only legislative history we have, this section of law does not affect nonprofit organizations. I think the Senator from California makes the point clearly.

Mr. TUNNEY. It is my further understanding that if this amendment is adopted——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield 1 minute.

Mr. TUNNEY (continuing). Funds would be permitted in which the employees could designate the candidate that they wanted their money to go to.

Mr. PROXMIRE. Absolutely. It would be perfectly proper for a union or corporation, no matter what kind of contract it had with the Government, to organize that kind of group and then earmark funds which the contributing employees wanted to go to a particular candidate. It would be perfectly proper. But they cannot use their organization as an agency to designate where the funds ought to go and ignore the particular preference of the contributor.

Mr. TUNNEY. And if a Government contractor is doing research or performing contracts which are not for profit, they would not be affected by the language of section 611?

Mr. PROXMIRE. That is my judgment. It is disputed by the manager of the bill, but that is my judgment. I think the record bears me out.

Mr. CANNON. Mr. President, I yield myself 2 minutes just to say to the Senator from California that the assertion in response to the question is absolutely not correct. The only amendment being proposed is an amendment to strike section 17 completely. It does not add any new language. That means it would revert to the law as it stands at the present time, which is section 611 of the code, and it says "contributions by government contractors," and is very precise and very explicit. It does not say one can set up a voluntary, segregated fund and make contributions to it and earmark it for political candidates.

Mr. TUNNEY. Does not section 610 allow funds to be set up and allow employees to contribute to those funds and designate the candidates?

Mr. CANNON. Section 610 does. We are trying to say government contractors can do the same thing.

Mr. TUNNEY. Cannot government contractors, under section 610, set up funds and designate candiates?

Mr. CANNON. No; that is the whole difficulty. The interpretation is that they cannot because of section 611. So what we are doing is simply writing the same language into section 611 that is now in section 610—exactly the same.

Mr. TUNNEY. In the TRW case which Common Cause brought, it was my understanding there were two funds involved: One was a fund into which money went on an unspecified basis and the board of trustees could make a designation of the candidates. There was another fund in which employees specified to which candidates they wanted the money to go. It was my understanding that in the settlement of that case, the only fund that was struck down was the unspecified fund, where the board of trustees would make the decision as to where the money would go; and the fund in which the employees would designate the candidates to whom the money would go was allowed to stand. The law, as a result of the TRW case, is that those funds in which the employees designate the candidate to whom this money shall go is valid.

Mr. CANNON. I am advised by counsel that what the Senator is talking about is a payroll deduction plan, and it was not a political committee established and set up under section 610. I do not know whether the question of government contractor was even raised in the case. That I am not certain of.

Mr. TUNNEY. It is my understanding that the TRW case involved two funds, one fund where the money was specified to go to certain candidates, and the other fund one in which money was paid into the fund and the board of trustees designated the candidates to receive the money. When the case was settled, the unspecified fund was eliminated, but the fund in which the employees designated the candidates to receive the money was allowed to stand, and that is the present law.

If my interpretation is correct—and I think it is, because I have had some research done on it—then I would assume that the fears that have been raised that there could not be employee funds, would be eliminated, because there could be employee funds if the employees designated the candidates to receive the money.

Mr. CANNON. The Senator refers to the case of a payroll fund where they permitted deductions from the funds and marked where it went to. That way it did not go to a political voluntary committee organized under section 610, for example. If it went to TRW, which was a government contractor, and it organized a separate committee and attempted to establish, administer, or solicit contributions in a segregated fund, whether they earmarked those moneys

or did not earmark those moneys, it would not be permitted under section 611. That is the legal interpretation that has raised the problem.

Mr. TUNNEY. As I say, my research on the TRW case is somewhat different in its outcome and conclusions from the conclusions the Senator from Nevada derived from that case, because it is my understanding that the only fund that was eliminated was the one in which funds were put in on a nonspecified basis and the board of directors made the decision. The fund in which the employees would designate the candidates they wanted their money to go to was allowed to stand.

The point is simply that these good government funds oftentimes raise money that would not be raised in any other way, whether it would be from payroll deductions, solicitations at the plant gate, or whatever it might be. Many of the employees might not make a contribution because they would not know where to make it, and the amount of money was so little that they might not send a check to the campaign committee. They would, however, allow money to be deducted from the payroll for specified candidates.

That is what we are trying to protect. We are trying to protect that kind of fund. I think the law as it exists now does protect it.

I would hate to see a campaign reform bill pass the Congress in which it would appear that we are backtracking from our concept of the kinds and amounts of money that ought to be contributed to a campaign, and backtracking from the proposition stated by Senator Harry Byrd 23 years ago that: "the greatest source of corruption in American politics today is the use of money obtained from those who make profit out of contracts with the Government." I would hate to see that we were retreating from the position of Senator Harry Byrd so ably articulated 23 years ago. That is my problem.

I have had pressures from various groups who allege that unspecified funds ought to be allowed, but I cannot in my own mind justify allowing people to make a profit out of Government contracts and then using the money to help the political campaigns of Federal candidates.

Mr. CANNON. Again I point out to my colleague—and I have great respect for him—that I think he is misinterpreting what the law permits now. I would say that nearly every contractor supports this provision, as well as the labor unions, because they feel that they cannot establish a separate, segregated fund as is permitted under section 610.

Now, that provision under 610 was not written into the law at the time Senator Byrd had section 611 adopted. It was because of that very situation that in 1971 an amendment was offered in the House and was accepted in conference by the conference committee, and thereafter approved by the Senate, to permit corporations to establish these voluntary, separate, segregated funds, and to accept contributions, not dues and not corporate money. Dues and corporate money are still prohibited under section 610. This does not broaden one bit the provisions of section 610. It simply says:

> If you are a Government contractor, no matter what your contract may be, you can do the same thing in a voluntary, separate, segregated fund that you could if you were not a Government contractor.

I think we all recognize that most of them are Government contractors in one form or another. I have had communications from hundreds of them saying:

> We want to participate in the political process and set up a separate fund to let our employees contribute to it and let them participate in the election process.

Mr. TUNNEY. Mr. President, the thing that concerns me is that the employees cannot specify where the money is going to go, which candidate can receive the money. As the proposition is advanced by the Senator from Nevada, if these funds are to be set up on an undesignated basis, the money is paid by the employees, but a board of directors can specify which candidate will receive it.

This concerns me. Although we may have several thousand men contribute money, we may have five or seven men designate who shall ultimately receive the money.

It could very well be that people contributing to the fund may, by a large majority, favor one candidate and find that the money they have paid into the fund has gone to another candidate.

Mr. CANNON. Mr. President, I disagree with the Senator, and I think he is wrong in his interpretation. If this is permitted under the law, if our section is adopted, the employees can earmark funds for a certain candidate and: "We want the money to go to this certain candidate or to a certain political party, or to be used in a nonpartisan election or registration drive." They can do any of those things. They can designate when they make a contribution. However, the question is whether they can establish such a fund.

The PRESIDING OFFICER. All the time of the Senator has expired.

Mr. CANNON. Mr. President, I yield 5 minutes on the bill to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mr. CRANSTON. Mr. President, I rise to support the committee position, as it has been so ably stated by the able chairman of the committee. I do so for the reason that I think the adoption of the amendment would discriminate against corporations and unions in an unfair way.

To cite one example, a number of unions and corporations conduct their business almost totally independent of the activities of the Government. However, if they may have one small Government contract—a job training contract—union or corporation would be prohibited from an employee plan. This would not seem to be fair.

I would like to go into a little bit of the history in California, and to some degree nationally.

Dan Kimball, president of Aero-Jet, of California, was very concerned about the abuses which we are trying to deal with in S. 372. He was one of the originators, and perhaps the first one, who advanced the idea of a fund in a corporation into which an employee could contribute small amounts of money that could be used in the campaign. Every employee could designate to which candidate he wanted the money to go, whether to a Democratic or a Republican candidate or to one party or the other. The fund was not at the disposal of any corporation or individual.

Every fund in California I know of is like this, and the money is used in this way. The employee designates where he wants the money to go, for the party or for a particular candidate.

I think that is a very sound practice. I think it is a sound reform. It tends to reduce the large contributions. I have no knowledge that this practice is being abused by large corporations.

I agree with the point made by the chairman of the committee that there is a constitutional question about prohibiting this practice.

Finally, it seems to me that the point made by the chairman of the committee respecting the right of individuals to make small contributions and thus to offset the large contributions by the wealthy is important.

It is true that we have in S. 372 an amendment limiting individual contributions to $3,000—that is still pretty large—as is the amount that an individual candidate could give.

I would point out that last night, the Senate adopted an amendment offered by the Senator from Louisiana—and some Senators may not know this—which has upped the amount that an individual could contribute to his own campaign to $50,000 for a congressional race, $70,000 for a senatorial race, and $100,000 for a Presidential race.

I have great reservations about that particular amendment. I think that we should reconsider that amendment. But the fact that individuals can make these vast contributions under the present law emphasizes the need of people making small contributions to offset them.

Mr. CANNON. Mr. President, I thank the Senator. We had a colloquy with the Senator from Texas on his amendment which was adopted and which establishes the limitation on the amount to $3,000 as a maximum that could be given to a particular candidate. It would be the sum of $3,000.

Mr. CRANSTON. Would that apply?

Mr. CANNON. Yes, it would apply to the committee set up to receive and handle the basic segregated funds in the contributions.

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

Mr. PROXMIRE. Mr. President, I disagree vigorously with almost all points made by the two preceding speakers. I do not think that a $3,000 limitation could apply effectively to a contractor. He could provide one hundred thousand dollars for political purposes. The loophole was admitted yesterday in the course of the debate.

Furthermore, in the Aero-Jet fund referred to by the Senator from California, the contribution is earmarked for a particular candidate. And that is the way

it is set up. And that is perfectly proper. It would not be prohibited by my amendment.

I think that the junior Senator from California made that very clear on the basis of the judicial decision in the TRW case. I think that we have made it clear that nonprofit organizations, whether labor union or otherwise, which have job training contracts, or some kind of nonprofit corporation, would not be affected on the basis of the clear legislative record.

All that we have on the other side is no evidence, no history, no proof but assertion after assertion to the contrary.

Now, how do we decide on this issue? First, consider our choice. We are lobbied on two sides, on the one by the corporations and the labor unions that have a clear vested interest in political influence, and on the other side by Common Cause and the Citizens Lobby, and by every newspaper that has spoken out on this issue. They overwhelmingly oppose the provision of the bill and support my amendment.

I think that on this issue some Senators are puzzled as to how to vote. How should a Senator vote? Which way should he vote? Mr. President, I hope Senators still in doubt will decide that it is far better to err on the side of preventing political corruption than to err on the side of preventing big corporations and labor unions that have Government contracts from having as great political influence as they would like to have.

Mr. President, I ask unanimous consent that Tom van der Voort, of my staff, and Vic Maerki, of Senator STAFFORD's staff, be permitted the privilege of the floor during the consideration of the bill.

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

All time of the Senator from Nevada has expired.

Mr. COOK. Mr. President, I yield myself 3 minutes on the bill.

I am sure that the distinguished chairman of the committee, the Senator from Nevada (Mr. CANNON), has gone through these points, but let me again go through the points the committee debated in placing this provision in the bill.

The law as it exists today is plainly discriminatory. It applies only to corporations and labor unions that do not have Government contracts. The committee has tried to remove this discrepancy by legislating that the employees of all corporations and labor unions should be treated equally. It goes further and requires that the separate segregated funds of all corporations and labor unions must follow the reporting procedures of the bill.

So they have to report their sources. They must be on file. They will be subject to scrutiny. They will be subject to the press, whose editorial writers seem to dislike this section. I am not quite sure what some of the editorial writers in the newspapers of the United States know about elections, anyway.

After all, why are we doing all this auditing? Why are we subjecting ourselves to hiring auditors and getting all these things together, and making them subject to the custody of secretaries here and there? Let us not fool ourselves. It is not so that the average citizen of the United States can pick up a copy if he wishes. It is so that the reporter can go get it and write his story, and interpret it to fit what he wants to write.

So it is there. But we have provided that in this expansion, all the procedures for corporations and labor unions will be followed, and they must comply with it.

By the adoption of section 17 we will broaden the base of the election process by including more individuals in the financing process. There has been much discussion in this chamber which indicates that it is most desirable to include as large a segment of the public as possible to support the political process.

The Senator from Wisconsin yesterday, in arguing for his amendment for a limitation of $100 instead of $5,000, and $1,000 instead of $15,000, said, "We want everyone to participate." He bragged about the fact that the Senator from South Dakota, who ran for the Presidency of the United States, got 80 percent of his contributions from contributors who contributed $100 or less.

That is what we are trying to accomplish. We are trying to broaden this process, and not eliminate anyone from making a contribution. If we do not adopt section 17 we narrow this base and deny many individuals the benefit of contribution to segregated funds.

May I say, Mr. President, that if this amendment prevails, this Senator will at a later date during this debate submit an amendment that will more seriously curtail this process, and not let one segment of this Nation have the privilege of creating tremendously large funds while saying to another segment of this Nation's viable ability that they cannot do it.

The argument is raised that corporations and labor unions which have Government contracts would use these funds to influence these contracts. I submit that this is nonsense. There is just as much if not more reason for the corporation or union not having a contract to use the segregated funds which it is authorized to attempt to gain a Government contract.

So it seems to me that what it is planned to do is continue with the discriminatory attitude that has prevailed through the course of the history of this law. Laws are made to be respected and to be subjected to, but they are also made to be changed.

Mr. PROXMIRE. Mr. President, all this amendment does is maintain the law. Nothing in the amendment would prevent any individual officer, employee, or labor union member from contributing to anyone he wants to contribute to individually, regardless of what contracts his corporation may have with the Government. That is absolutely clear. All this amendment would do would be to prevent a labor union or corporation that has a Government contract from using its agency to determine itself where political funds contributed by individuals who work for Government contractors would go. That is what the amendment strikes at, and that was what the late Senator Harry Byrd was striking at in 1940.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. RIBICOFF). All time having expired, the question is on agreeing to the amendment of the Senator from Wisconsin (Mr. PROXMIRE). 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 Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Colorado (Mr. HASKELL) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Nebraska (Mr. CURTIS) and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

Also, the Senator from Connecticut (Mr. WEICKER) is necessarily absent.

On this vote, the Senator from Massachusetts (Mr. BROOKE) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Nebraska would vote "nay".

The result was announced—yeas 38, nays 51, as follows:

[No. 342 Leg.]

YEAS—38

Aiken	Fulbright	Nelson
Allen	Gurney	Nunn
Bartlett	Hatfield	Packwood
Beall	Hathaway	Percy
Biden	Hollings	Proxmire
Buckley	Huddleston	Ribicoff
Byrd, Harry F., Jr.	Hughes	Roth
	Javits	Stafford
Case	Johnston	Stevenson
Chiles	Mansfield	Symington
Clark	Mathias	Taft
Eagleton	McGovern	Talmadge
Ervin	Muskie	Tunney

NAYS—51

Baker	Fannin	Metcalf
Bayh	Fong	Mondale
Bellmon	Goldwater	Montoya
Bennett	Griffin	Moss
Bentsen	Hansen	Pastore
Bible	Hartke	Pearson
Brock	Helms	Pell
Burdick	Hruska	Randolph
Byrd, Robert C.	Inouye	Schweiker
Cannon	Jackson	Scott, Pa.
Church	Kennedy	Scott, Va.
Cook	Long	Sparkman
Cranston	Magnuson	Stevens
Dole	McClellan	Thurmond
Domenici	McClure	Tower
Dominick	McGee	Williams
Eastland	McIntyre	Young

NOT VOTING—11

Abourezk	Gravel	Saxbe
Brooke	Hart	Stennis
Cotton	Haskell	Weicker
Curtis	Humphrey	

So Mr. PROXMIRE's amendment was rejected.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

Mr. PEARSON. Mr. President, the Senate in considering the Federal elections campaign reform legislation, this body will have the benefit of committee reports filed by the Committees on Commerce and Rules, the panels with jurisdiction over such matters. The Senate also will debate several important proposed amendments to the committee measure. This legislation is important public business, and the opportunity of the Senate this week is to lay the foundation for restoration of public confidence in Government.

In 1971 Congress enacted the first significant Federal election reform measure in half a century. It was my privilege to serve, along with the distinguished Senator from Alaska (Mr. GRAVEL), and others, as an original sponsor of S. 1 (92d Congress, first session), the Honest Elections Reform Act of 1971. This measure, after considerable debate and amendment, became the Federal Election Campaign Act of 1971. As signed into law by the President, the 1971 act placed limits on certain media and telephone spending by candidates for Federal office. It also required strict reporting and disclosure of campaign contributions and expenditures. The 1971 act, however, fell short of the expectations of many concerned Members.

As originally introduced in the last Congress, S. 1 contained language which would have established a Federal Elections Commission to enforce the campaign laws. This provision was deleted in committee, but the Senate on a rollcall vote of 89 to 2 approved an amendment which I offered in the course of floor debate to restore it. Unfortunately, authority for the Federal Elections Commission ultimately was deleted in conference, and the 1971 bill became law without this safeguard against undiscovered or suppressed violations of election laws.

Mr. President, I am gratified that the new bill, as reported by the committees, contains new authority to establish a Federal Elections Commission with power to bring civil and criminal actions in court to enforce campaign laws. The Commission, moreover, will have the power directly to impose civil penalties, consistent with the established principles of administrative due process, of up to $10,000 for each violation of these laws. Thus, the committees have embraced a measure which, in respect of an independent enforcing agency, conforms squarely with the predominant sentiment of Senators, as evidenced by the rollcall votes on my floor amendment in the last Congress.

It is apparent that campaign laws are of little value if violations are suppressed from public view or ignored. That has been the problem and practice for decades. The major purpose of Congress in considering the 1973 amendments to the act must be to secure effective enforcement of the laws.

Mr. President, the pending bill broadens the scope of campaign spending limitations enacted in 1971. It is a complex and detailed document which establishes a system of overall spending limits on individual campaigns for Federal office. It imposes limitations on campaign contributions by individuals and committees, both as to individual candidacies and in the aggregate. The bill distinguishes between primary and general elections. It imposes a floor on spending limitations for congressional office, but maintains a rational relationship between the size of the constituency and the maximum level of permissible expenditure. All of these features should be debated at length.

Regardless of the ultimate determination of Congress on spending limitations, the transcending elements of the pending measure involve full disclosures by candidates. The records of all candidacies for Federal office must be intelligible, and available for public scrutiny. And the full review of those records not only by the public and the press, but also by an independent Commission with enforcement powers is, in my judgment, a concomitant condition to achieving the goal of honest election practices.

The pending bill contains provisions which will promote full disclosure. These provisions are, in the aggregate, substantial improvements over the 1971 act. The bill, for example, requires all campaign contributions of more than $100 to be made by written instrument identifying the true donor. And candidates' reports must list the actual donor, not merely an intermediary conduit as donor. These measures will facilitate thorough review for noncompliance by the Commission, the press and the public at large.

Generally, the duty of the Congress is to fashion campaign reform legislation which is a balanced response to the documented abuses of the electoral process, promotes increased citizen participation in politics, and encourages the candidacies of qualified persons, regardless of personal financial condition, for Federal office. To their credit, the committees have submitted legislation which promotes these objectives.

Mr. President, it would be superficial to discuss Federal campaign reform without acknowledging the tragedy of Watergate. The committes have been spurred by the Watergate revelations in bringing this legislation in timely fashion to the Senate floor for action. The "brooding omnipresence" of Watergate pervades all thoughtful discussion of the electoral process.

There are those who say our economic problems are the only significant issues in mid-year 1973. But these problems can be dealt with as Congress and the administration work to fashion a responsible economic program. The Nation has had considerable experience in dealing with economic problems before—it can deal with them now.

The Watergate problem is something else. This Nation, to its credit, has had very little experience in eradicating that mentality, that perspective of political power, which conceived of Watergate, or the "White House Horrors" as former Attorney General John Mitchell has called them, in the first instance. But novices though we are, this is the true challenge before Congress and the American people today. History may judge our performance in these times by reviewing and assessing our response to Watergate. The Federal Elections Campaign Act of 1973 is part and parcel of that response.

Mr. President, I would submit finally that campaign reform laws, important though they are, cannot be considered the total response, or the ultimate responsibility of Congress and the people, in meeting the Watergate challenge.

Laws requiring full disclosure of campaign financing are little more effective than laws proscribing burglary, or laws prohibiting wiretaps without court order. Those who violate the laws run the risk of exposure and punishment. But persons determined to obtain the advantage which lawbreaking may provide, illusory and temporary though that advantage may actually be, will proceed despite the risk. The purpose of these campaign reform laws, in the final analysis, is to make the risk quite high, and to increase the probability of discovery and prosecution.

In order to eradicate the mentality which conceived of Watergate, it will be necessary for the people increasingly to become involved in the electoral process. The more informed the electorate, the less likely that the process will be compromised. The discovery of wrongdoing increases proportionally with the scrutiny of the public. The more determined the working press becomes in seeking to discover and report misconduct, the less likely it will be that an official who abuses his trust will be perpetuated in office. The system depends, in the final analysis, upon the workload which the citizenry is prepared to assume in protecting its democracy.

A WORD OF THANKS TO COMMON CAUSE

Mr. MONDALE. Mr. President, I would like to take a moment in the course of this debate on the Federal Election Campaign Act Amendments to say a word of thanks to Common Cause.

The work John Gardner and the Common Cause staff and members have done on S. 372 has been outstanding. If we end up with a strong bill—and I am confident that we will—much of the credit will go to Common Cause.

But—as many other Senators have pointed out in the course of this debate—S. 372 is only a partial step. The Federal Election Commission and the limits on contributions and overall spending will help, but we will never free our political system from the corrosive and corrupting influence of big money until we begin to finance campaigns for public office with public money.

I am therefore deeply grateful to Common Cause for the help they have given to me and the distinguished Senator from Pennsylvania (Mr. SCHWEIKER) in preparing our Presidential Campaign Financing Act (S. 2238). This bill to pro-

vide substantial public financing for Presidential elections—both primaries and the general election—owes a great deal to the experience, research, and good counsel of Common Cause.

Common Cause has been an extraordinary guardian of the integrity of our election process. By analyzing and publicizing campaign spending reports, by filing lawsuits that have uncovered the secret underworld of campaign financing and by skilled and diligent lobbying, they have helped to create the climate of reform that will make S. 372 a strong bill, and pave the way for public financing of political campaigns.

It is a record to be proud of.

AMENDMENT NO. 429

Mr. TAFT. Mr. President, I call up my amendment, No. 429.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 50, line 3, strike "1972" and insert in lieu thereof, "1970 or 1972".

Mr. TAFT. Mr. President, I send to the desk a modification of the amendment.

The PRESIDING OFFICER. The clerk will state the modified amendment.

The legislative clerk read as follows:

On page 50, line 3, insert before "1972" the word "during" and insert in lieu thereof "prior to January 1, 1973."

Mr. TAFT. Mr. President, I do not think the clerk read it correctly. Perhaps I heard wrong.

Mr. PASTORE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The modified amendment reads as follows:

On page 50, line 3, strike "during 1972" and insert in lieu thereof, "prior to January 1, 1973."

Mr. TAFT. Mr. President, the intent of this amendment is to strike, on page 50, the words "during 1972" and insert in lieu thereof "prior to January 1, 1973."

The committee bill in section 16(d), commencing at the bottom of page 49, contains this provision:

(d) Notwithstanding the provisions of section 608 of title 18, United States Code, it shall not be unlawful for any individual who, as of the date of enactment of this Act, has outstanding any debt or obligation incurred on his behalf by any political committee in connection with his campaigns during 1972 for nomination for election, and for election, to Federal office, to satisfy or discharge any such debt or obligation out of his own personal funds or the personal funds of his immediate family.

All this amendment does is to change that particular provision to make it apply not merely to 1972 but also to prior years.

I have talked with the chairman and the ranking member of the Committee on Commerce, and they feel that this is a fair change to make in view of the change the committee already has made.

Mr. CANNON. Mr. President, this is a reasonable amendment, and I am prepared to accept it.

Mr. COOK. I am prepared to accept the amendment.

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

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

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

Mr. BENTSEN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 27, strike lines 9 through 12, and insert in lieu thereof the following:

"(2) The Commission shall be composed of the Comptroller General, ex officio, and six other members who shall be appointed by the President by and with the advice and consent of the Senate. Of the six other members—".

On page 27 beginning on line 25 strike out "Of the members not appointed under such subparagrapas, not more than two shall be affiliated with the same political party." and insert in lieu thereof the following:

"The two members not appointed under such subparagraphs shall not be affiliated with the same political party."

On page 28, line 4, after Commission, insert the following: ", other than the Comptroller General.".

On page 29, strike lines 4 through 6 and insert in lieu thereof the following:

"(G) the Comptroller General shall serve during his term of office as Comptroller General."

On page 40, strike lines 18 and 19, and insert in lieu therefore the following:

"(60) Members (other than the Comptroller General), Federal Election Commission (6)."

Mr. BENTSEN. Mr. President, this amendment would say that the 7th member of that commission would be the Comptroller General. It is that simple. As it is now stated, there would be seven members of the committee: two would be appointed by the House leadership, one of each party; two would be appointed by the Senate leadership, and three by the President. Whether he be a Democrat or a Republican, one would then assume that two of those three would be of his particular party. In effect, it would be a commission that would be 4 to 3 on a political party count.

What I am doing here is asking that we have someone who is an independent, nonpartisan, to be the 7th member, and that that be the Comptroller General.

I think this gives continuity to the effort. This commission is going to have a real job on its hands in 1974, in trying to implement this law and being effective with it. There would be continuity to the effort from the Comptroller General, who is already charged with the responsibilities in the law we passed a couple of years ago. I think it is a contribution to the makeup of the commission.

Mr. LONG. I agree that the Comptroller General would be the ideal man to make the seventh person, but the Comptroller General is going to be very busy with the additional duties we are giving him. Would this permit him to have a designee serve in his place?

Mr. BENTSEN. I have checked on that, and I have been advised that he could have a designee for hearings and would probably establish examiners to conduct hearings. When it came to vote on a matter, he would have to be there.

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

Mr. BENTSEN. I yield.

Mr. PASTORE. Would he be serving with compensation or without compensation?

Mr. COOK. Mr. President, will the Senator yield to me, to clear that up?

Mr. BENTSEN. The Senator has asked a very valid question.

Mr. PASTORE. I think we ought to stipulate in the amendment that he should serve with no compensation.

Mr. BENTSEN. No additional compensation was intended.

Mr. COOK. Two problems bother me, and I am asking this question of the Senate.

These members of the Commission must be appointed by the President, with the advice and consent of the Senate. Can we, as a body, advise and consent on one individual for two positions in the governmental process, first? Second, this bill provides that they shall be compensated—all the members of the Commission shall be compensated.

So we have two problems, one being the matter of compensation. The other question is that his name, apparently, would be submitted to Congress, along with the other six members, and be subject to the advice and consent of the Senate.

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

Mr. COOK. I yield.

Mr. PASTORE. I think we can clarify that. The purpose of the Senator from Texas is merely to make the Comptroller General one of the members, as I understand it.

Mr. BENTSEN. That is correct.

Mr. PASTORE. And he would be serving ex officio, without compensation?

Mr. BENTSEN. That is correct.

Mr. PASTORE. He would not have to be appointed or confirmed?

Mr. BENTSEN. That is correct. As I further look at this amendment, we have excluded him from compensation under the bill.

Mr. PASTORE. I think it has to be spelled out in the bill.

Mr. BENTSEN. It is spelled out in my amendment.

Mr. PASTORE. But we already have seven members to be appointed by the President. That would have to be modified accordingly. There would have to

be six members appointed by the President and one serving ex officio, the Comptroller General.

Mr. BENTSEN. The last line of the amendment provides specifically that he be excluded from the compensation provision.

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

Mr. BENTSEN. I yield.

Mr. COOK. I still have the problem that even though he would serve without compensation, he would still be one of the seven members under the language of the bill, and he still would be subject to the advice and consent of the Senate.

I am very much in favor of accomplishing what the Senator seeks to accomplish. I wonder if he would leave the seven-member Commission alone and prepare an amendment that would make the Comptroller General an ex officio member of the Commission.

Mr. PASTORE. Making it eight?

Mr. COOK. Then it would be eight. That is all right with me.

Mr. PASTORE. Because he does not have the power to vote, anyway.

Mr. COOK. No.

Mr. BENTSEN. It specifically states that he is an ex officio member, as the seventh member.

Mr. PASTORE. As the eighth member. That is the point. He would have to be the eight member, without the power to vote.

Mr. BENTSEN. The amendment reads:

The Commission shall be composed of the Comptroller General, ex officio, and six other members who shall be appointed by the President by and with the advice and consent of the Senate.

Mr. PASTORE. That is it.

Mr. COOK. That is fine.

Mr. BENTSEN. Let me get to one other point. I call attention to the statement of Phillip S. Hughes, Director of the Office of Federal Elections, in testifying before the committee. He said:

If the Congress is to consider a single commission or an independent body to manage the campaign finance disclosures, we would prefer a structure somewhat along the lines that Congressman John Anderson proposed last year. His proposal was for a body with two members appointed by the Speaker of the House of two different parties, two similarly appointed by the President of the Senate, and two of different parties by the President of the United States with the Comptroller General a seventh member.

So this is in line with the comments made in the testimony.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. BENTSEN. I yield.

Mr. PASTORE. The thing that concerns us is, Does this ex officio member have the right to vote? Does he have that right?

Mr. BENTSEN. I understand he would be a full member of the commission and have the right to vote.

The point is if he has the right to vote, he is a nonpartisan member. In effect, there would be three members of one party, three members of the other party, and a nonpartisan man casting the swing vote many times.

Mr. PASTORE. A question is raised as to whether or not an ex officio member would automatically have the right to vote. I think the Senator should modify the amendment and saythat the ex officio member has the right to vote. Give him that right so there would be no question about it.

Mr. BENTSEN. I am delighted to do that.

Mr. COOK. I wish to say to the Senator from Texas that I hope he will modify his amendment and give the right to vote. The reason I say that is that under normal circumstances the ex officio member does not have the right to vote.

Mr. BENTSEN. We can settle that by accepting the Senator's modification, and the suggestion of the Senator from Rhode Island, and give him the right to vote.

Mr. COOK. I do not think there should be an even number when there are the severe penalties that are involved here.

Mr. BENTSEN. I could not agree more with the Senator.

Mr. President, with that modification, I hope that committee sees fit to accept the amendment.

The PRESIDING OFFICER (Mr. BIDEN). Will the Senator send the modification to the desk?

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. I stated as a matter of modification to the amendment of the Senator from Texas, that the language be amended to include that the ex officio member have the right to vote.

Is that to be considered in the final consideration of the amendment?

Mr. PASTORE. The Senator is correct.

Mr. BENTSEN. I so modify the amendment.

The PRESIDING OFFICER. The Chair is waiting for the modification.

The amendment is so modified.

The modified amendment is as follows:

On page 27, strike lines 9 through 12, and insert in lieu thereof the following:

"(2) The Commission shall be composed of the Comptroller General, ex officio with the right to vote, and six other members who shall be appointed by the President by and with the advice and consent of the Senate. Of the six other members—".

On page 27 beginning on line 25 strike out "Of the members not appointed under such subparagraphs, not more than two shall be affiliated with the same political party." and insert in lieu thereof the following:

"The two members not appointed under such subparagraphs shall not be affiliated with the same political party."

On page 28, line 4, after Commission, insert the following: ", other than the Comptroller General,".

On page 29, strike lines 4 through 6 and insert in lieu thereof the following:

"(G) the Comptroller General shall serve during his term of office as Comptroller General."

On page 40, strike lines 18 and 19, and insert in lieu therefore the following:

"(60) Members (other than the Comptroller General), Federal Election Commission 6)."

Mr. BENTSEN. I withhold the remainder of my time, subject to the action of the distinguished manager of the bill.

Mr. CANNON. Mr. President, I have no objection to the amendment. The reason we did not consider having the Comptroller General made a member of the Commission was that we wanted an entirely separate and independent Commission, free from any control of the legislative branch in any way whatever.

There has been criticism in light of the people who have the responsibility under the present law, even though they have, in my opinion, done a very good job under the circumstances, because they do not have the full authority we grant to the Commission in this instance. The Comptroller generally is an arm of Congress—at least the General Accounting Office is an arm of the legislative branch—and, therefore, perhaps we might be criticized for having a person on the board who is considered a part of the arm of the legislative branch.

But that does not impress me strongly enough to oppose the amendment. If my colleagues are willing to accept it, I have no objection to it.

Mr. BENTSEN. Mr. President, with that, if the distinguished manager of the bill is yielding back his time, I am ready to yield back my time.

Mr. CANNON. I yield back my time on the amendment.

Mr. BENTSEN. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment, as modified.

The amendment was agreed to.

AMENDMENT NO. 425

Mr. HUDDLESTON. Mr. President, I call up my amendment No. 425.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 2, strike out lines 1 through 6, and insert in lieu thereof the following:

SEC. 2. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315 (a)) is amended by—

(1) inserting "(1)" immediately after "(a)"; and

(2) adding at the end thereof the following new paragraphs:

"(2) The obligation imposed by the first sentence of paragraph (1) upon a licensee with respect to legally qualified candidates for Federal elective office (other than the offices of President and Vice President) shall have been met by such licensee with respect to such candidates if—

"(A) the licensee makes available to such candidates not less than fifteen minutes of broadcast time without charge during the period beginning ten days after the last date, under applicable State law, on which such candidates may file with the appropriate State officer as candidates, and ending on the day before the date of the election, and

"(B) the licensee notifies such candidates during the period beginning on the day after the filing date and ending ten days thereafter,

"(C) such broadcast will cover, in whole or

in part, the geographical area in which such election is held.

"(3) No candidate shall be entitled to the use of broadcast facilities pursuant to an offer made by a licensee under paragraph (2) unless such candidate notifies the licensee in writing of his acceptance of the offer within ten days after receipt of the offer."

Mr. HUDDLESTON. Mr. President, briefly, this amendment would require that before a licensed radio or television station could suspend the equal-time provision of section 315 of the Communications Act of 1934 for House and Senate races, it would have to offer all legally qualified candidates for the offices in question 15 minutes of free time to explain their views and position.

The amendment in and of itself does not require licensees to do anything. It simply says that if a station is going to seek exemption from the equal-time provisions in order to give leading candidates in a specific race additional time, then it must first offer all legally qualified candidates in that race 15 minutes of free time. This time could be either in the form of an interview or for the presentation of tapes provided by the candidate.

The amendment would work as follows: Within 10 days after the filing deadline established by State laws, each station which wished to suspend the equal time provision for a particular congressional race would notify all legally qualified candidates in that race of their right to 15 minutes of free time. The candidate would have to respond to the offer within 10 days of receiving it.

It would be up to the individual stations to determine whether or not they were going to seek exemptions and whether or not they were going to seek them for all the congressional offices under contention in their areas. A station might, for example, decide to seek suspension of the requirement for a Senate race, but not for a House race, or vice versa. If, however, a station were going to broadcast in an area where there was an election, it could not seek exemption from the equal-time provision for a particular race until it had offered 15 minutes to each legally qualified candidate in that race.

The amendment is designed to guarantee accessibility and openness in our electoral system. Historically, we have taken pride in the fact that any citizen may seek electoral office, that the average person can aspire to public office, and, often, with diligence and work, obtain it.

In recent years, however, we have seen the average citizen's access to public office steadily diminish. Campaigns have come to cost more and more money. The result has been greater and greater dependence on big money, big contributions, which often only a well-known candidate can attract.

The desire to eliminate reliance upon large contributions is a laudable one which I fully support. And, certainly, limitations on individual and organizational contributions and limitations on overall campaign expenditures can help remove this reliance. In imposing such limitations, however, and suspending the equal time requirement, we are, in effect, placing the little-known and unestablished candidate at a severe disadvantage.

We have all heard the phrase the "incumbent's advantage." Usually, the incumbent is known; he has had exposure; he has had the opportunity to present his views and opinions over a period of years. Furthermore, the theory of such an advantage is substantiated by a recent study which indicated that since 1954, 9 of 10 House races and 4 of 5 Senate races had been won by incumbents. A similar advantage exists when one of the candidates in a race is particularly well known or has, perhaps, served in another prominent office.

I am certainly not against incumbents and well-established candidates. But, I am against building into our electoral system disadvantages to the non-incumbent and little-known candidates.

On July 25, I joined with six other freshmen Democratic Senators in offering a statement on electoral reform. We listed four principles which we believe should serve as guidelines for the enactment of reform legislation. Two of these principles are particularly important insofar as this amendment is concerned. One is that the law should be neutral in its effect on political parties, philosophies and candidates. Another is that it should preserve the ability of the "new face"—the independent and unorganized but responsible candidate—to enter races, to challenge the more established candidates and to have a shot at winning.

By passing the bill as reported, however, we are being neither neutral nor are we offering the little-known candidate a fair chance in the race. We are, in effect, asking him to run the 440 with us—but without his track shoes. My amendment would, at least, give him a better chance at the starting line.

I have been in the broadcasting industry for a number of years. I believe the large majority of stations try to be as fair as possible to candidates during campaigns. I believe that they make great efforts to program during those periods with the public interest and an understanding of the public service role they play in mind. But, I also believe that it would be useful to have minimum guidelines on provision of time and to guarantee those who are legally qualified to run that they will not be denied an opportunity to present their views, while some of their opponents may be given free time. This is, in my opinion, particularly important in view of the fact that the pending legislation contains limitations on campaign expenditures. While having the benefit of decreased reliance on large contributors, such limitations also have the drawback of restricting a little known candidate's efforts to become widely recognized and have his positions publicized through the use of mass media. And, if the public is not aware of the options, of the alternatives, it cannot make the informed judgments which it should and which our system so needs at this time.

Consequently, I hope that the Senate will adopt this amendment which simply provides that all candidates in a race must get a piece of the time-pie before extra slices are dished out.

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

Mr. HUDDLESTON. I yield.

Mr. PASTORE. First, I wish to say that I applaud the Senator for bringing up the amendment. I think if we are going to include Members of Congress and the House in the exemption from section 315 it would be advisable to follow the plan as outlined by the distinguished Senator from Kentucky. As I said yesterday, I am a little weary about the whole business to begin with.

I have been trying for years to get an exemption so far as the Presidency and the Vice Presidency is concerned. We come pretty close to it at times. I am afraid that every time we include Congress it is as if we have waved a red flag at a bull because the entire matter comes out in the House, but that is something to be determined later. But if we are going to have it at all, I think the Senator's amendment is an improvement, and I shall support it.

Mr. HUDDLESTON. I thank the Senator from Rhode Island. We all know of his long experience in this very field.

It is my judgment that this amendment will make the suspension of section 315 more workable for the stations, more equitable for the candidates, and hopefully more acceptable for the Members of the House.

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

Mr. CANNON. Mr. President, I yield myself 1 minute. The distinguished chairman of the Communications Subcommittee has stated he is willing to accept this amendment, and it certainly is acceptable to me. I am willing to yield back my time.

Mr. COOK. Mr. President, I merely ask for 1 minute.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. COOK. Mr. President, I yield myself 2 minutes, and yield those 2 minutes to the Senator from Texas (Mr. TOWER).

Mr. TOWER. Mr. President, I simply want a little clarification, if I may have the attention of the distinguished Senator from Kentucky.

Does his amendment make it mandatory that stations grant this time, or is it simply voluntary on their part?

Mr. HUDDLESTON. It would be voluntary. Section 315 now provides that it is voluntary on the part of the stations. A station does not have to grant any candidate the use of its facilities. My amendment simply says that if a station is going to ask for the suspension of section 315, which would mean it could provide time for some candidates in the race, and not others, then it would have to allow 15 minutes of time to other candidates.

Mr. TOWER. In other words, no matter how many candidates were running, they would all have access to that time?

Mr. HUDDLESTON. If they were legally qualified candidates.

Mr. TOWER. The reason for my asking that question is that when I ran for the Senate in 1961 there were 70 candi-

dates. Everyone who had $50 in Texas ran for the U.S. Senate. If I worked that out, it would mean a total of 17½ hours that every station would have to give to the candidates.

Mr. COOK. Mr. President, if the Senator will yield, this is voluntary. If the Senator will read the language at the top of page 2 of the amendment, it reads:

> Shall have been met by such license with respect to such candidates if—the licensee makes available to such candidate not less than fifteen minutes.

So if there are 70 candidates, the licensee is not going to make the time available. He is not going to do it.

Mr. TOWER. I was just asking for clarification. I had no particular notions about the amendment.

Mr. HUDDLESTON. That would be an extreme case.

Mr. TOWER. I am the product of extreme cases, if anyone inquires.

Mr. HUDDLESTON. The point is that if the Senate does not adopt the amendment I am suggesting, the station itself would have the authority to determine which of those 70 candidates would have time, to the exclusion or others. We are talking about free time, because they will usually sell to anybody who wants to buy the time. But, the point is that without this amendment the station will have sole authority to select candidates to debate, and to exclude all others from any presentation of views. We want to allow the others to have time.

Mr. PASTORE. Mr. President, simply stated, is it not that if they give free time to any candidate, they have to give it to all?

Mr. HUDDLESTON. To a limited extent.

Mr. PASTORE. To a limited extent, but they have to give limited exposure to all the candidates.

Mr. HUDDLESTON. That is right. We are providing here for a situation in which stations can in fact offer the leading candidates an opportunity to use their facilities and to debate the issues. Sometimes those are not the only candidates. There may be 3 or 4 candidates—in the case the Senator from Texas referred to, 70 candidates. A station could not reasonably get them all in a debate at one time. They cannot all be treated equally under the provisions of section 315. So what I am suggesting is that where the stations do make their facilities available to some candidates, they do not exclude all the others. They have to give them an opportunity to appear during the campaign.

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

Mr. HUDDLESTON. I yield.

Mr. DOLE. I do not have any quarrel with the Senator's amendment, but how must the time be used? Must it be used in 15-minute segments or a one-shot proposition?

Mr. HUDDLESTON. It could be used in a variety of ways in three 5-minute broadcasts or one 15-minute broadcast. They would have access to a total 15 minutes time.

Mr. DOLE. But the only limitation is a total of 15 minutes, and how it is to be divided is to be determined by the candidate and the licensee?

Mr. HUDDLESTON. That would be correct.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, will the Senator yield to me for a question?

Mr. HUDDLESTON. The Senator yields.

Mr. GRIFFIN. Just to clarify how it would work or might work if there were a station where there were three or more candidates running, say, for a House seat—and I am thinking now of a situation like the one the Senator from Virginia (Mr. HARRY F. BYRD, JR.) faced, where he ended up running as an Independent for the Senate—now that this section 316 suspension has been applied to a Member of Congress I take it that the station would determine whether or not a candidate was a major candidate and would be accorded an opportunity to engage in a debate. Is that correct?

Mr. HUDDLESTON. That is correct. That is the situation now. That is why I want to make it so he cannot exclude a candidate considered to be a major candidate.

Mr. DOLE. So under the Senator's amendment, the station manager could decide that a third party candidate, even though he might be a very substantial candidate and might ultimately win the race, could be excluded from the debates, but would be given 15 minutes?

Mr. HUDDLESTON. That is correct.

Mr. PASTORE. Mr. President, if the Senator will yield, that is not it exactly. As a matter of fact, a licensee would have power under this amendment and under the amendment in the bill, the one that was reported out of the Rules Committee, as against the one that was reported out of the Commerce Committee. That is, the Rules Committee version included Members of the Senate and Members of the House, so we gave the broadcaster the exemption from section 315, and full discretion to make time available to the candidates as he sees fit. Subject, of course, to the fairness doctrine. All this amendment does is provide that if one gives any time at all to anyone, he has to give at least 15 minutes to each one. That is all it does. But this is giving a tremendous latitude to the local broadcaster. We must understand that. That is why we started out with section 315. This is called the equal time program. That is the reason why we started it. Now we are beginning to change it.

My argument is that, well, this is so much more beneficial than we had it, because under the bill we now have, the licensee has the power to do anything he wants. Except he must adhere to the fairness doctrine. That is the reason why the Senator from Rhode Island was very careful when he reported out the measure, in the Commerce Committee. But by a vote of 50 to 43, it was voted down yesterday. I repeat, the House will never buy it. They have never bought it. All we have done is made it impossible to give time to a Presidential candidate. That is what we have done. I am perfectly willing to accept this amendment because it is an improvement upon what we already have in the bill.

Mr. GRIFFIN. Mr. President, with the assurance of the distinguished Senator from Rhode Island that this will not become law anyway, I will not pursue the matter further.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

Mr. HUDDLESTON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Kentucky (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. 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. PASTORE. Mr. President, I move at this time to reconsider the vote by which the last amendment, the Huddleston amendment, was agreed to.

Mr. CANNON. Mr. President, I yield back my time.

Mr. PASTORE. Mr. President, I yield back my time on the motion.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the motion to reconsider (putting the question).

The motion to reconsider was agreed to.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. 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. CANNON. Mr. President, I yield 1 minute on the bill to the Senator from Kentucky.

Mr. HUDDLESTON. Mr. President, I send a modification of my amendment (No. 425) to the desk.

The PRESIDING OFFICER. The clerk will report the modification.

The legislative clerk proceeded to state the modification.

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

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

The amendment, as modified, is as follows:

On page 2, after line 6, insert:

SEC. 2. (a) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by—

(1) inserting "(1)" immediately after "(a)"; and

(2) adding at the end thereof the following new paragraphs:

"(2) The obligation imposed by the first sentence of paragraph (1) upon a licensee with respect to legally qualified candidates for Federal elective office (other than the offices of President and Vice President) shall have been met by such licensee with respect to such candidates if—

"(A) the licensee makes available to such candidates not less than fifteen minutes of broadcast time without charge during the period beginning ten days after the last date, under applicable State law, on which such candidates may file with the appropriate State officer as candidates, and ending on the day before the date of the election, and

"(B) the licensee notifies such candidates during the period beginning on the day after the filing date and ending ten days thereafter,

"(C) such broadcast will cover, in whole or in part, the geographical area in which such election is held.

"(3) No candidate shall be entitled to the use of broadcast facilities pursuant to an offer made by a licensee under paragraph (2) unless such candidate notifies the licensee in writing of his acceptance of the offer within ten days after receipt of the offer."

The PRESIDING OFFICER. There is no time for debate on the amendment. All time has been yielded back.

Mr. CANNON. Mr. President, I yield 1 minute on the bill to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 1 minute.

Mr. HUDDLESTON. Mr. President, the modification simply clarifies the amendment to make sure that it does not apply to Presidential and Vice-Presidential candidates; that portion is kept in the act.

The PRESIDING OFFICER. The amendment is so modified.

The question is on agreeing to the amendment as modified—putting the question.

The amendment, as modified, was agreed to.

Mr. CHILES. Mr. President, I call up my amendment No. 417.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

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

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

The amendment is as follows:

On page 59, strike out lines 13 through 21 and insert in lieu thereof the following:

§ 616. Form of contributions

(a) No person shall make any contribution of money to or for the benefit of any candidate or political committee in excess of $50, in the aggregate during any calendar year, unless—

(1) such contribution is made by means of a check from a National or State bank, drawn on the account of the person making the contribution and identifying that person by name and bank account number; or

(2) the person making the contribution furnishes in writing to the recipient thereof his full name and address, and, in the case of an individual, his social security number.

(b) (1) Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

(2) Willful and knowing violation of the provisions of this section is punishable by a fine of not to exceed $3,000, imprisonment for not to exceed five years, or both.

Mr. CHILES. Mr. President, prior to explaining the amendment, I ask unanimous consent that the distinguished Senator from Delaware (Mr. BIDEN) be added as a cosponsor of the amendment.

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

Mr. CHILES. Mr. President, this amendment would provide that contributions in cash would only be allowed for contributions in the amount of $50 or less and that contributions in an amount greater than $50 would have to be by check.

The amendment is something that all of us have discussed at one time or another. Before the committee, I know that there were a number of bills introduced that would propose different cash limitations.

It seems to me that perhaps no one goes so far as to say that all contributions should have to be made by check because some people do not have a checking account and they would like to make token contributions or small contributions of $50 or smaller. This amendment would allow those to be made in cash.

But any amounts over that would have to be contributed by check, so that there would be a record of them.

I think it is clear enough, from all of the problems we see in connection with the Watergate hearings and the many other scandals we have had in regard to elections, that one of the greatest problems is cash money and the way it is dispensed and floats around. As long as we allow cash money to be used in election campaigns, then we are always going to have a tough time showing who actually gave the money, who was responsible for giving it, and who received the money.

If this amendment were adopted, there would be no occasion for people to have suitcases full of cash money floating around in connection with elections. It would require, as to those people getting the money, that there would be a record of the contribution. We have already tried to accomplish that under the law, to identify the people who gave the money, where they came from, and something about them. But there is nothing more tangible than a check, because it is microfilmed as it goes through the bank, so that there will be a permanent record of who made the contribution by the check itself, and we would get around the problem of having large amounts of cash floating around about election time.

I think this amendment would be a large step toward the kind of reform we are seeking.

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

Mr. CANNON. Mr. President, I yield myself 5 minutes.

This general subject was considered in detail by the committee, and after holding hearings, receiving testimony, and considering it among the committee members, we determined that cash should be eliminated in amounts in excess of $100.

The situation that the Senator from Florida complains of, which we all complain of, the suitcases full of $100 bills, believe me, did not come from a thousand different contributors of $100 each. Those bills came from large contributors of money, which are prohibited now. They cannot make a contribution of over $100 unless it is by a written instrument—not by check, because some people do not even have checking accounts.

We considered the question of identification, and I think that is pretty well covered by the bill now. We required identification of contributors by name and address for contributions of less than $100, and if it is over $100, we require the occupation and principal place of business.

I think that is sufficient identification to meet the problem the Senator wishes to get at. We all wish to get at that problem. But we do not wish to encumber the election process to the extent that the candidate will get bogged down in the administrative requirements of the election law to the extent that he cannot have an opportunity to present his views and to really carry on a campaign.

So I would oppose this amendment. As I say, we have the limit already that only up to and including $100 can be given in cash. We require full identification on amounts over that amount. And the danger does not really come from persons who are going to give a $100 bill. That amount has to be recorded as well, and of course we have the maximum amount provision of $3,000 as a result of the amendment of the Senator from Texas yesterday, which changed the amount that the committee had recommended.

So I hope this amendment will not be agreed to.

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

Mr. CANNON. I yield the Senator from Kentucky such time as he may require.

Mr. COOK. May I say to the Senator from Florida that we discussed this matter at great length in committee, and while it sounds rather strange for me to say this to the Senator from Florida, in rural America, believe it or not, there are many people who do not have checking accounts. That may sound strange, but it is true, and I think we all know it is true.

I am not trying to get around that situation, or find excuses for it; but we felt that a $100 limitation was sufficient. We now find ourselves in a position where we are talking about a maximum restriction of $3,000, and obviously anything over $100 has to be in writing.

There is something that goes against the grain for this Senator about requiring that the American individual who wants to sit down and write a check for $5, $10, or $100 has not only got to put his name on the check, but his address, and his social security number. As the Senator from Florida proposes in one sec-

tion, in the case of an individual he shall put down his social security number.

We are looking to the candidate. We are not looking to the individual. I do not think that we should have to say to the individual, "We do not trust you unless you not only write out a check, but tell us what business you are in, and reach in your pocket, get out your social security card, and give us your social security number."

I think we will get to the point of being offensive, and I think to the extent that the bill limits cash contributions to $100, in all fairness, we have covered the subject fairly.

I would suggest to the Senator from Florida that I would find his amendment more palatable if he had taken the figure of $100 here and reduced it to $50, rather than adding all the additional restrictions and requirements that would be required for the individual who wants to do no more than make a contribution to a candidate whom he happens to like and agree with. I am afraid we are going to get to the point one of these days, after we amend the law three or four more times, where, if a citizen wants to make a contribution to a candidate of his choice, we will be like we are in our offices; he will have to make a green copy, a blue copy, and a pink copy, and send one to the Secretary of State and another to the Secretary of the Treasury. Then we will really dry up the ability of the individual to make a contribution to the candidate of his choice.

I am not saying that the proposal of the Senator from Florida is really that bad, because it is not. But I would really feel better, as a member of the Rules Committee, if his amendment had done no more than strike the $100 and change it to $50, rather than adding to the restrictions we place on an individual's ability to make a contribution, when as a matter of fact we have been discussing at great length the fact that we want more people to contribute to political campaigns.

Mr. CHILES. Mr. President, I think the Senator from Kentucky raises a valid point. Since the yeas and nays have not been ordered on the amendment, I would be happy to modify the amendment to do what the Senator from Kentucky is suggesting, which would be to strike the $100 set forth in the bill itself as a restriction on cash contributions, and change that language to read "$50."

The PRESIDING OFFICER. Is the Senator making that modification?

Mr. CHILES. I so modify the amendment.

Mr. COOK. Mr. President, may I say to the Senator that what he is doing——

Mr. CHILES. Let us make sure the modification is understood.

The PRESIDING OFFICER. Will the Senator send his modification to the desk?

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

The PRESIDING OFFICER. On whose time?

Mr. CHILES. On my time.

Mr. COOK. On the time of the Senator from Florida.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. CHILES. Mr. President, I withdraw my amendment No. 417 and send to the desk another amendment which I ask for immediate consideration and to have stated.

The PRESIDING OFFICER. The amendment is withdrawn. For purposes of clarification, the number of that amendment is 417?

Mr. CHILES. 417 is correct. I also ask unanimous consent to add the name of the Senator from Delaware (Mr. BIDEN) as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection it is so ordered, and the amendment will be stated.

The assistant legislative clerk read as follows:

On page 59, line 17, insert the following: strike "$100" and insert in lieu thereof "$50".

Mr. CHILES. Mr. President, this amendment now actually conforms with the discussion the Senator from Florida was having with the Senator from Kentucky. It would simply strike the $100 prohibition against any contribution over that amount and makes it $50.

I think we are prepared to vote on it, but I would like to say that, generally, when we talk about the people of rural America, most of them do not have bank accounts and most do not have $100 bills, either. I think that the largest contribution they will want to give, where cash is concerned, will be $50 or below. In that instance, cash would be all right to be given. But when we get into the situation where we float around $100 bills, it would be better to have a check made out for that. So that where the contribution is over $50, I think it would be better if a check would be made out for it.

Mr. COOK. Mr. President, I agree with the Senator from Florida. I hope that he does not whipsaw me too much if it does not succeed. But, frankly, I am agreeable to accepting the amendment and I would hope it would be acceptable to the Senate and will not require a rollcall vote.

Mr. CANNON. Mr. President, I yield back my time.

Mr. CHILES. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Florida (Mr. CHILES).

The amendment was agreed to.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1974—YEAS AND NAYS ORDERED

Mr. ROBERT C. BYRD. Mr. President, on tomorrow, the bill, H.R. 8760, making appropriations for the Department of Transportation, will be called up and made the pending business before the Senate.

I ask for the yeas and nays at this time on final passage of that appropriation bill tomorrow.

The yeas and nays were ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The Senate continued with the consideration of the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to presidential and vice-presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

AMENDMENT NO. 427

Mr. BARTLETT. Mr. President, I call up my amendment No. 427 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 36, between lines 23 and 24, insert the following new subsection:

(f) Upon written application made by any candidate or political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time a written advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this title or of any provision of title 18 of which the Commission has primary jurisdiction under subsection (d). Notwithstanding any other provision of law, no candidate or political committee shall be held or considered to have violated any such provision by the omission or commission of any act with respect to which a written advisory opinion has been issued to that candidate or political committee under this subsection if the candidate or political committee has acted in compliance with such advisory opinion.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Bud Scoggins of my office be accorded the privilege of the floor during the remainder of debate and the votes on the pending bill.

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

Mr. BARTLETT. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Ohio (Mr. TAFT) be added as a cosponsor of my amendment No. 427.

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

Mr. BARTLETT. Mr. President, I should like to read the amendment. It is quite simple and by reading it I think it will explain it very clearly:

(f) Upon written application made by any candidate or political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time a written advisory opinion, with respect to any specfic transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this title or of any provision of title 18 of which the Commission has primary jurisdiction under subsection (d). Notwithstanding any other provision of law, no candidate or political committee shall be held or considered to have violated any such provision by the omission or commission of any act with respect to which a written advisory opinion has been issued to that candidate or political committee under the subsection

if the candidate or poltical committee has acted in compliance with such advisory opinion.

Mr. President, this amendment is intended to eliminate a problem which I think confronted every candidate running for Federal office in 1972. Because the 1971 Campaign Act and the bill now under consideration make so many changes from previous law, and because there has been so little experience in actually operating a campaign under the new provisions, there was considerable confusion about what could or could not be done under different sections of the act.

At the present time, there is no provision for a candidate to obtain an authoritative ruling or opinion on whether or not a particular transaction or activity would be permitted under the provisions of the act. This amendment would provide that the Federal Election Commission, which is established by this act to have jurisdiction for enforcing the act, could furnish a written advisory opinion to a candidate, advising him whether or not any specific transaction or activity would constitute a violation of the act. It also provides that if a candidate did receive such a written advisory opinion and acted strictly in compilance with the opinion, he could not at some later time be held to have violated the act insofar as the particular transaction or activity which was the subject of the written advisory opinion.

As things now stand, a candidate might request an opinion but it would be nothing more than an informal opinion. If a candidate should in good faith act in reliance on such an opinion, and at some later time it was determined that the action or activity constituted a violation of the act, the candidate could be prosecuted under the penalty provisions of the act. This appears to me to be inequitable, especially in view of the way most campaigns are operated, normally a candidate is relying almost exclusively on volunteer, nonprofessional help, a candidate is concerning himself with contacting the voters and relying on untrained volunteers to handle the details of his campaign with regards to soliciting contributions, purchasing the media time and space, and acquiring all the other hundreds of items which have to be acquired during the course of a campaign. These untrained volunteers are certainly not capable of interpreting the sometimes complicated and complex provisions of the campaign act.

The Federal Election Commission established by this act will be devoting its entire effort to supervise and enforce this act. The Commission is charged with the primary jursidiction for civil and criminal enforcement of this act and pertinent provisions of the criminal code, that is, title 18 United States Code, therefore, the Commission will ultimately have to determine whether or not a given activity or transaction constitutes a violation of the act, since it will have to make a determination whether or not to proceed with legal action against a candidate. Because of this, it seems only logical to me that the Commission is the proper agency to give advice to candidates concerning the conduct of their campaign under the act.

Mr. President, on several occasions during the last campaign, representatives of our campaign made several inquiries of various committees and groups charged with knowledge of the Campaign Act and were unable to obtain any information. Because of this, it made an interpretation of the laws, the new laws under which we were operating, most difficult. I think it is very clear that a candidate should be given, within a reasonable length of time, an opinion; and that opinion, if adhered to strictly, should not constitute a violation of the law.

I sincerely hope the managers of the bill will agree with me and will be willing to accept this amendment.

Mr. CANNON. Mr. President, I have discussed this amendment with the distinguished Senator, and I think it is a good amendment. I am prepared to accept it.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. BARTLETT. I yield back my time.

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

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

The amendment was agreed to.

AMENDMENT NO. 391

Mr. BROCK. Mr. President, I call up my amendment No. 391.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 26, beginning in line 6, strike "sections 312 through 315, respectively," and insert in lieu thereof the following: "section 312,".

On page 44, line 15, after the semicolon insert "and".

On page 45, line 2, strike "; and" and insert in lieu thereof a period.

On page 45, strike lines 3 through 6.

On page 46, between lines 2 and 3, insert the following:

"SEC. 11. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"'SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

"'SEC. 313. No Senator, Representative, Resident Commissioner, or Delegate shall make any mass mailing or mailing with a simplified form of address under the frank under chapter 32 of title 39, United States Code, during the sixty days immediately preceding the date on which any election is held in which he is a candidate.'."

On page 46, strike lines 3 through 9, and insert in lieu thereof the following:

"SEC. 12. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

"(1) striking out 'a supervisory officer' in subsection (a) and inserting in lieu thereof 'the Commission'; and

"(2) striking out 'in which an expenditure is made by him or on his behalf' in subsection (a)(1) and inserting in lieu thereof the following: 'in which he is a candidate or in which substantial expenditures are made by him or on his behalf'.".

On page 46, line 10, strike "SEC. 12. Section 314 (as redesignated by this Act)" and insert in lieu thereof "SEC. 13. Section 310".

On page 46, line 13, strike "amended" and insert in lieu thereof "redesignated as section 315 of such Act and amended".

On page 46, line 16, strike "SEC. 13. Section 315 (as redesignated by this Act)" and insert in lieu thereof the following: "SEC. 14. Section 311".

On page 46, line 20, strike "SEC. 315." and insert in lieu thereof "SEC. 316.".

On page 47, line 3, strike "SEC. 14." and insert in lieu thereof "SEC. 15.".

On page 48, line 2, strike "316" and insert in lieu thereof "317".

On page 48, line 21, strike "SEC. 15." and insert in lieu thereof "SEC. 16.".

On page 49, line 4, strike "SEC. 16." and insert in lieu thereof "SEC. 17.".

On page 50, line 8, strike "SEC. 17." and insert in lieu thereof "SEC. 18.".

On page 50, line 19, strike "SEC. 18." and insert in lieu thereof "SEC. 19.".

Mr. BROCK. Mr. President, the amendment presented at this time says very specifically the following:

No Senator, Representative, Resident Commissioner, or Delegate shall make any mass mailing or mailing with a simplified form of address under the frank under chapter 32 of title 39, United States Code, during the 60 days immediately preceding the date on which any election is held in which he is a candidate.

Simply stated, this amendment is designed to deal with the potential for abuses that exist in mass mailing at taxpayer expense by incumbents to insure their reelection. In recent days, a number of people have expressed the valid concern that any bill passed by any Congress relating to election procedures and processes can be charged with being an incumbent protection bill.

Let us look at the history of election campaign laws. We passed the first major election reform bill back in 1925. That bill remained on the books as law, with specific penalties, specific standards, for some 45 years. During those 45 years, not one Member of Congress was ever prosecuted under the terms of the law.

If we are going to avoid the criticism that this bill has the same effect of being an incumbent protection act, one of the most important areas we need to deal with is the privilege by which the Members of this body and the other body communicate with their constituents. That privilege is fully warranted.

We must be responsive to the people we represent. We must deal with their problems effectively and efficiently and speedily. But to take that basic premise and pervert it to use the privilege of constituent response as a device by which a Member assures his own reelection is simply intclerable in this day and time.

I know of a situation in which a former Member of Congress sent out three mailings to every single household in his district 30 days preceding his reelection. I do not think that can be justified under any guise. But particularly at this time,

when we are considering a fundamental reform of our election laws and election procedures, it seems to me, in the interest of restoring some confidence to the American people in the free processes of Government, that it is incumbent upon us to make certain that there shall be no abuse of the taxpayer's dollar, through the device of the taxpayer's grant of this privilege, by the abuse of the frank to affect the election of any incumbent Member of this body.

In so many words, I would urge that we in the Senate, and I would hope our colleagues in the House also, will take this action and simply say that we will not allow any use of mass mailings for the 60 days preceding an election, because that is the time when they have the greatest political impact.

May I also take this moment to express my deep appreciation to the Senator from California (Mr. CRANSTON), the Senator from New Mexico (Mr. DOMENICI), the Senator from Georgia (Mr. NUNN), the Senator from Delaware (Mr. BIDEN), and also to the Senator from Texas (Mr. BENTSEN), who happens to be my counterpart as the chairman of the Democratic Senatorial Campaign Committee. These Senators have cosponsored the amendment, and I am grateful for their support.

Mr. President, I hope the amendment will be agreed to.

Mr. CRANSTON. Mr. President, the Senator from Tennessee has offered a sound and wise amendment. I am delighted to be a cosponsor and to support it.

Present laws, rules, and regulations actually prevent us from abusing the privilege of the frank for political purposes. We are required to restrict what we put into our newsletters and to report only on official matters. However, the fact that we have that privilege and can use it on the eve of an election can lead to the suspicion that the privilege is being abused for political purposes.

I therefore think it would be very wise to restrict the use of the frank in terms of mass mailings, before election.

I lean over backward in my own letters to avoid putting anything in them that is of a political nature. I try to restrict them to official business. But even so, I believe the amendment would be helpful in the reform of the political process. I therefore support the amendment.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

I am not certain what technical changes the amendment refers to, other than that it relates to the prohibition of mass mailings.

I should say that the implication would raise a question as to whether mailings that are before that period are political mailings or not.

I point out that it is not lawful to make a franked political mailnig at present, whether it be 60 days before an election or at any other time.

We are at least raising an implication that this is the sort of thing that is being done. I get complaints occasionally of someone using the frank improperly, and we follow up and investigate those complaints. I think we have had two this year made to the Committee on Rules and Administration. We go into those to find out if there are improper uses of the frank.

It seems to me that unless we quite clearly spell out precisely what is meant, first with respect to mass mailings, and, second, quantity of mail, this would prohibit a Senator or Representative from carrying out his normal duties in communicating with his constituents.

I pose those questions, and I would like to have the response of the sponsor of the amendment.

Mr. BROCK. Mr. President, if the Senator will yield, I shall be glad to respond.

Mr. CANNON. I yield.

Mr. BROCK. As to the first question, there is no implication here that off-year mailings are done for political purposes. I think most of mailings that come out of the Senate are clearly of a nonpolitical nature. But that is not the question. When a Senator mails a newsletter or a questionnaire—and many Members do so in the other body—in January, February, or June, that is perfectly lawful and a legitimate exercise of the right to achieve responses from constituents in order to serve the function for which we have been employed.

But it seems to me that it becomes very difficult to justify a bulk mailing addressed to boxholders where not even the name appears, as occurs in the other body.

Mr. CANNON. That is not even permissible in the Senate.

Mr. BROCK. Not in the Senate. The Senate has a different process. But I wish to go on.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. BROCK. I yield myself such time as I may require.

The PRESIDING OFFICER. The Senator is recognized.

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

Mr. BROCK. I yield.

Mr. PASTORE. I dare say that in formulating the campaign practices bill of 1973, one of the first complaints made was on the matter of direct mailing. Everyone understands that the postage cost has gone so high that the cost has become almost prohibitive. As a result, one of the complaints that has been that an incumbent has an advantage because he has the right of the frank. I think it has done some harm and it has done some good. I am not saying that anyone has abused the right of the frank for political purposes, but I think in the spirit of the bill, if we want to do what is right, as was said by the Senator from Minnesota yesterday, in politics it is not so much what is as what appears to be that has the greatest effect on the people.

I would suggest to the Senator that if he would limit this to 30 days before the election I could support the amendment. I think 60 days is much too broad.

Mr. BROCK. I would be prepared to accept that suggestion. I think the principle is far more important than the actual time frame. I would join the Senator in expressing confidence about what has gone before, but the purpose of law is to protect from potential use in the future. That is all this is an effort to do.

If it is of significance to modify the amendment, if my cosponsors do not object, I amend the amendment to make it 30 days instead of 60 days.

The PRESIDING OFFICER. The Senator has the right to amend his amendment.

Mr. BROCK. I so modify the amendment.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BROCK. Mr. President, I wish to continue to respond to the question of the chairman of the committee.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BROCK. Mr. President, very precisely, in response to the question of the chairman of the committee and the manager of the bill, the mass mailing device, be it to a box holder or to a computer label address, such as the privilege of the Senate as we now operate, still has enormous political impact.

The mailing can have not one word related to Democrat, Republican, Liberal, or Conservative; it merely mentions the incumbent's name a half dozen times, and it has an enormous impact because he is writing his own literature in a very favorable fashion.

To say that we can allow the incumbent this leverage when he has every advantage over a nonincumbent does not make sense to me and in a sense of equity, so that the American peole will have full confidence, it is honestly and truly designed to correct previous inadequacies of the law. I think the amendment is of good intent and effect.

Mr. CANNON. I do not understand what the Senator means by "mass mailing." The Senator referred to computer labels. Many Senators use computer labels in mailing of general subjects, pulled from a computer stamp bearing the name and address of those people.

Is that sort of thing going to be covered in this mass mailing?

Mr. BROCK. As I understand my own language, that would not be permitted 30 days before the election, if you have the same letter going to a large quantity of individuals. That is what I call a mass mailing.

Mr. CANNON. As to a large quantity, can the Senator give a percentage?

Mr. BROCK. If Senators want a number on it, let us use the same number in the cash limitation of the bill; say more than 100.

Mr. CANNON. The Senator would consider more than 100 to be a mass mailing? I send more than 100 letters every day and I do not consider that to be a mass mailing.

Mr. BROCK. Let us say more than 1 percent of the households in the State. That is a mass mailing. You can mail to 1 percent of the households covering the key precincts and there is a tremendous political impact.

Mr. CANNON. I think the Senator is going to impinge on the ability of Senators to carry out their duties.

Mr. BROCK. I have no such intention.

Mr. CANNON. The Senator can conceive of a situation where a person has a

primary election in July and, therefore, he could not send out any mailings to more than 1 percent of his constituency after the first week in June. Then he would have to have a runoff and it would come 30 days later, and so he could not send out anything in the latter part of June and he could not send anything the first of July. When he gets to August, some States have an election in September. So it is conceivable he could go for 6 months without being able to communicate with more than one percent of his constituency.

Mr. BROCK. No. In the first place, I do not know how many single letters go to constituents, but I would be surprised if it is more than 1 percent. We are not talking about personal letters; we are talking about bulk, mass mailings. All we would be doing would be to eliminate that opportunity for abuse 30 days prior to the election.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. ROBERT C. BYRD. Would the Senator consider the mailing of agriculture reports within the 60 days prior to election to be a mass mailing to be prohibited under the terms of his amendment?

Mr. BROCK. The amendment was modified to make it 30 days.

Mr. ROBERT C. BYRD. Would the Senator consider the mailing of agricultural reports—emanating from the Department of Agriculture—by Members of Congress——

Mr. BROCK. I would say if the agricultural reports were just that, if they were not stamped in five different places with the incumbent's name, that is not mass mailing.

Mr. ROBERT C. BYRD. If they were carried under the mailing frank of a Member of Congress, would it violate the law?

Mr. BROCK. Not if that is all that is in there.

Mr. ROBERT C. BYRD. In other words, the Senator's proposal would not prohibit the mass mailing——

Mr. BROCK. The Senator will have to tell me what he means——

Mr. ROBERT C. BYRD. No; it is the Senator's amendment.

Mr. BROCK. I am trying, if I may respond, to prevent any mass mailing which has a political effect, and that means any mass mailing per se for 30 days preceding the election. If the agricultural bulletin is a Senator's mass mailing, it would be prohibited for 30 days prior to the election.

Mr. ROBERT C. BYRD. The Senator would say that an agricultural report emanating from the Department of Agriculture and mailed under the frank of a Member of Congress in accordance with section 3213, chapter 32, of title 39 of the United States Code, would be in violation of the law, under his amendment?

Mr. BROCK. The Senator from Tennessee really cannot make that definitive statement without making a little more research. I am not quite competent to say.

Mr. PASTORE. Mr. President, will the Senator from West Virginia repeat that?

Mr. ROBERT C. BYRD. As I interpret the Senator's amendment—and I am asking if I am making a proper interpretation—his amendment would prohibit the mailing by a Member of Congress of agricultural reports within a period of 30 days prior to each election. Yet under section 3213 of chapter 32, title 39, United States Code, it is specifically set forth that agricultural reports may be mailed by Members of Congress as franked mail until the 30th day of June following the expiration of their terms of office. Would this not constitute mass mailing?

Mr. BROCK. I would like to ask the Senator a question or two for the purpose of clarifying it. Is the mailing to be stamped from the Senator's office?

Mr. ROBERT C. BYRD. For the purpose of argument, let's say that such mail is not stamped from the congressional office.

Mr. BROCK. I find it difficult to respond.

Mr. ROBERT C. BYRD. But it comes to the constituent under the frank of the Senator.

Mr. BROCK. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I hope we do not become too picayune about this or get into nitpicking. I think what we have been trying to get at is what happens. There are complaints that newsletters are being used by Members of Congress during a campaign period, using the right of the frank as against an opponent. That charge has been made time and time again. Then when it comes to time for direct mailing, when we were discussing that subject before the committee, it became very difficult to determine then what direct mailing was.

Let us assume that 100, or 200, or 1,000 people in Rhode Island write to me opposing, let us say, the bombing in Cambodia, and I respond. I would not call that mass mailing if I said I agree that the bombing should be stopped. If they wrote me asking if Watergate was a reflection on integrity in Government in America, and I wrote back and said, "Indeed, it is," and I wrote that to 50,000 people after I received that letter, I would not call that mass mailing.

On the other hand, if 30 days before an election I began every week sending out a newsletter, telling how great I was and all the things I had accomplished during my administration in office, just because that might impress some people by election day, and I was a candidate, I would say that is mass mailing.

Mr. BROCK. That is what I am talking about.

Mr. PASTORE. It might be said that it is hard to reach a judgment on that. It is hard to define. It is something that has plagued us for a long time. Maybe we cannot explain what mass mailing is. Maybe we will never be able to explain what mass mailing is. But it strikes me that if I were going to send 50,000 pamphlets out, 30 days before an election, on how to take care of one's baby, frankly, that would not do me any good. I remember one time that such a pamphlet was mailed to a priest. It shows how one can get in trouble doing that kind of thing. When we get into mass mailing, we make mistakes like that. Sometimes we do ourselves more harm than good.

What we are trying to get at here is, somehow or other, doing something about the abuse of the right of the frank. The right of the frank should not be used for political purposes, I do not care whether the number is 5 or 10. That is where the difficulty is on the question of mass mailing. I tell you, something ought to be done about it. How are you going to do it, I am not prepared to answer. The Senator from Nevada is quite right when he says it is hard to define the problem.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will yield temporarily, I think there is a certain amount of merit to the amendment of the Senator from Tennessee. I think Members of Congress who send out a half-dozen mailings in the last 6 weeks prior to election are certainly opening themselves to terrible criticism, and it may be counterproductive to them; but I think the Senate ought to give this amendment some further consideration. Possibly we can work it out so that we can make it clearer. I merely raised the question of the agricultural report in order to focus on the problem of what is to be considered "mass" mailing in terms of the language of the Senator's amendment. In West Virginia we have a May primary. It could come as early as the 2d day of May, the first Tuesday after the first Monday. Suppose I wanted to send out some agricultural bulletins to my farmers. It is in the springtime. I may want to send them 100,000 or 200,000 bulletins. It is for a legitimate and lawful purpose. I may send them out every year during the 6 years of my term. But is the Senator's amendment going to make the action of sending out these agricultural bulletins 30 days before the 2d day of May to my constituents in West Virginia a violation of the law, when section 3213 of chapter 32 of title 39 of the United States Code expressly allows me or any other Senator to send out a mass mailing, under my frank, of agricultural reports?

Mr. BROCK. Mr. President, if I may reply briefly, because I have very little time left, to the question of the Senator from West Virginia, I understand his concern, but as far as I am concerned, any Member of Congress could forego the mailing of agricultural bulletins or other mass mailings for 30 days before an election, and I think very few people would suffer.

There is no way one could call a response to a legitimate inquiry such as the Senator from Rhode Island pointed out—I do not care how many letters he sends—or a mailing of agricultural bulletins, as a mass mailing; but I think it is a matter of a Member of Congress jeopardizing himself when he sends out four or five mass mailings 30 days before an election. He is doing more than that. He is using taxpayers' money to try to win his own reelection, and that is wrong. It ought to be stopped.

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

Mr. BROCK. Will the Senator use his own time?

Mr. COOK. Mr. President, I yield myself 2 minutes.

We have learned a great deal from the colloquy, and I would hope that, conceivably, the Senator might withdraw the amendment, if there are others that may be brought up, and we might have a chance to look into it.

There are several things we have learned. We have used the term "newsletter" in the debate. It seems to me we could use that knowledge of what we have learned with respect to newsletter. Second, we have used the phrase "mail which originates in the Member's office." We have talked about the problem of mailing agricultural reports, for example. So I think we have learned a great deal from this debate, and I think we can limit the amendment, and I think we can eliminate without question abuses that originate in the office and originate in the newsletter type of circumstance.

So, therefore it would seem to me that if the Senator and his cosponsor, the distinguished Senator from California, could get together and make the particular kind of change in phraseology that is acceptable, I think that we could get moving with it.

I agree with the Senator from Rhode Island when he says that we should not get picky about it. If we are picky about it, we might find ourselves in serious problems.

Mr. PASTORE. Mr. President, I agree with the Senator about that. If someone could interpret this matter, I think that we should make the RECORD clear. No one wants to circumscribe a Senator in the carrying out of his duties of office. However, we are talking about the kind of thing where, because one has the use of a frank, it is used for political purposes.

How weare going to explain this away, I do not know. However, that is one of the things that has always plagued us in these bills.

Mr. COOK. Mr. President, I have to agree with the Senator from Rhode Island that if one sends out 100,000 mailings from the Department of Agriculture within a 30-day period and has a big rubber stamp on it that says it is from the office of so-and-so, that comes within what the Senator from Tennessee is talking about. And I have to agree with the Senator from Tennessee on that.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BROCK. Mr. President, unless a Senator wants to say something else, I am prepared to withdraw the amendment in the hopes that we can write better language within the next 30 or 40 minutes. I will be back before the day is out with an amendment dealing with the frank. And I so inform my colleagues.

Mr. President, I withdraw the amendment.

The amendment was withdrawn.

Mr. HART. Mr. President, I call up my amendment No. 424.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

On pages 56–60, strike section 615, and insert in lieu thereof a new section 615, as follows:

§ 615. Limitations on contributions by individuals and on expenditures by certain other persons

(a) No individual shall make, and no candidate or political committee acting on behalf of a candidate shall accept, any contribution during any calendar year to or for the benefit of any candidate which is in excess of the amount which, when added to the total amount of all other contributions made by that individual during that calendar year to or for the benefit of a particular candidate, would equal $1,000.

(b) No individual shall make, and no candidate or political committee shall accept, any contribution during any calendar year to or for the benefit of any candidate or any political committee, including political committees specified in subsection (c)(3), which is in excess of the lesser of—

(1) the amount which, when added to the total amount of all contributions made by that individual to or for the benefit of all candidates and all political committees during the calendar year, would equal $15,000; or

(2) the amount which, when added to the total amount of contributions made by that individual and the members of his family to or for the benefit of all candidates and all political committees during that calendar year, would equal $15,000.

(c)(1) No person (other than an individual), but including any group of individuals formally or informally acting in combination or concert, shall make, and no candidate or political committee acting on behalf of a candidate shall accept, any expenditure during any calendar year for or on behalf of a particular candidate which is in excess of the amount which, when added to the total amount of all other expenditures made by that person for or on behalf of that candidate during that calendar year, would equal $3,000.

(2) No person shall make any independent expenditure on behalf of a candidate which, when added to the total amount of other independent expenditures made by that person on behalf of that candidate during that calendar year, would exceed $1,000. For purposes of this section, an expenditure shall not be deemed to be independent if it constitutes an expenditure on behalf of a candidate within the meaning of section 614(c)(3) of title 18, United States Code.

(3) This subsection shall not apply to the central campaign committee or the State campaign committee of a candidate; to the national committee of a political party, or any political committee which is controlled by that national committee; the State committee of a political party, or any political committee which is controlled by that State committee; or to the Democratic or Republican Campaign Committees of the Senate or House of Representatives.

(d) For purposes of the limitations contained in this section, all contributions made by any person directly or indirectly on behalf of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

(e) For purposes of the limitations contained in this section, as well as for purposes of all other sections of this Act, the terms "contribution" and "expenditure" shall not be construed to include communications by any organization to its members and their families on any subject; nor shall it include the costs of the establishment, administration, or solicitation of contributions to a separate segregated fund to be utilized for political purposes, if the establishment and administration of, and solicitation to such funds do not constitute a violation of section 610 of title 18, United States Code, or section 611 of title 18, United States Code, and communications (including advertisements) to any person on any subject by any organization which is organized solely as an issue-oriented organization which communications neither endorse nor oppose any candidate for Federal office.

(f) The limitations imposed by subsection (a) and by subsection (b) shall apply on an overall basis to all elections in a calendar year in which a given candidate participates, including all primary, primary runoff, and general elections. Such limitations shall apply separately, on an overall basis, to any special election in the same calendar year, including all primary and primary runoff elections therefor.

(g)(1) Any contribution made in connection with a campaign in a year other than the calendar year in which the election to which that campagin relates is held, shall, for the purposes of this section, be taken into consideration and counted toward the limitations imposed by this section for the calendar year in which that election is held.

(2) Contributions made to or for the benefit of a candidate nominated by a political party for election of the office of Vice President shall be held and considered for purposes of this section, to have been made to or for the benefit of the candidate nominated by that party for election to the office of President.

(h) For purposes of this section, the term—

(1) "family" means an individual and his spouse and any of his children who have not attained the age of eighteen years; and

(2) "political party" means a political party which in the next preceding Presidential election, nominated candidates for election to the offices of President and Vice President, and the electors of which party received in such election, in any or all of the States, an aggregate number of votes equal in number to at least 10 per centum of the total number of votes cast throughout the United States for all electors for candidates for President and Vice President in such election.

(i) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

Mr. HART. Mr. President, the able and distinguished senior Senator from Maine (Mr. MUSKIE) has indicated to me his desire that he be listed as a cosponsor. I, therefore, ask unanimous consent that the name of the Senator from Maine (Mr. MUSKIE) be listed as a cosponsor of my amendment.

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

Mr. HART. Mr. President, for the information of those Senators who are present on the floor, this is an amendment which, under the unanimous-consent order was allotted 3 hours for debate, the time to be equally divided.

I have advised the manager of the bill, the Senator from Nevada (Mr. CANNON) that in light of the thorough discussion in the last several days of this matter—which discussions have clarified virtually all areas affected by my amendment—I would anticipate that we could come to a vote within a matter of a relatively few minutes, perhaps 15 minutes.

I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, in light of the Senator's statement, I wonder if we might change the unanimous-consent agreement.

Mr. HART. That will be agreeable. I would be willing to agree to a time limitation of 30 minutes, 15 minutes to a side.

Mr. CANNON. Mr. President, I ask unanimous consent that there be a time limitation of 30 minutes on the Hart amendment, 15 minutes to a side.

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

Mr. HART. Mr. President, this is a corrected version of my original amendment, amendment No. 419, in which one figure was incorrectly printed. For those who have not yet seen the text of this amendment, it is exactly the same, word for word, as amendment No. 419, with the single exception that in section (b)(2), the last word on line 17 of page 2 should read $15,000 instead of $30,000. This is the amount which a family could give to all candidates and all committees in a single election year.

Since I introduced this amendment several days ago, my colleagues have had an opportunity to consider one issue in it; namely, the limits on individual contributions. This element has already been moved in the right direction by the Bentsen amendment under which individuals may now contribute only a total of $6,000 to a particular candidate's primary and general election campaigns combined.

Nevertheless, I will seek the yeas and nays on my amendment which is a complete substitute for the committee language of section 615 and changes its provisions in several important respects and adds other provisions to strengthen the limits on contributions.

When the amendment was introduced, I stated briefly its essential provisions. Let me explain their operation, and the reasons for making these changes in the committee bill, in a bit more detail.

First, let us look at the limitations on aggregate contributions contained in section 15(a)(2). This has been referred to generally as a limitation on the amount which a family could give for all campaigns and political committees in regard to a particular election. However, as the committee bill was written, there would be no limit whatsoever on the aggregate amount which a family could give to political committees alone if it made no contributions to any particular candidate.

The aggregate limit on giving in a given election year in subsection 2 is only triggered, under the prefatory language, for subsection (b) by a contribution to a particular candidate. Under the committee's language, it is a contribution to a candidate which cannot, when added to the moneys given by the family to other candidates and committees, exceed $100,000. Thus, if a wealthy family gave no money to a particular candidate but gave money instead to particular interest groups and political committees likely to help the kinds of candidates that family sought to aid, the family could spend many millions of dollars for campaign assistance in a given election year.

In my view, the bill should limit that kind of excessive influence on the Federal elections by any single family even when no contribution is made to or for the benefit of a particular candidate by that family.

Therefore, my amendment offers new language for section (a) and (b) on this point, in order to insure that the aggregate limitation on a family contributing to the Federal election process would apply even if all of the family's contributions were to political committees not affiliated with a particular candidate, and the amount for a family is lowered from $100,000 to $15,000.

I believe that in the wake of the Watergate scandal in all its ramifications, some of which may only be commencing to unfold, the public is looking to us in the U.S. Senate to sharply reduce the amount of contributions which can be made by any individual or family to particular candidates or parties or interest group committees.

My amendment limits individual contributions for a particular candidate to $1,000, and it reduces the amount which an interest group committee could give in both the general and primary runoff election, combined, to any single candidate to $3,000.

To put it briefly, Mr. President, that is enough, even for a group representing more than one individual or family.

This substitute section 615 makes other changes necessary for a workable limitation on political influence.

Although it retains the exemption on contribution limits for political party committees, my substitute provides an express provision dealing with earmarked funds.

The Comptroller General has just issued regulations indicating that under the 1971 act, earmarking must be disclosed. However, it is unclear from the committee bill whether earmarking must merely be disclosed or whether earmarked funds would also be treated as a contribution by the donor to the candidate. I understand that was the committee's intent and that the committee feels it is implicit in the structure of the bill.

This point should be spelled out more clearly so that the independent commission and private watchdog groups can more easily police the direct contribution limits. And, the provision for restricting earmarking and treating such funds as direct contributions must be couched in adequately broad terms to accomplish our purpose. Under my substitute, section 615, a new paragraph (d) states:

> (d) For purposes of the limitations contained in this section, all contributions made by any person directly or indirectly on behalf of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

Thus, if someone gives a State central committee $1,000 and says $500 of this is for PHIL HART's campaign, then that $500 counts as direct contribution from him to me and uses up half of the $1,000 he is allowed to contribute to me under subsection (a).

Of course there may still be some efforts to earmark funds in violation of this provision. And of course there will be factual patterns which will have to be dealt with by the Commission through implemented regulations. But such explicit broad earmarking provision as provided in my substitute would go a long way to aid successful enforcement and prosecution of violators sufficient to deter many from future efforts to evade the limits in this fashion.

Perhaps one of the biggest loopholes in the committee language is that there is no limitation placed on the amounts of independent activity which an individual or group can carry on for any benefit, provided that it is done independently and is not considered an expenditure by me or by my organization or done at my request within the meaning of section 614 of this bill.

It is all well and good to say that we should let people campaign independently on my behalf if they wish to without trying to regulate them. But what does this mean in practice? It means that a wealthy individual or interest group which backs my candidacy, for example, would not only be able to give me a few thousand dollars directly, but also could then take out hundreds of thousands of dollars' worth of radio and television advertising, newspaper and magazine ads, billboard space, and so forth.

This would, for all practical purposes, gut the limits on contributions. Congress has already recognized this problem in the 1971 act. Under existing law, expenditures on media are limited. No one can place an advertisement specifically endorsing my candidacy unless I sign off on it. So people cannot campaign independently for me as much as they want. Indeed, under existing law, by refusing to sign off, I can prevent them from campaigning at all, at least with regard to advertisements in the media covered by the act. And even if I do not choose to prevent their advertisements on my behalf, if I have already used my full allotment of media expenditures, I cannot sign off and they cannot have the ad accepted by the station or newspaper.

Under my substitute amendment, every person would be permitted to campaign on behalf of a specific candidate, or against his opponent to the tune of $1,000, but no more. Without such a provision, the individual contribution limits would lose very much of their meaning.

Mr. President, as I think I indicated in introducing the original text, this amendment is endorsed by a coalition of unusual breadth: Common Cause, United Automobile Workers, the AFL–CIO, the National Committee for an Effective Congress, the Center for Public Finance of Federal Elections, and Ralph Nader's Washington Congress Watch.

I think that coalition is unique in its agreement, on this occasion, on specifics as they bear on this amendment. I hope very much that Congress will move to improve a bill already stronger as it comes out of the committee than the existing law, but which could be made still stronger, I think, by the adoption of the amendment.

Mr. COOK. I yield myself 5 minutes.

Mr. President, I must say that as one reviews this amendment, because it provides in one instance where an individual could receive a contribution of $1,000 which includes primaries, runoffs, and general elections, what it really is is a kind of Proxmire amendment, which wanted to limit the total to $100, except that in this instance, if you are in a State where there is a runoff, instead of $1,000 per election, in this instance it is $333, because a man can give no more than a thousand dollars to any one candidate in a year. So if we take many of the States of the South, we are saying the largest contribution that can be made to a campaign by any one individual, group, or association, apparently, under the terms of the proposed amendment, would be $333 in the primary, $333 in the runoff, and $333 in the general election.

I think this is totally unrealistic, Mr. President. I might say that I know the Senator from Michigan is very enthusiastic about Treasury subsidizing of Federal elections. That has a great deal of merit. We debated that proposal, and this Senator voted not to table the amendment of the Senator from Michigan and the Senator from Pennsylvania yesterday.

But I would hope we would not rush into a position where we are compelled to have the Federal Treasury subsidize our elections by means of our own actions. If it is the wish of Congress to do that, because it is meritorious, let us do it on that basis. But I feel compelled to say that when we went to the figure of $3,000 yesterday, we amended the figures that came out of both committees, the Committee on Rules and the Committee on Commerce, from $5,000 to $3,000 that a candidate could receive from any source in 1 year, and under the circumstances what we are really doing here is limiting that further from 3 to 1; but we are including in the limitation all of the elections that one might have to go through during the course of a year, which means, in essence, exactly what I have said: That if you receive a contribution from an individual of $500 for the primary, he is restricted from giving and you are restricted from accepting or receiving any more than $500 from that individual in the general election, if he has contributed to your primary.

Maybe that is what we want to do. That is a decision that this body will have to make. But I think what we are doing, or could well be doing, is falling into a trap, at the urging of many wonderful and remarkable organizations that want to see election reform, where we will force ourselves, conceivably, to public financing, though we now know that a majority of the general public, as the Gallup poll has indicated, are against Treasury financing of political campaigns.

Therefore, if we continue to do this, and continue to put ourselves in a position where, by reason of our failure to be realistic, we force ourselves, against the will of the people of this Nation, into Federal financing of elections, I think we will do ourselves a disservice.

I think the amendment of the Senator from Texas yesterday, at least after reading many of the newspapers throughout the United States today, accomplished a great deal in limiting groups, committees, and organizations from contributing more than $3,000 to a candidate. This amendment would do it on the basis of $1,000, but include all elections that the candidate may have to go through during the course of the year.

So I think this would be a small improvement on the Proxmire amendment, but it does a great disservice to the Bentsen amendment.

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

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

Mr. COOK. I yield.

Mr. CLARK. Just for the record, it is my understanding that the Bentsen amendment would provide a total limitation of $9,000 in any given campaign, since it would be $3,000 for each of three possible elections.

Mr. COOK. That is correct.

Mr. CLARK. So the comparable difference would be between $9,000 with the Bentsen amendment, to which the Senate already has agreed, and $1,000 under the Hart amendment?

Mr. COOK. Total, that is correct.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I join with my distinguished colleague across the aisle in opposing the amendment. I think we have already acted on the issue of the amendment, although this is not subject to a point of order as it now stands.

But we have acted in each instance. We have had votes as to whether we are going to go for $100, $3,000, or $15,000. The Senate has made that determination, that the $3,000 is the limit that should be in.

Mr. CLARK. Mr. President, I support the amendment offered by the distinguished Senator from Michigan. More than 50 printed amendments have been proposed or suggested for consideration with this bill, but none of them can have a greater beneficial impact on the political process than the amendment before us now. At a time when people have become so suspicious and wary of the political process, at a time when individual citizens see their Government growing more and more remote, Senate HART's proposal makes emminent common sense.

When the Senate first took up this legislation only 2 days ago, I joined a number of my colleagues in suggesting that the present system of campaign financing in this country may be beyond reform. To give politics back to the people, it is necessary to put campaign financing back in the hands of the people though public financing. But until Congress considers public financing, we have an obligation to do the very best we can in reforming the present system. The amendment offered by Senator HART represents the very best reform.

As S. 372 stands now, an individual can contribute as much as $9,000 to the candidacy of a man or woman running for public office. That might be a worthwhile limit in a Presidential campaign but in any Senate or House race, $9,000 is a sizable contribution—too sizable.

The Hart amendment is a good beginning on the road to public financing. Besides placing stricter limitations on individual contributions—a total of $1,000—it lowers the ceiling for family contributions and contributions of political committees. The amendment also seeks to end the abuses caused by independent, unauthorized expenditures on a candidate's behalf.

Mr. President, I urge the adoption of the Hart amendment. It would put a stop to some of the most flagrant abuses of the political process, and in the process, it would help restore the failing public confidence in government.

The question is on agreeing to the amendment of the Senator from Michigan (Mr. HART) No. 424.

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 Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Iowa (Mr. HUGHES) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

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

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Michigan (Mr. GRIFFIN) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) and the Senator from Nebraska (Mr. CURTIS) would each vote "nay."

The result was announced—yeas 33, nays 55, as follows:

[No. 343 Leg.]

YEAS—33

Allen	Kennedy	Packwood
Biden	Mansfield	Pastore
Burdick	Mathias	Pearson
Case	McGee	Pell
Chiles	McGovern	Proxmire
Clark	McIntyre	Ribicoff
Cranston	Metcalf	Schweiker
Eagleton	Mondale	Stafford
Hart	Moss	Stevenson
Hathaway	Muskie	Symington
Hollings	Nelson	Williams

NAYS—55

Aiken	Brock	Dominick
Baker	Byrd, Harry F., Jr.	Eastland
Bartlett	Byrd, Robert C.	Ervin
Bayh	Cannon	Fannin
Beall	Church	Fong
Bellmon	Cook	Fulbright
Bennett	Dole	Goldwater
Bentsen	Domenici	Gurney
Bible		Hansen

Hartke	Long	Scott, Va.
Haskell	Magnuson	Sparkman
Hatfield	McClellan	Stevens
Helms	McClure	Talmadge
Hruska	Montoya	Thurmond
Huddleston	Nunn	Tower
Inouye	Percy	Tunney
Jackson	Randolph	Weicker
Javits	Roth	Young
Johnston	Scott, Pa.	

NOT VOTING—12

Abourezk	Curtis	Humphrey
Brooke	Gravel	Saxbe
Buckley	Griffin	Stennis
Cotton	Hughes	Taft

So, Mr. HART's amendment, No. 424, was rejected.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

MODIFIED AMENDMENT NO. 391

Mr. BROCK. Mr. President, I send to the desk my modified amendment No. 391, cosponsored by Mr. BENTSEN, Mr. CRANSTON, Mr. DOMENICI, Mr. NUNN, and Mr. BIDEN.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

On page 2, line 8, after the word "mailing," insert the words "of a newsletter."

On line 10, change "sixty" to "thirty."

Mr. BROCK. Mr. President, I have accepted the advice of my colleagues and tried to make this amendment consistent with the needs of a Senator's ability to respond to his constituents.

What the amendment would do, very clearly, would be to prohibit the use of a newsletter mailing and the use of mailing of a so-called simplified form of address, which deals with the so-called boxholder mailing, which is not available to the Senate——

The PRESIDING OFFICER. Will the Senator suspend, please?

The Senator deserves to be heard. Senators who desire to talk will please leave the Chamber. The Senator from Tennessee is explaining an amendment and deserves to be heard.

The Senator from Tennessee may resume.

Mr. BROCK. Mr. President, I modify my amendment to change the 30 days to 60 days.

The PRESIDING OFFICER. The amendment is so modified.

Mr. BROCK. As I was saying, the very simple explanation of the amendment is to prohibit any potential for abuse of the frank in the period of an election process. What we are dealing with is the elimination of the newsletter or the simplified form of address mailings which can be used for the benefit of the incumbent.

I urge that the amendment be agreed to.

Mr. COOK. Mr. President, I have no objection to the amendment.

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. BROCK. Mr. President, I yield back the remainder of my time on this amendment.

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

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment. 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 Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from Minnesota (Mr. HUMPHREY), are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

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

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from Michigan (Mr. GRIFFIN) and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Massachusetts (Mr. BROOKE), and the Senator from Nebraska (Mr. CURTIS) would each vote "yea."

The result was announced—yeas 81, nays 7, as follows:

[No. 344 Leg.]

YEAS—81

Allen	Fulbright	Muskie
Baker	Goldwater	Nelson
Bartlett	Gurney	Nunn
Bayh	Hansen	Pastore
Beall	Hart	Pearson
Bellmon	Hartke	Pell
Bennett	Haskell	Percy
Bentsen	Hatfield	Proxmire
Bible	Hathaway	Randolph
Biden	Helms	Ribicoff
Brock	Hollings	Roth
Burdick	Hruska	Schweiker
Byrd,	Huddleston	Scott, Pa.
Harry F., Jr.	Inouye	Scott, Va.
Byrd, Robert C.	Jackson	Sparkman
Cannon	Johnston	Stafford
Case	Kennedy	Stevens
Chiles	Long	Stevenson
Church	Magnuson	Symington
Clark	Mansfield	Talmadge
Cook	Mathias	Thurmond
Cranston	McClure	Tower
Dole	McGee	Tunney
Domenici	McGovern	Weicker
Dominick	McIntyre	Williams
Eagleton	Mondale	Young
Fannin	Montoya	
Fong	Moss	

NAYS—7

Aiken	Javits	Packwood
Eastland	McClellan	
Ervin	Metcalf	

NOT VOTING—12

Abourezk	Curtis	Humphrey
Brooke	Gravel	Saxbe
Buckley	Griffin	Stennis
Cotton	Hughes	Taft

So Mr. BROCK's amendment (No. 391), as modified, was agreed to.

Mr. BROCK. Mr. President, I call up my amendments No. 390, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendments.

The legislative clerk read the amendments (No. 390) as follows:

On page 26, beginning in line 6, strike "sections 312 through 315, respectively," and insert in lieu thereof the following: "section 312,".

On page 44, line 15, after the semicolon insert "and".

On page 45, line 2, strike "; and" and insert in lieu thereof a period.

On page 45, strike lines 3 through 6.

On page 46, between lines 2 and 3, insert the following:

"SEC. 11. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"'VOTERS' INFORMATION PAMPHLETS

"'SEC. 313. The Commission shall prepare and publish a voters' information pamphlet for each State and shall distribute the pamphlet to residential postal addressees within that State not earlier than thirty-five days nor later than twenty days before the date of any general or special election held in that State for the election of any candidate to Federal office. The pamphlet shall contain party platforms, pictures and brief biographies of the candidates for such office in that State, and statements by such candidates. The statements shall not exceed one thousand five hundred words, in the case of a candidate for election to the office of Vice President, Senator, Representative, Resident Commissioner, or Delegate, and shall not exceed three thousand words in the case of a candidate for election to the office of President.'."

On page 46, strike lines 3 through 9, and insert in lieu thereof the following:

"SEC. 12. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

"(1) striking out 'a supervisory officer' in subsection (a) and inserting in lieu thereof 'the Commission'; and

"(2) striking out 'in which an expenditure is made by him or on his behalf' in subsection (a)(1) and inserting in lieu thereof the following: 'in which he is a candidate or in which substantial expenditures are made by him or on his behalf'.".

On page 46, line 10, strike "SEC. 12. Section 314 (as redesignated by this Act)" and insert in lieu thereof "SEC. 13. Section 310".

On page 46, line 13, strike "amended" and insert in lieu thereof "redesignated as section 315 of such Act and amended".

On page 46, line 16, strike "SEC. 13. Section 315 (as redesignated by this Act)" and insert in lieu thereof the following: "SEC. 14. Section 311".

On page 46, line 20, strike "SEC. 315." and insert in lieu thereof "SEC. 316.".

On page 47, line 3, strike "SEC. 14." and insert in lieu thereof "SEC. 15.".

On page 48, line 2, strike out "316" and insert in lieu thereof "317".

On page 48, line 21, strike "SEC. 15." and insert in lieu thereof "SEC. 16.".

On page 49, line 4, strike "SEC. 16." and insert in lieu thereof "SEC. 17.".

On page 50, line 8, strike "SEC. 17." and insert in lieu thereof "SEC. 18.".

On page 50, line 19, strike "SEC. 18." and insert in lieu thereof "SEC. 19.".

Mr. BROCK. Mr. President, I yield myself such time as I might consume.

The last amendment dealt with the potential for incumbents' actions, at taxpayers' expense, which might help to insure their own election, and I am very grateful for the action of this body in removing this potential for abuse. I think

it is a remarkable step forward. But the problem remains for the nonincumbent that he simply does not have the same access to the media and to other methods of communication that an incumbent does.

My amendment would require the Federal Election Commission to prepare and publish at least 20 days and not more than 35 days preceding an election a voter's election pamphlet with information on party platform and information on the candidates for such offices as may be contested in that State.

The statements by the candidates shall not exceed 1,500 words in the case of a candidate for election to the Senate or House of Representatives and 3,000 words for the office of President.

It has been said that this amount of information is perhaps a drop in the bucket and that perhaps it will cost a good deal of money.

I will accept the fact that the cost will run somewhere in the order of $20,000 to $23,000 in the biennium.

Mr. President, in all candor it seems to me that if we are going to avoid a charge under the Candidate's Protection Act or Incumbent's Protection Act that some such device should be granted to facilitate the opportunity for a nonincumbent to have a fair chance to get his platform, his proposal, his background, and his record before all of the voters. This is not a particularly complex amendment.

I am fully prepared to try to limit the time to the very minimum so that we could proceed with the debate.

With that in mind, I reserve the remainder of my time.

Mr. COOK. Mr. President, I yield myself such time as may be necessary.

There is a great deal of merit in this. However, it is fraught, it seems to me, with a good many problems.

First, there is the commission that is going to prepare the pamphlet. The pamphlet is not going to be subject to review by the candidate. It is not going to be subject to review by the candidate for the House of Representatives or for the Senate. Apparently, it would not even be subject to review based upon accuracy.

When we talk about the cost of a vast mailing, on the basis only of the figures that we have, and we are talking about here either an 8-cent or 10-cent stamp—as we will find out—for each of 139,270 eligible voters.

We also have to remember that it has to be geared not only to the major candidates, but also to the independent candidates in the respective States.

So, we are talking about basically biographical sketches for one-third of the membership of the Senate times 2 and we will have to be talking about biographical sketches for 435 times 2, maybe less 20 of those who do not have opposition in general elections.

Mr. President, I would hope that before this amendment would be considered today—and I hope that the chairman of the committee would listen to this—that the Senator might consider submitting this proposal as a bill and submitting it to the Committee on Rules and Administration for a hearing so that we can make some determination of the cost and of the details involved. This is a commission that will be responsible for making a determination of the biographical sketches as such for one-third of the membership of the Senate times 2, 435 Members of the House of Representatives times 2, plus the Presidential and Vice Presidential candidates. And I have a notion that it will be a little more expensive than the Senator might think.

I am not afraid of the expense. However, I think that we ought to have a logical view of the expenses, because that is what we are responsible for.

The PRESIDING OFFICER. If the Senator would suspend, I must inform the Senator from Tennessee that his present amendment amends the same part of the bill and therefore would not be in order as the previous amendment has been agreed to.

Mr. BROCK. Mr. President, I ask unanimous consent that I may proceed for an additional three minutes to discuss the matter in response to the Senator from Kentucky because I had intended to withdraw the amendment, and I would like to do it at that time, if that is agreeable.

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

Mr. BROCK. Mr. President, I am aware of the concern of the Senator from Kentucky. I would like to bring his attention to the fact that I had intended—and I think the language calls for this—for the statement to be made by the candidate. I am not sure that much checking needs to be done. However, if we do need clarification so as to guarantee protection to the candidate with respect to accuracy, that is not difficult to remedy.

I do accept the remarks of the Senator so far as the overall cost is concerned.

I simply want this to be presented at this time because I think it is important for us to recognize that it is becoming more and more difficult in this country for a person who is not in office to get in office.

I think it is terribly dangerous for us in a free society to place any inhibition on the opportunities for the voters and the people of this country to change their elected representatives.

We are very much concerned with the difficulty in unseating an incumbent today. And I think it is important to give every possible opportunity for a challenger to have his voice, his views, and his platform heard by the voters so that they can make up their minds.

That is what we all seek. If the committee would consider this as original legislation when I submit it later, I would be grateful for that.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. COOK. Mr. President, I could not agree more with the Senator from Tennessee. We as politicians are always criticized, or it seems that we always are. And yet somehow or other this Nation has never produced 70 percent of its eligible voters to vote in a general election. As a matter of fact, in the last general election, 64 percent of the registered voters in the United States went to the polls and cast their votes.

I think that the Senator from Tennessee would have to totally agree with me. I think that the politician would be far happier to win, and I know that he would be far happier to lose if he lost with 90 percent of the people voting.

It becomes discouraging in some States when 51, 53, or 54 percent of the people vote and one loses the election.

I think the problem we have in the electoral process involves the question of why people do not take this matter seriously and exercise their right of franchise.

I think this is a good step. The Senator from Tennessee is really offering a proposal to say to the people: "Here is your opportunity to read about the candidates that are running for public office, and not in a biased way."

I might say to the Senator—and this is in the amendment and is to be in the pamphlet—that he calls for party platforms, pictures, and complete biographies of the candidates for such office in that State, and statements by such candidates.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOK. Mr. President, I yield myself an additional 1 minute. We have to make sure that the biographical sketches are correct and that we would not find when we made a mass mailing in a State to one million or two million people, that the Government was responsible for making a very serious and grevious error in it and perhaps cause the candidate to lose his office.

Mr. BROCK. Mr. President, I could not agree more with the Senator.

AMENDMENT NO. 395

Mr. BROCK. Mr. President, I call up my amendment No. 395 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BROCK's amendment (No. 395) is as follows:

On page 38, beginning with line 22, strike out through line 14 on page 40 and insert in lieu thereof the following:

CAMPAIGN DEPOSITORIES

SEC. 311. (a) Each candidate shall designate one or more National or State banks as campaign depositories. No candidate, other than a candidate for nomination for election, or for election, to the office of President, may designate more than one such depository in each congressional district within his State in which he is a candidate. A candidate for nomination for election, or for election, to the office of President may not designate more than one campaign depository in each State in which he is a candidate. The campaign depositories of a candidate nominated by a political party for election to the office of Vice President shall be the campaign depositories designated by the candidate nominated by that party for election to the office of President.

(b) The candidate's campaign treasurer shall open a checking account at each depository designated by the candidate which shall be designated as the campaign account of that candidate.

(c) Whenever the contributions received by a candidate or by any political committee

authorized by him to receive contributions exceed, in the aggregate, $100, they shall be forwarded immediately to one of his campaign depositories for deposit in such an account.

(d) The candidate shall furnish to the Commission, upon the designation of a campaign depository, the identification of that depository and the title and number of any account therein used in connection with his campaign.

(e) No expenditure may be made by the candidate or under the authority of any of his campaign treasurers except by check drawn on such an account in a campaign depository designated by the candidate. Notwithstanding the preceding sentence, each campaign treasurer may maintain a petty cash fund of not more than $1,000, out of which incidental cash expenditures of less than $100 may be made.

(f) (1) Each bank designated by a candidate as his campaign depository with which the candidate maintains a campaign checking account shall—

(A) beginning sixty days before the date of any election in which that candidate's name will appear on the ballot, file a report with the Commission on each Monday setting forth, in such form and detail as the Commission shall prescribe, each deposit item received during the preceding week for deposit into that account, together with the identification of the person to whom such item is attributable; and

(B) beginning thirty days before the date of any such election, file a report with the Commission on each Monday setting forth the date, amount, payee of, and the identification of the person authorizing, each check drawn on that account which it has received during the preceding week.

(2) The reports made under paragraph (1) shall be cumulative and shall be complete as of the last business day of the week to which they relate. The reports shall set forth separately the identification of, and aggregate amount of contributions made by, any person who has contributed more than $99 to such candidate, as may be determined by information taken from items deposited in such account. The Commission shall cause a copy of each such report to be published in a newspaper of general circulation within the State or district within which that depository is located.

Mr. BROCK. Mr. President, I yield myself such time as I may consume.

This is a more complex amendment, and perhaps more far-reaching. I certainly think it has a far greater effect than almost anything that has been debated to date on this floor in connection with this matter.

What I am trying to do is let the American people know, on a continuing and immediate basis, what is going on in every campaign in which they have an interest. It seems to me that these quarterly reports that come in—and the last quarterly report, incidentally, is filed 2 weeks after the election—do little good in terms of allowing the voter a total informational input on which to make an intelligent decision with regard to who contributes to a campaign, how much they contribute, and for what the money is spent.

This amendment would require each of us as candidates, and every challenger, to designate one campaign depository in his particular congressional district, and all receipts would have to be funneled into that depository, on a weekly basis—even those in very small amounts of cash would go into that depository to be identified as to their source and quantity, and every single campaign expense would have to be paid from that depository except for those, as I state in the amendment, which are less than $100 and which have to go for a very small petty cash fund.

The reason for this is that, because the burden of reporting under the current law is absolutely abominable, we drive candidates, managers, finance chairmen, and all of their help crazy with the burdensome requirements of the existing law, to no good effect. But if we use the facilities of this lending organization, this depository, this bank, if you will, all of those receipts will be put on the computer as they come in automatically, and all of the checks are recorded by computer automatically, and there is no problem of any great consequence in having that bank issue a weekly listing of all receipts and all expenditures made on that particular political account.

It seems to me that if we are going to have really effective campaign reform, the most fundamental part of the whole reform method must be in terms of allowing the American people full access to the information pertinent to a given race.

All I am trying to achieve here is a simplified method whereby the candidate, through the device of this particular bank, can let his constituency know from whence his money came and for what it is being used, on a continuing basis throughout the course of his campaign.

Unless we do that, then all the ceilings in the world on personal contributions, on total contributions, and on total spending do not amount to a hill of beans, because a cloud of suspicion still hangs over the political process in this country as a result of the recent events that are so discouraging to all of us.

Mr. President, I submit that if we are going to restore the confidence of the people of this country in their elective processes, the one way to do it and to be sure that it is done is to let the people know what is going on as it happens—not after the fact, but in time so that they can exercise their own judgment on whether or not they like where we get our money and what we spend it for.

Maybe it is a little bit idealistic, but I believe very much in the people of this country, and I think if they have the facts, they have the integrity, the character, and the ability to make the right choice.

I urge the adoption of this amendment, and I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

I think that in our zeal to get a campaign reform bill passed, we are going to get a bill out that no one can live with, and one that will be so complicated that we will have the Senate of the United States running every campaign for every Federal office in the country. I think that is completely unrealistic.

In the bill itself, Mr. President, we have required reports to be filed with the Commission, and we have required those on a periodic basis. They are made available for the public. I think we ought to give that proposal a chance to work. Let us see if it is going to be adequate.

Here, we would even be requiring the banks to file a report with the Commission. This is going really to the height of the ridiculous, I would say, in the minute details of trying to accomplish a clean campaign. I am sure that we will, if we continue along this line, have the process so complicated that a person cannot run for office at all. Maybe that is the objective of some of these moves, to make it so complicated that no one can be induced to get involved in a campaign.

So, Mr. President, I hope the amendment will be defeated. I reserve the remainder of my time.

Mr. BROCK. Mr. President, if I might respond, the problem with the bill as it is presently written, as was the case with the previous law, is that we require these reports to be filed by the candidiate, his campaign treasurer, and his campaign manager, with all of the confusion that that entails.

What I think the Senator fails to understand is that by requiring all of your contributions and all of your expenditures to go through one source, one institution, and that institution having full access to its own data bank and its own computer, it becomes a matter of much simpler procedure to require weekly reporting and accounting than is the case by requiring the candidate, his finance manager, his chairman, his treasurer, and all the rest to go through the same process. So it seems to me that rather than complicating the procedure, this amendment would have the double-edged benefit of much simplifying it, and taking an enormous burden off the candidate and his organization and placing it on a machine in a bank, which would do it automatically, and do so in a way so that we would let the people know what is going on.

Again I say the crucial point is that we let them know when it happens—not after the fact, not after the election, but as the expenditures and the receipts come in and go out for that particular campaign.

I frankly think the process would be very well received by most of my constituents, and I think the same is true for most other Senators as well.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I am prepared to yield back the remainder of my time.

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

The PRESIDING OFFICER. On whose time?

Mr. BROCK. The time to be equally divided.

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

The second assistant legislative clerk proceeded to call the roll.

Mr. BROCK. 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. CANNON. Mr. President, I yield back the remainder of my time.

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

The PRESIDING OFFICER (Mr. DOMENICI). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Tennessee (Mr. BROCK).

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. STEVENSON. Mr. President, I have an amendment at the desk offered on behalf of myself and the Senator from Maryland (Mr. MATHIAS) which I ask be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Strike everything from line 22 on page 57 through line 3 on page 58 and insert the following in lieu thereof: "candidate.".

The PRESIDING OFFICER. Would the Senator kindly indicate for the Chair, is this the amendment on which there is a time limitation of 3 hours?

Mr. STEVENSON. Yes it is, but I do not expect to require that amount of time.

Mr. CANNON. Mr. President, I wonder whether the distinguished Senator would be willing to consent to a time limit of less than 3 hours; say 1 hour?

Mr. STEVENSON. That would be sufficient, yes.

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

Mr. President, I ask unanimous consent that the time on this amendment be limited to 1 hour, with one-half hour to each side.

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

Mr. STEVENSON. Mr. President, yesterday the Senate acted to limit individual campaign contributions to $3,000 each. That was the apparent intent of the Senate. But it was not the effect of the amendment offered by the distinguished Senator from Texas (Mr. BENTSEN).

As section 615 now stands, the major party political committees and the congressional campaign committees are not limited in the amount they can expend on behalf of a particular candidate. Major party political committees have a special exemption which permits them to expend without limit for the benefit of a particular candidate. There is no limit on the amount that individuals or other political committees can give the exempt major party political committees.

Thus, a political action committee representing some special interest group could give $1 million to the State central committee of a major party, which in turn could give the $1 million to the Senate candidate running in that State. This means that no effective limit is imposed on a special interest group's giving, while on the other hand, expenditures on behalf of candidates by public interest or general interest groups are severely restricted.

In my State, we have such organizations as the Independent Voters of Illinois, the Better Government Association in Chicago, and nationally there is the Council for a Livable World. Their expenditures on behalf of political candidates would be severely restricted when they endorse candidates and spend money on their behalf. But the contributions of the wealthy individual would not be severely limited.

I hold in my hand an article published in the Washington Post of July 26 about a man from my State of Illinois who gave $2 million for the reelection of President Nixon in 1972. He would not be prevented in any way at all from giving a like or a larger amount in 1976 to the election of a Presidential candidate, so long as he gave through an exempt party political committee.

Mr. CANNON. Mr. President, will the Senator from Illinois yield at that point?

Mr. STEVENSON. I yield.

Mr. CANNON. I would say, apparently the Senator is not using the latest figures. The statement made by the individual concerned was that he gave over $4 million in that campaign. But the Senator said the same thing could be done in 1976. That is not correct under the law. Under this bill, if we pass it as proposed, we have a limit for the individual and his family in the bill now of $100,000 to all candidates and all committees. That is the limit on the individual contribution.

Mr. COOK. If I may add there, the contribution to a Presidential campaign is limited to $15,000—no, $3,000, in the amendment yesterday.

Mr. STEVENSON. I am glad to have that assurance from the distinguished chairman and the distinguished ranking member. If that is, indeed, the intent of the committee, then I believe it can be carried out through a technical amendment.

Section 615 says:

No individual shall make any contribution during any calendar year to or for the benefit of any candidate.

In that section, there are rules and limitations on the amounts which can be given, including the aggregate $100,000 limit to which the chairman has referred.

But, under our reading of the bill, he can give the $100,000 to candidates, but there is nothing in the bill preventing him from giving the same or a far larger additional amount to the committees. In the case I have mentioned of Mr. Stone who gave perhaps $2 million or $4 million, in this article he said he was prepared to give as much as $10 million. All he would have to do the next time would be to give that money to the Republican National Committee or some committee——

Mr. CANNON. The Senator is entirely incorrect in his assumption. He is also incorrect on his legal position. The situation is this: The way the bill now reads, reading subsection (2) on page 57 of the bill:

"(2) the amount which, when added to the total amount of all contributions made by that individual and the members of his family to or for the benefit of all candidates and all political committees during that calendar year, would equal $100,000.

That is the total aggregate amount the Senator has referred to.

The exemption the Senator has referred to in the bill does not apply to that section at all. It is referring to expenditures. The expenditures are covered in (b) (1), which states:

"(b) (1) No person (other than an individual) shall make any expenditure during any calendar year for or on behalf of a particular candidate which is in excess of the amount which, when added to the total amount of all other expenditures made by that person for or on behalf of that candidate during that calendar year, would equal—

"(A) $5,000, in the case of a candidate other than a candidate for nomination for election, or for election, to the office of President; or

"(B) $15,000, in the case of a candidate for nomination for election, or for election, to the office of President.

Which simply says that they can spend—they are not limited to the $3,000 that they can spend. They have been the recipients of contributions.

Mr. STEVENSON. I can see the provision says that if a candidate gives with his family $100,000 to a committee he cannot then give to a candidate, but I still do not see the prohibition in here on the limit on giving to committees.

Mr. CANNON. Let me read from page 57 of the bill, subsection (2):

"(2) the amount which, when added to the toal amount of all contributions made by that individual and the members of his family to or for the benefit of all candidates and all political committees during that calendar year, would equal $100,000.

So that is the limit. If the Senator does not agree with the limit, then he might——

Mr. STEVENSON. I can understand that, if that is the intent of the committee. But I still think that an amendment to change the language is required, but if that is the intent of the committee, that is something we can work out.

Mr. CANNON. That is the intent of the committee. If the Senator feels that language is required to make that clearer, we certainly would be agreeable to accepting that type of language, but I do not think the amendment the Senator has offered gets to the particular problem he was describing. The legislative history certainly will show that. As a matter of fact, I even covered that in my opening statement—that that was the maximum we wanted to get, and I used his example as the horrible example. I used the case of the gentleman from Illinois who had made a tremendous contribution to the last campaign. I said that should not be permitted, that that is undue influence and constitutes such. The gentleman to whom the Senator referred had a statement in the paper yesterday morning, in the Washington Post, in which he said he was told by the President in two instances that he was responsible for his election.

Mr. STEVENSON. That is the article to which I am referring.

Mr. CANNON. This is the sort of thing we want to get at. That is why we fixed the $100 limit for all candidates and all political committees from an individual

and the members of his family in any 1 year.

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

Mr. STEVENSON. I will yield in a moment.

If that is the intent, I think we can work something out on the language controlling the contributions by individuals to committees, leaving aside the question of whether the $100,000 is a reasonable figure. I have some reason to believe that amendments will be offered to reduce that figure.

Still remaining is the other part of the problem to which my amendment is addressed. I do not detect in this bill any limits on the amounts of money that the committees can get.

Mr. CANNON. There is no limit on what a party committee can spend on behalf of the candidate, except that it cannot exceed his authorized limit in the bill.

In other words, his own committee can spend all his money that is authorized to be spent within the limits of this bill on the candidate, or, if the National Committee wants to spend money on it, it is all chargeable to his overall limit. But they are not limited in the amount they can spend up to his overall limit as specified in the bill.

Mr. STEVENSON. Yet, the Better Government Association of Illinois, which endorsed candidates and spends money on their behalf, would be limited. The public interest groups would be severely limited by this bill, but the major party political committees would be unlimited. We carve out an exception for ourselves.

Mr. CANNON. But they are limited by the candidate's own money, the money that can be spent for the candidate in the election. They have to have the authorization to spend the money on his campaign. Nobody can spent it without complying with the provisions of the act.

Mr. STEVENSON. Would the Senator tell me what that is in the case of Presidential campaigns?

Mr. CANNON. In the case of Presidential campaigns, in the general election, it is 20 cents times the voting age population as determined by the Bureau of the Census on July 1 of the particular year involved. That would limit the amount of the Presidential spending in the general election based on the figures in the bill.

Mr. STEVENSON. The expenditures by a nonparty, general interest organization would be limited to what?

Mr. CANNON. On behalf of a candidate, $3,000, in accordance with the bill.

Mr. STEVENSON. I think that makes the point. I would not want to restrict the ability of a candidate to spend within reasonable limits for his own election.

When we get beyond the candidates and their own committees, we do get into what seems to me a rank discrimination against the general interest groups, the good government groups, on the one hand, and the party committees, on the other hand.

Mr. PROXMIRE. The Senator is saying that the party committee can spend $28.8 million on a candidate and good government people can spend $3,000. In other words, it is a difference of about 9,000 to 1. How is that for equity? This bill is 9,000 times more favorable for political committees than for nonpolitical committees.

Mr. STEVENSON. The Senator is correct, except that by 1976 it will be $40 million.

Mr. CANNON. If the amendment of the Senator from Wisconsin had been adopted yesterday, they could have spent only $100, instead of the $3,000 they can spend now.

Mr. PROXMIRE. If this Senator's amendment had been adopted, the party committee would have been restricted, too, by a subsequent amendment, I can assure the Senator.

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

Mr. STEVENSON. I promised the Senator from Rhode Island that I would yield to him.

Mr. PASTORE. The observation I should like to make is this: I am looking now at page 57, section (b), which we are talking about. That $100,000 is predicated upon the figures that have been stated in (A) and (B), whereby an individual could give $5,000 in the case of a candidate other than the candidate for the office of the Presidency, which has been made $3,000, and he could give $15,000 in the case of the President, which has been reduced to $3,000.

Therefore, I think the figure of $100,000 should be modified and that it should be not more than $60,000; because we have cut down the bottom but have left the top open, and we have a bigger spread now.

I do not want to make a major case out of this; it is not that important. But I think we ought to consider lowering the figure of $100,000, and that would bring it into proper context.

Mr. STEVENSON. I agree with the Senator, except that it should be made lower than $60,000.

I yield to the Senator from Maryland.

Mr. MATHIAS. I should like to address a question to the distinguished chairman of the committee, the manager of the bill. As I see the law in its present shape, we have controlled—thanks in large measure to the very successful efforts of the chairman—a number of the lines which relate to the candidate and the parties and political committees. We have controlled the line which runs from the individual to the candidate to a $3,000 limit. We have controlled or limited the flow from a political committee to a candidate to $5,000. We have limited or controlled the line which flows from an individual to a political party to $100,000.

But what this amendment really goes to is one of the areas which is not controlled, and that is from the party to the candidate. That, of course, is a wide open avenue. An additional who could contribute $100,000 to a party could well envision that that money, by some arrangement, would be directed to a candidate. Such arrangements are not unknown. They may be informal, but earmarking would be possible. This amendment would prevent that kind of indirect contribution of $100,000 to a single candidate by a single contributor. I think it is a loophole which needs to be looked at very carefully.

Mr. STEVENSON. I thank the Senator from Maryland. I know that he feels very strongly about this matter.

As it stands, section 615 exempts the following major party political committees from the limit on expenditures made on behalf of a candidate: National committees, political committees controlled by the national committees, State party committees, political committees controlled by the State party committees, and the Republican and Democratic Congressional Campaign Committees. They can spend without limit. At the same time, we are imposing in this bill limits on other groups.

Mr. CANNON. If the Senator will yield, I do not like him to keep using the term "they can spend without limit." That is not so. It is not correct. They cannot spend any more than the candidate's limit of the amount he can spend on his whole campaign. It is not in addition to other money. So if he is a candidate for the Senate—and the chart is available here—for example, a candidate from Illinois, based on the 20-cent figure, could spend $1,501,600 on the general election campaign. That is all he could spend. If the National Committee spends one half of it, that is the total that can be spent. Wherever it comes from we advisedly left that so that the national committees would be in a position to help a candidate. A candidate has to get money. If you are going to close out every source of revenue then let us do it and go to public financing. That is not what we are trying to do here.

Mr. STEVENSON. All I am suggesting is that we put them on the same footing.

Mr. CANNON. The Senator should offer an amendment to that effect.

Mr. STEVENSON. That is the effect of this amendment. If what the Senator said is correct, that there are limits on the amounts that can be contributed to committees by individuals, then my amendment would prevent an individual from giving his entire $100,000 to a single candidate through an exempt party political committee. It would also have the effect of equalizing the amount to party political committees and all other political committees and go toward closing what appears to me to be a glaring loophole, and will certainly be perceived a self-serving loophole.

Mr. MATHIAS. Mr. President, I wonder if the chairman of the committee agrees with me. I want to be sure I am correct that he does agree that there is a possibility of earmarking $100,000 contribution for an individual candidate notwithstanding any other restrictions in the bill.

That is what this amendment would limit. There is talk about $3,000 contribution limits and $5,000 contribution limits in the total effects of the bill, but when you have $100,000 for a candidate you like, those limits become somewhat meaningless. I wonder if the manager of the bill would tell me if that

loophole does exist. We are talking about the kind of informal, casual earmarking that unhappily does take place on occasion.

Mr. BROCK. Perhaps the Senator would yield to me for a comment.

Mr. STEVENSON. I yield the floor.

Mr. CANNON. I yield 3 minutes to the Senator.

Mr. BROCK. Mr. President, I am awed by the argument made on this amendment. The Senator from Illinois spoke about the exemption for political parties. What is the process all about except political parties? What about a State where the party by its own organization raises funds to finance its candidates? What is wrong with that? How in the world can you limit party contributions to a candidate in Illinois or in any other State? My State does not, but I am not going to say you cannot do it in Ohio, Maryland, or Pennsylvania. That is ridiculous.

If the Senate wishes to assault the political process in this country, the Republican Party, the Democratic Party, put this amendment on and limit the ability of a party to support its own nominee. I do not understand the logic of that. The Senator would put a $3,000 ceiling on what the national committee could do for the President of the United States.

Mr. MATHIAS. That would not cost any candidate in Maryland 1 cent.

Mr. BROCK. I do not know about Maryland

Mr. MATHIAS. And I do not think any other place. But the opportunity exists. The managers of the bill have not replied to my question about this being a $100,000 loophole.

Mr. BROCK. I am not the manager of the bill, but I am going to respond to the statement. I do not accept it.

If this section is violated in connection with the earmarking, and a rose is a rose is a rose, there is no way to get around this bill. The Senator from Nevada will cite page 59, subsection (F), just as I will, which pertains to the violation provision of the statute. It states:

> Violation of the provisions of this section is punishable by fine of not to exceed $25,000, in prison for not to exceed 5 years, or both.

Mr. MATHIAS. The Senator from Tennessee has had wide political experience and he knows that in some States a party may decide that it has some winners and it has some losers, and it is going to support the winners and not invest in the losers. Someone who wants to get the money to a single candidate can put his $100,000 on the horse's nose and that is where it is going to end up. The only way to take care of it is to close this up.

Mr. BROCK. I would not hold too much hope for the candidate who did that because he could go to jail. I would not want to be the man who tried to get around the law because he could be fined that $25,000 and spend 5 years of his life in jail.

Mr. MATHIAS. The Senator does not need to break the law.

Mr. BROCK. The committee bill states you cannot give more than $3,000 to a candidate for any means.

Mr. MATHIAS. But the committee bill says that the party can give unlimited amounts to any candidate.

Mr. BROCK. That is right.

Mr. MATHIAS. And that is the invitation for the individual to give $100,000 to the party.

Mr. BROCK. But you do not invite your constituents to go in that direction because he would go to jail.

Mr. MATHIAS. I not only advise him, I also want to close the loophole.

Mr. BROCK. I think we have closed the loophole. I think that what the Senator is doing here, rather than plugging the loophole, is assaulting the political party itself.

Mr. STEVENSON. Mr. President, will the Senator yield? I share the Senator's solicitude.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CANNON. Mr. President, I yield 5 minutes.

Mr. STEVENSON. Mr. President, it varies a little—with the outlook of the party. The Democratic National Committee does not give money. But sharing the Senator's concern about the viability of political parties, what would the senator do about third and fourth parties? The only parties that qualify for this loophole are those whose Presidential candidates have received 10 percent or more of the vote in the most recent Presidential election. The candidate of the Conservative Party in New York won the Senate race in 1970. What does the Conservative Party get under this bill? Is the Senator not concerned about the Conservative Party? Is his concern only for the Republican Party?

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. STEVENSON. I am glad to yield, but I do not believe I have the time.

Mr. PASTORE. Mr. President, will the Senator yield to me 5 minutes on the bill?

Mr. CANNON. I yield.

Mr. PASTORE. Mr. President, I think we are getting a little confused here this afternoon as to where the real loophole is.

I invite the attention of colleagues to page 55, subsection (F) and suggest that that language be read very carefully. It states:

> No person shall make any charge for services or products knowingly furnished to, or for the benefit of, any candidate in connection with this campaign for nomination for election, in an amount in excess of $100—

Now, get this, and these are very important words—

> unless the candidate (or a person specifically authorized by the candidate in writing to do so) certifies in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitations set forth in this section.

Particularly, when you consider that provision in connection with another provision on pages 53-54 which states that only expenditures made by an agent of the candidate or a person authorized by the candidate.

This is the loophole through which a truck can be driven. It means if you act independently of the candidate and you do not go and ask for the authorization, you can spend any amount of money over the limitation that is in the bill. This is where the loophole is. If Senators want to close up the loophole, this is the loophole. I say that because any group of people that does not go to the candidate to get a certification, or that is not authorized by the candidate, but that acts separate from the candidate, according to this section, can spend any amount of money over and above the ceiling.

There is the loophole. If we are talking about a loophole, there is the loophole.

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

Mr. PASTORE. I yield.

Mr. MATHIAS. I think the Senator is right. That is the loophole, and if the Senator will be patient we will take up these loopholes one at a time. Let us get this one loophole plugged first.

Mr. PASTORE. Yes, but the Senator had better get the big ones plugged before the small ones.

Mr. MATHIAS. I am after the $100,000 one now. Let us get at the $100,000 loophole. Then we will get to this one.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I am ready to yield back the remainder of my time.

Mr. STEVENSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MATHIAS. Mr. President, will the Senator from Illinois yield me 1 minute?

Mr. STEVENSON. I yield.

Mr. MATHIAS. I simply want to point out that I have stated repeatedly that I consider this to be a $100,000 loophole. I am interested that the managers of the bill have not refuted that. I must say I consider that as an assent.

Mr. CANNON. Mr. President, I would like to state utterly, flatly, and unequivocally that it is not a $100,000 loophole in any way, shape, or form. It permits a political party to receive to the extent of $100,000 from an individual, if he wants to make that contribution to a party, but it limits that individual and all members of his family to $100,000 in total contributions to all political candidates of the party he may want to contribute to. On top of that, it provides, in this exempted part, that he can spend an amount for a particular candidate, within his authorized limitation, and that limitation is in the bill. It requires his authority to spend it. He cannot spend one nickel more, and the amount is fixed at 20 cents per voter. That is the maximum figure per voter. So it does not allow the expenditure of one nickel more than the amount of the expenditure as limited in the bill. In no way would it be considered a loophole.

Mr. President, I am willing to yield back my time.

Mr. STEVENSON. Mr. President, I will yield myself only 1 minute to say it is not a $100,000 loophole; it is a $40 million loophole. It is limited to spending by nonparty political committees. I cannot see any limitation on the amount an individual may give to political committees, either.

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

Mr. STEVENSON. I yield.

Mr. KENNEDY. I do not know who has the time.

Mr. CANNON. I have been trying to yield back my time, but apparently I am not able to. I will yield to the Senator.

Mr. KENNEDY. Would it be possible under the present proposal before us for an individual to give $100,000 to a national committee and just have it earmarked for a senatorial race?

Mr. CANNON. No, it would not be possible. It would not be possible for an individual to give $100,000 and for him to earmark it without its being a violation.

Mr. KENNEDY. It just takes the action of the executive committee of the national committee to allocate, say, $100,000?

Mr. CANNON. The Senator can better answer that than I.

Mr. KENNEDY. As the Senator knows, that is usually what happens. In many of these fund-raising affairs, people will make contributions to either congressional or senatorial committees or, in some instances, to national committees, and have them earmarked for a certain Senator or Congressman.

Mr. CANNON. That has been the practice.

Mr. KENNEDY. I am wondering, with that as a regular practice that has been going on for some period of time, how the legislation before us is going to preclude that possibility.

Mr. CANNON. Simply because it precludes the giving of more than $3,000 to a candidate, from any source, from any one individual or his family. If he does it in that fashion, he is in violation of the law.

Mr. KENNEDY. As I understand it, the individual could give $100,000. Clement Stone could give $100,000 to the Republican National Committee. The Republican National Committee could then take that $100,000 and assign it to any member who is running for election. Could they do that without violating the law?

Mr. CANNON. They could do that without violating the law.

Mr. KENNEDY. There is nothing in the matter before us that prohibits them from doing that?

Mr. CANNON. No, they are spending money on his behalf and are giving it to him, provided it does not exceed the limit within the bill.

Mr. KENNEDY. There is a $10,000 limit within the bill?

Mr. CANNON. That is correct. The contributor could not earmark it, because if he did he would be in violation of the $3,000 limit.

Mr. KENNEDY. How is earmarking defined?

Mr. CANNON. It is defined as the total amount a person may give directly or indirectly to the candidate, and the commission then has the authority to establish the rules and regulations they would follow.

Mr. KENNEDY. Then, as to the executive committee or the finance committee, who is going to get the $100,000?

Mr. CANNON. I could not tell the Senator that. I am not familiar with the workings of the committee.

Mr. KENNEDY. The Senator has become sufficiently familiar so that he knows what procedures are going to be followed and who is going to make the decision.

Mr. CANNON. The decision is made by the senatorial campaign committees, the House campaign committees, the national committee—whoever has the authority to make those decisions. I cannot tell the Senator who has the authority among the committees. I can tell him that a person can make a contribution of any amount that would not exceed the amount that the person can spend. This was done advisedly, because if we are going to have a source of contributions, we felt there had to be some way that the candidate could get adequate financing for his campaign if he could not get broad enough financing.

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

Mr. CANNON. I yield.

Mr. PASTORE. As I understand the Bentsen amendment, no individual can give more than $3,000 to the campaign of a Member of Congress. But if an individual did not want to make a contribution directly, he could give, let us say, $100,000 to the State Democratic Committee for John Pastore. If he made it to me, he could give only $100,000. But he could give $300,000 if he made it through the State committee.

Mr. STEVENSON. He does not have to go through a State committee. 10 millionaires could get together to form their own committee and channel their contributions through the Senatorial Campaign Committee. They could give an unlimited amount.

Mr. CANNON. The Senator from Illinois is not correct when he says that they could form their own committee and do it. The Senator's own committee would be limited to stopping at $3,000.

Mr. STEVENSON. I said "their own committee" so long as it is theoretically controlled by an exempt party political committee. That is correct, is it not?

Mr. CANNON. No; if the Senator formed his own committee, that committee could receive a contribution of only $3,000 from any one person.

Mr. PASTORE. If an individual comes to me and says, "Pastore, I want to give you $50,000 for your campaign," and I say "You can't do that; you will have to go and see my State chairman. Tell him you want to give me $50,000, and that it is for me."

Mr. CANNON. I say that that could not occur, because it would be a violation of the law, I can assure the Senator from Rhode Island. I will read from the bill, page 56, line 10:

> No individual shall make any contribution during any calendar year to or for the benefit of any candidate which is in excess of the lesser of"—

And then the paragraph goes ahead with a figure, saying that if he makes any contribution for my benefit in excess of $3,000, he is in violation of the law.

Mr. PASTORE. Then, when the Senator from Massachusetts said that he could go over $3,000, he was incorrect?

Mr. CANNON. The Senator is correct.

Mr. PASTORE. If a person has given him $15,000; otherwise, he could not earmark any more.

Mr. CANNON. However, at the same time, this particular individual could give the candidate more than $3,000, provided they were told so.

Mr. PASTORE. The Senator is correct.

Mr. KENNEDY. Mr. President, I think that we are all familiar with the procedures which have been followed for so many years. As long as I have been active in national politics, this is how it is done. They do not make large contributions to either of the political committees. And in this instance, I think the Senator from Illinois and the Senator from Maryland have pointed out that as to the national committee, whether it earmarked how the checks are made out or whether it is in the control of the national committee, does not make any difference. We are all realistic enough to know how that is worked out, whether it is a check or whether it is a wink or whether it is a whisper or not, we can certainly circumvent the cost of this legislation.

Mr. MATHIAS. Mr. President, I think the Senator from Rhode Island has just given a perfect example of what would happen and there is something which would not violate the limitation or the earmarking. A wealthy contributor would come to the candidate and say: "I want to give you a lot of money this year."

The candidate tells him: "You can only give me $3,000. However, you can go to the party chairman."

Mr. PASTORE. But do not put it in writing.

Mr. MATHIAS. And the party chairman would take care of it for him, and what sort of unspoken and unwritten obligations does that place on a candidate?

Mr. KENNEDY. Mr. President, as I understand it, this is the way the language is developed. If they contribute to an individual and make contributions through the State of Rhode Island——

Mr. PASTORE. Mr. President, I am glad the Senator mentioned the name of my State. We need the publicity.

Mr. KENNEDY. If he gave his contribution to a member of the committee or the chairman of the committee and said that it was his desire that it be spent in this way, if he gave a sizable contribution, how would that wind up in the candidate's hands?

Mr. PASTORE. Mr. President, I would not do this, but this is how one would do it.

Mr. KENNEDY. Let the Senator from Rhode Island tell us how one would do it.

Mr. MATHIAS. Mr. President, will the Senator from Rhode Island speak up. I want to be sure to hear this.

Mr. PASTORE. I will speak up. The Senator from Maryland does not have to worry. First of all, I would have the $100,000 given by a friend of mine to the State committee. The State committee would give me $3,000. After a couple of weeks, I might be in trouble with my campaign. I would go to the chairman and say: "I can't pay my bills. Can you help me out?"

He would say: "Yes. I have $97,000

hanging around here. I will let you have it."

He has not violated the law and neither have I. The money was never allocated to me. He had it hanging around and he did not have any use for it.

So I go to him, and without asking for the money, I tell him that I am in trouble and cannot pay my bills.

He then says: "I have $97,000 hanging around here, and I do not know what to do with it."

Will someone explain to me what law I have violated except the law of morality. There is no answer, and I sit down.

Mr. CANNON. Mr. President, I have already said it is not a violation of the law for the national committee or the party committee or the senatorial or congressional committee to give money or spend it for the benefit of the candidate, just as in the Presidential race they spend great sums of money for the benefit of a candidate so long as it is within the overall limit.

If the Senate desires to limit the amount a person can give to a committee, it should make some proposal if it wants to vote to limit the amount that one can spend.

We had a lot of testimony on this bill before it came out. We tried to arrive at a workable bill. We recognize the fact that if we limit the size of the contributions from individuals—which is where we thought the real trouble had developed in the undue influence situation—there was less danger of permitting a party committee to help support a candidate in a campaign than going at it in some other way.

Mr. KENNEDY. Mr. President, could the Senator from Illinois explain very briefly how he would close that loophole?

Mr. STEVENSON. Mr. President, this bill as laid before the Senate permits congressional——

Mr. KENNEDY. Mr. President, how would the Senator close the loophole that the Senator from Rhode Island just identified?

Mr. STEVENSON. It would simply eliminate the exemption in the bill for party political committees. It is not only the party committees that have been referred to. That is what I was trying to say a moment ago. They want to get together and form a political committee. They can accept the money and get contributions of virtually an unlimited amount.

Mr. KENNEDY. Mr. President, as I understand it, it would not permit even the national committee to make a contribution to a person in excess of $3,000. Is that the effect of the amendment?

Mr. STEVENSON. Mr. President, the effect in this case would be a $15,000 limitation for Presidential candidates. In the case of congressional races, it would be a $5,000 limitation.

Mr. KENNEDY. The effect of the Senator's amendment would make national State committees conform to what an individual would be able to contribute to Presidential and congressional candidates.

Mr. STEVENSON. It eliminates the ability to make large contributions.

Mr. PASTORE. Mr. President, in other words, what the Senator from Illinois is saying is that he has no particular objection to the $100,000 given to a definite committee. However, that committee cannot give more than $3,000 to the candidate. Is that correct?

Mr. STEVENSON. Mr. President, I have not accepted the $100,000. That is a separate matter. We have to get at that separately.

I want to bring it down to $3,000 and thereby put political committees on the same footing as individuals.

Mr. PASTORE. Mr. President, would the Senator confine it to that? Let us say that people could make contributions up to $3,000 and we would allow them to raise whatever money they wanted to up to $100,000, provided that the beneficiaries of that fund or committee would not get more than $3,000?

Mr. STEVENSON. That is the way it would be.

Mr. PASTORE. Mr. President, I do not see any harm in that. If the amendment does not, it is fine.

Mr. CANNON. Mr. President, I yield myself 1 minute. We have a presidential candidate sitting here. We could make it so that the Democratic and Republican National Committees could not send out one solid mailing in a campaign. That could cost more than $3,000 that they could spend on behalf of a national candidate. They could not send out one mailing to raise funds for a presidential candidate for his race.

I want us to understand what we are doing on this.

Mr. PASTORE. Mr. President, could not an individual set up his own committee? Now that we have the Marlow Cook amendment, I suppose that we could not do this. However, could a person not set up his own committee and raise his own funds within the limits prescribed by the law?

One thing that has to be defined is why we make a distinction between a committee and a person.

Mr. CANNON. The only distinction set up for the purpose of this debate is between the national committee of a political party or any committee controlled by the national committee and a State committee of any political party or a committee which is controlled by that State committee, or a Democratic or a Republican campaign committee of the Senate or House of Representatives.

Mr. PASTORE. It is confined to that?

Mr. CANNON. It is confined to that. Those are the only committees that can spend more than the $3,000.

But they can spend more than the $3,000, and this would permit the national committees to operate and the senatorial and congressional committees to operate. If you restrict them to spending $3,000 on behalf of the candidate, you will put all of those committees out of business.

Mr. BROCK. How can the Senator say that the national committee is not to spend money, even on behalf of their presidential candidate, even if he has his own committee? What this amendment does is to throw the baby out with the bath water.

Mr. PASTORE. I know exactly what the Senator is trying to prove, but why do we say "any political committee controlled by that national committee"? What does that mean?

Mr. MATHIAS. That means you have a proliferation of committees.

Mr. PASTORE. I mean, why not leave it to the national committee, the State committee, or the Senate or House committees? Why say "any other committee"?

Mr. CANNON. I would have no objection to that.

Mr. PASTORE. Why say "or any other committee controlled by that national committee"? You could have a terrible proliferation.

Mr. McGOVERN. Mr. President, will the Senator from Nevada yield to me for a question?

Mr. CANNON. I yield.

Mr. McGOVERN. Do I correctly understand that, under the present terms of the legislation, a committee created on behalf of the presidential candidate could not, for example, invest $100,000 in a direct mail campaign, with the understanding that the proceeds of that campaign would go to the candidate? Most of those contributions might come in in the form of $10, $15, or $25 contributions; but if the committee that undertook that mailing on behalf of the candidate invests, let us say, $150,000 in the postage, printing, and handling of the mailing, would that be a violation of the spending limitation?

Mr. CANNON. It would under the proposal offered by the Senator from Illinois. It would not under ours, and that is the very reason we have this type of exemption.

Mr. McGOVERN. Has the Senator from Illinois considered the havoc that would result with that kind of restriction?

Mr. STEVENSON. Mr. President, the havoc would not result. I have to disagree with the distinguished chairman. The candidate and his own campaign committee can spend, up to the limitation in the bill, any amount he wants. The amount simply has to be spent by his own committee. In this case, the expenses of the mass mailings would have to go through his own committee. The money would come back to his own committee. There would no longer be a need for a multitude of committees.

Mr. McGOVERN. Does not the Senator think that would prevent that committee from making that kind of investment on behalf of the candidate?

Mr. STEVENSON. There is no limit at all, except the overall expenditure limits in the bill.

Mr. CANNON. The limitation in the bill, for a Presidential candidate, would be 20 cents times the number of eligible voters after July 1st of the Presidential year.

Mr. McGOVERN. So presumably the investment in the direct mail campaign would be picked up as a cost factor by the committee, rather than a contribution to the candidate.

Mr. CANNON. Yes, but it would be charged to his overall limit of expenditures.

Mr. McGOVERN. I understand that; but it does not come under the contribution limitation that a committee can make to that candidate?

Mr. CANNON. Yes, I think under that

amendment it would come under the cost limitation, if it is taken out. It would not in the form of our bill now. It would not, and it was considered that way because the national committee had to be able to operate, and the candidate's committee has to be able to operate, in a presidential race.

Mr. McGOVERN. The reason I am asking these questions is that I think it is fair to say that the financing of the Democratic Presidential campaign last year was as healthy and almost as close to an ideal situation as you can come. We did that of necessity, and did it voluntarily rather than because of the laws, but about 80 percent of all the money we raised, or around $25 million, was raised in small contributions. But someone had to pay the initial cost of that direct mailing. In some cases, those mailings cost up to $200,000, to pay just the postage and the printing costs.

What I was trying to get at is whether we are considering language here that would make it impossible for anyone to undertake a direct mail campaign of that kind.

Mr. CANNON. I think that is exactly what we are doing. We are considering, with this proposal, a situation that would make that impossible. A loan is treated the same as a contribution, and you cannot borrow money from an individual in excess of $3,000.

So we exempted the provision there for the national committee and the senatorial and House campaign committees, so that they could spend more money within the candidate's overall spending limitation in connection with the election, because we realize that is a very real problem.

Mr. McGOVERN. But did the committee eliminate the possibility of a candidate creating his own committee for direct mailing?

Mr. CANNON. No; a candidate could create his own committee, and his own committee is exempted. They can spend up to his limit.

Mr. McGOVERN. Provided he stays within the cost limitations.

Mr. CANNON. Provided he stays within the cost limitations, and they can only receive a $3,000 contribution per person.

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

Mr. CANNON. I yield.

Mr. PASTORE. Would the Senator have any objection—and I think this might cure the problem the Senator from Illinois is concerned with—looking at page 57, if we eliminated all of line 23, all of line 24, and all of line 25, and up to the word "committee" on line 1 on page 58? Then that section would read "to the national committee of a political party"—that is necessary because of the Cook amendment, which says that the Presidential campaign has to be run by the national committee. It would read, I repeat, "to the national committee of a political party, or to the Democratic or Republican Campaign Committees of the Senate or House of Representatives."

Then any candidate who runs for the office of Senator or Representative would have to form his own committee and be responsible according to the law. That would stop the proliferation of the committees.

Mr. BROCK. Mr. President, if I may question that, in one sense it seems to me it would be assaulting the State party structure, if we removed the State political committees.

Mr. PASTORE. I know, but this reporting is becoming so cumbersome that I do not know how any of the chairmen are going to account for this money, because he has to run not only the Senator's campaign, but the campaign of the Governor, State officers, and what have you. I think it has become so sensitive now that a candidate for Senator or Representative ought to form his own committee, to be absolutely responsible for everything that happens with that committee, without relying on the State chairman, over whom he has no control.

Mr. BROCK. I agree with that, but I think what you run into then is a situation where the State hires 15 fieldmen, and they are out working throughout the State, at a cost of $150,000 a year. Any way you do it, you divide it up, and that State committee will have spent more than $3,000 per candidate on his behalf, and anyone, any citizen, could then challenge that candidate and the State chairman for violation of the law.

Mr. PASTORE. Well, they are going to do that anyway, when you come down to take the money.

My point is that every candidate for the office of Senator or Representative ought to run his own campaign.

You have no control over that, because you have that provision on page 55 that I have already pointed out to you. If the State chairman does not come to you and ask for certification, he can spend all the money he wants.

Mr. BROCK. No; he cannot, because he is stopped by the provision on pages 56 and 57.

The PRESIDING OFFICER (Mr. DOMENICI). All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Illinois (Mr. STEVENSON). On this question, the yeas and nays have been ordered.

Mr. CANNON. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the yeas and nays be rescinded.

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

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

The PRESIDING OFFICER. The amendment of the Senator from Illinois is still pending.

Mr. PASTORE. Mr. President, I ask unanimous consent that the amendment of the Senator from Illinois be withdrawn.

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

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Illinois is withdrawn.

Mr. PASTORE. Mr. President, I send an amendment to the desk on behalf of myself and the Senator from Illinois (Mr. STEVENSON) and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 57 strike out lines 23, 24, and 25.

On page 58, line 1, strike "that state committee;"

Mr. PASTORE. Mr. President, if Senators will look at the bill, on page 57, this is the way it will read, on line 20:

This subsection shall not apply to the national committee of a political party or to the Democratic or Republican Campaign Committees of the Senate or the House of Representatives.

Mr. STEVENSON. Mr. President, the effect of this amendment, as I understand it, and I want to be sure, is to eliminate the exemption which did exist in the bill for the State party committees, also for committees controlled by the State party committees, and also the committees controlled by the national committee parties; is that not correct?

Mr. PASTORE. 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. PASTORE. 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. PASTORE. Mr. President, I ask that my amendment at the desk be modified and that the name of the Senator from Maryland (Mr. MATHIAS) be added as a cosponsor.

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

Mr. ROBERT C. BYRD. Mr. President, would the Chair obtain order in the Senate and ask Senators and their aides to take seats?

The PRESIDING OFFICER. The Senate will be in order. Senators and their aides will please take their seats.

The clerk will state the amendment as modified.

The legislative clerk read as follows:

On page 57, strike out lines 23, 24, and 25.

On page 58, line 1, strike the words "that State committee."

Mr. PASTORE. Mr. President, if Senators will look at page 57, this is the way it will read:

This subsection shall not apply to the central campaign committee or the State campaign committee of a candidate;

That is his own committee.

to the national committee of a political party,

That is for the presidential campaign.

or to the Democratic or Republican campaign committees of the Senate or House of Representatives.

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

Mr. PASTORE. I yield.

Mr. STEVENSON. The effect of the Senator's amendment, then, is to limit the exemption just to the national committee of a political party and the congressional campaign committees and, of course, the candidate's own committee.

Mr. PASTORE. His own committee. That is correct.

Mr. STEVENSON. Mr. President, I am very reluctant to make an exception for the congressional campaign committees. The danger that they will act as a conduit and that earmarking will exist continues. It appears to be self-serving. But on the old theory that half a loaf is better than no loaf, I am not going to object to this amendment, though I do intend next to offer an amendment which will reduce the $100,000 aggregate limit on individual contributions and consequently diminish the risk that congressional campaign committees will be used as a conduit for large campaign contributions.

Mr. PASTORE. Mr. President, I am ready to vote. I yield back the remainder of my time.

I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, has all time been yielded back on this amendment?

The PRESIDING OFFICER. All time has been yielded back.

PROGRAM FOR TOMORROW AND NEXT WEEK

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, this will be the last rollcall vote tonight. It has been a long day. Tomorrow we will come in at 9 a.m.; and we will be in session, in my opinion, until 5 or 6 o'clock, and there will be three, four, five or six votes tomorrow. The reason we are coming in tomorrow is to complete this bill.

The first order of business, however, will be the transportation appropriation bill. It will operate on a time basis, and we ought to get to a vote on that bill about 20 minutes to 10.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished majority leader yield at that point?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. I find, since the whip notice went out, that some Senators would be inconvenienced, by virtue of their being out of town tonight and flying in tomorrow, if a vote were to occur as early as 9:30 tomorrow. Would the distinguished majority leader ask unanimous consent that if debate on the transportation appropriation bill is completed before, say, 10:15 or 10:30 tomorrow, that the vote on passage of that bill, nevertheless, occur at 10:30 tomorrow?

Mr. MANSFIELD. Does the Senator make that request?

Mr. ROBERT C. BYRD. I make that request.

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

Mr. MANSFIELD. Upon the completion of the consideration—not necessarily the vote—of the transportation appropriation bill, we will return to the campaign reform bill; and if it is not completed tomorrow, it will be the pending business on Monday.

Furthermore, next week we will have the Interior appropriation bill; the Treasury-Post Office appropriation bill; S. 1560, the Emergency Employment Act of 1971; Senate Joint Resolution 110, to establish a nonpartisan commission on Federal election reform; S. 5, a bill to promote the public welfare; S. 1880, a bill to protect hobbyists; S. 1033, to amend the Export Administration Act of 1969, to control the export of timber; and various conference reports.

We have a very, very heavy week ahead of us, because it is the joint leadership's intention to go out of session on a prolonged basis at the conclusion of business on Friday next.

So be prepared for a tough day tomorrow, with a number of votes.

With this, I will sit down, unless somebody has something to say.

Mr. JAVITS. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. Are we to assume that the leadership will make adequate provision for international exigencies which may require that we meet sometime in August?

Mr. MANSFIELD. The Senator can be assured of that. I have discussed this matter with the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT), and we are in agreement. We will be offering an adjournment resolution to that effect shortly.

Mr. JAVITS. I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 1443) to authorize the furnishing of defense articles and services to foreign countries and international organizations, with amendments, in which it requested the concurrence of the Senate.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The Senate continued with the consideration of the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice Presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

Mr. PASTORE. Mr. President, I have been told that this has been a long day and that Members are tired. There is no real reason for having a rollcall vote on this amendment. I am not pressing it too much.

I ask unanimous consent that the order for the yeas and nays be vacated and that we have a voice vote.

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

The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, it is my understanding that there will be a Mathias-Stevenson amendment laid before the Senate so that it would be the pending business at the conclusion of the transportation appropriation bill tomorrow. Am I correct?

Mr. MATHIAS. The Senator from Illinois has one ready to go right now.

Mr. STEVENSON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 57, line 2, strike everything after $15,000 and insert the following in lieu thereof: ".".

On page 57, strike lines 3 through 7 and insert the following in lieu thereof:

"(b) No individual shall during any calendar year make, and no person shall accept, (i) any contribution to a political committee, or (ii) any contribution to or for the benefit of any candidate, which when added to all the other contributions enumerated in (i) and (ii) of this subsection which were made in that calendar year, exceeds $25,000."

On pages 57–59, renumber subsequent subsections accordingly.

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

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

The yeas and nays were ordered.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION — CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I submit a report of the committee of conference on H.R. 8510, and ask for its immediate consideration.

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

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8510) to authorize appropriations for activities of the National Science Foundation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of July 26, 1973, at pp. 26230–26232.)

Mr. KENNEDY. Mr. President, I urge the Senate to approve the conference report on the National Science Foundation. This act would provide the Foundation with an authorization of $636 million in fiscal year 1974. This is $10 million less than was appropriated for the Foundation's programs in fiscal year 1973. The continuing inflation in research costs and the growing need for scientific contributions to the resolution of the Nation's problems justify an even higher amount than the $636 million provided in this act, but the conference committee recommends this amount as the maximum which can be realistically hoped for at this point in time.

The National Science Foundation requested authorization in the amount of $579.6 million for fiscal year 1974, plus $3 million in excess foreign currencies. The House authorized $609.9 million plus $3 million in excess foreign currencies. The respective Senate figures were $614.1 million and $3 million in excess foreign currencies.

The committee of conference recommends $632.6 million, plus $3 million in excess foreign currencies. This figure is $22.7 million more than authorized by the House and $10.5 million less than authorized by the Senate for fiscal year 1974.

Since its creation as an independent agency in 1950, the National Science Foundation has carried out the extremely important mission of maintaining the Nation's scientific strength. The Foundation operates no laboratories or scientific facilities of its own, but through grants and contracts supports programs of scientific research and education in thousands of universities, research institutes, and other organizations. These programs cover all fields of science and engineering, encompassing the mathematical and physical sciences, engineering, social sciences, biological and medical sciences, materials research, and the environmental sciences. They cover all levels of science education from elementary school through postdoctoral fellowships. And these programs are carried out in all of the 50 States to assure a strong, broadly based national scientific enterprise.

The impact of the Foundation's programs is both pervasive and profound on the Nation and on the future of mankind. For we live in an age of science—from the computers that increasingly manage our transactions to the transistors that power our electronic devices to the advanced medical technology which promises profoundly to affect the maintenance of man's health. Science has become essential to the Nation's military security, to the strength of its domestic economy and international economic position, and, indeed, to the resolution of the widespread social problems which beset our Nation.

But scientific research is not a spigot which can be turned on and off at will. Before scientific know-how can be effectively applied to particular problems in areas such as transportation, health care, housing, communication, energy resources, nutrition, and pollution control, the underlying foundation of basic research must be patiently and continuously built over the years, and the Nation's scientific and technical talent must be carefully nurtured and trained.

This is the key task to which the Foundation has directed its principal efforts over the years; but in recent years the Foundation has also expended its programs with respect to applied research which is relevant to the Nation's social problems. Although the various Federal agencies sponsor some applied research relevant to their particular missions, there remains a considerable amount of extremely important applied research which is too broad in scope or too fundamental in substance to fall within the mandate or resources of the mission agencies. The National Science Foundation is the only agency which can tackle these problems. So the role of the National Science Foundation is to keep the Nation strong in basic science, sponsor the applied research which cannot be effectively handled by other agencies, and assure the Nation an adequate supply of scientific talent.

The $636 million which this act provides is $53 million higher than the $583 million requested by the administration. The principal differences stem from increased funding in this act for research applied to national needs and for science education.

The conference committee insisted on the establishment of an Energy Research Division within the National Science Foundation, which will have $40 million in fiscal year 1974 available for energy research programs, with emphasis on solar, geothermal, and other nonconventional energy sources. The $40 million for nonconventional energy research programs is small by comparison with the $323 million requested for the liquid metal fast breeder reactor or the $120 million requested for coal research.

The energy needs of the Nation are too critical to be overly dependent on any particular form of energy. We need to explore all promising alternatives. Solar, geothermal, and other nonconventional energy sources being explored by the National Science Foundation are extremely promising alternatives for the future.

Thus the recent report of the solar energy panel—a joint effort by the National Science Foundation and the National Aeronautics and Space Administration—calls for $1.5 billion in solar energy R. & D. over the next 15 years. And the recent report on geothermal energy by former Secretary of Interior Hickel, calls for $680 million in geothermal research. The $40 million for such research in fiscal year 1974 represents the minimum level of funding which the Nation must devote to those areas.

In addition to providing a total of $40 million for energy research programs, the bill requires that not less than $25 million must be spent for energy research, and that not less than $8 million must be spent for earthquake engineering in fiscal year 1974.

The earthquake engineering program is of great importance to the lives and property of thousands of American citizens in all parts of the country. Contrary to the prevalent view, earthquakes in America are not limited to California and Alaska. There is no State in the Union which has not experienced earthquake damage at one time or another. Twenty States have been subjected to serious damage, and are likely to experience serious damage again. These include South Carolina, Nevada, Kentucky, Washington, Illinois, New York, Idaho, Massachusetts, New Hampshire, Tennessee, Mississippi, Montana, Wyoming, Utah, Maine, Indiana, Missouri, and Arkansas, as well as California and Alaska. Through the earthquake engineering program, the Nation can take steps to prepare for future earthquakes and to minimize their adverse consequences.

Another area of vital importance to the Nation's continuing efforts to improve environmental quality is the provision of modern research vessels needed for the conduct of advanced research in oceanography. Of the 32 research vessels supported by the National Science Foundation, 13, or more than 40 percent, were built 25 or more years ago. Close examination of the ship replacement requirements makes it clear that the Foundation should accelerate fleet modernization programs in fiscal year 1974. The act requires that not less than $6 million be obligated for oceanography programs, with emphasis on ship construction/conversion.

The act also provides a total of $49 million for science education programs, which is $16 million more than the administration request for science education. This includes an increase of $2 million for institutional improvement for science; $5 million for graduate student support; and $9 million for science education improvement. The totals for these areas under the bill are: $2 million for institutional improvement for science; $11.5 million for graduate student support; and $35.2 million for science education improvement. The latter category includes $7.5 million for the ethnic minority colleges program, to help such colleges upgrade their science education capabilities. This is a 50 percent or $2.5 million increase over the $5 million requested by the administration for this vitally important program.

In addition to providing these amounts in new obligational authority for science education programs in fiscal year 1974, the act imposes certain minimum spending levels which the Foundation must adhere to in fiscal year 1974. These levels refer both to the new funds providing under this act and to the funds for these programs which have been carried over from earlier fiscal years. The minimum levels required by this act are: $10 million for institutional improvement for science; $13 million for graduate student support; and $67.5 million for science education improvement.

The following is a brief summary of the programs, included in the National Science Foundation Authorization Act.

First. Scientific research project support, $285 million. The objective of this program is to provide support for individual scientists or groups of scientists in finding answers to unresolved scientific questions. Support is provided in the following areas: Atmospheric, Earth, biological, and social sciences, oceanog-

raphy, physics, chemistry, astronomy, mathematics, engineering, and materials research.

Second. National and special research programs, $105,600,000. These are a variety of major programs which require special coordination and include the: international biological program; global atmospheric research program, experimental R. & D. assessment program; international decade of ocean exploration; ocean sediment coring program; Arctic research program; U.S. Antarctic research program; oceanographic facilities and support; and solar eclipse.

Third. National research centers, $46 million. These include the National Astronomy and Ionosphere Center at Arecibo; Kitt Peak National Observatory; Cerro Tololo Inter-American Observatory, National Center for Atmospheric Research; and National Radio Astronomy Observatory.

Fourth. Computing activities, $8,200,000. This program is designed to develop new knowledge in the computer sciences for application in the design of improved computer hardware, software, and integrated computer systems; and to seek new ways to couple the capabilities of computers to the conduct of research in all areas of science.

Fifth. Science information activities, $8,300,000. This program is designed to facilitate the flow of scientific and technical information and reduce unnecessary redundancy and overlap in the generation and dissemination of scientific information.

Sixth. International cooperative scientific activities, $6,200,000. This program is designed to promote U.S. access to, and appropriate participation in, international scientific activities.

Seventh. Research applied to national needs, $91 million. This program includes: advanced technology applications; energy research and technology programs; environmental systems and resources; social systems and human resources; and exploratory research and problem assessment.

Eighth. Intergovernmental science program, $1 million, to aid State, regional, and local governmental agencies in making the benefits of science and technology more widely available within their regions.

Ninth. Institutional improvement for science, $2 million. These funds will go to colleges and universities to improve their academic science programs and to increase the effectiveness of their research programs, through improved management.

Tenth. Graduate student support, $11,500,000. This includes graduate fellowships to assure an adequate flow of highly talented individuals into science careers; and postdoctoral fellowships to assist scientists and engineers in upgrading their professional skills and in making a transition into other technical areas.

Eleventh. Science education improvement, $35,200,000. This program is designed to help improve the effectiveness of science education at all academic levels. It focuses on such problems as: increasing the cost effectiveness of science education through improved programs, technology, and instructional strategies and methodologies; assuring the Nation of a large enough and flexible enough scientific and technical workforce; improving science education for the nonscientist and providing adequate science educational opportunities outside the formal structure of the educational system.

Twelfth. Planning and policy studies, $2,600,000. This program is designed to provide the factual data and analytical basis for sound national science policy decisions.

Thirteenth. Program development and management, $30 million. These funds are used to provide for the operation and management costs of carrying out the preceding 12 programs.

In addition to the above programs, the act authorizes the appropriation to the National Science Foundation of $3 million to be paid in excess foreign currencies, for expenses which the Foundation incurs in its activities abroad.

As can be readily seen from this summary, the programs of the National Science Foundation are extremely diverse, cut across innumerable fields, and are far reaching in their implications. In many cases their effects may not be felt for years, or even decades. But if the history of the 20th century can serve as a guide, then sooner or later these effects will surely be felt and will have a major impact on the shape of our civilization and the quality of our lives.

There is no doubt that science is the key to progress in our time. The vitality of our economy and the viability of our society depend on further scientific advance. This authorization for the National Science Foundation represents an essential investment in the future of the Nation. If we are unwilling to make the necessary investment today, we will reap a bitter harvest in polluted water and air, in congested roads and cities, in contaminated food and drugs, in inadequate energy supplies, and stagnant or even declining quality of life. And as we would suffer for our shortsightedness, so would our children, and our children's children for many years to come.

Mr. President, I urge the Senate to approve the conference committee's recommendations.

Mr. President, I ask unanimous consent that the conference report not be printed as a Senate report since it is being printed as a House report.

Mr. DOMINICK. Mr. President, the Senate will shortly consider the conference report on H.R. 8510, which authorizes $635.6 million for the National Science Foundation for the fiscal year 1974. I certainly urge favorable action on this report.

The conferees agreed upon 6 minimums in the areas of energy research—$25 million; oceanography related research—$6 million; earthquake engineering—$8 million; institutional improvement for science—$10 million; graduate student support—$13 million; science education improvement—$67.5 million.

Mr. President, solar energy is an inexhaustible source of clean energy; and testimony before the National Science Foundation on this subject served to redouble my determination in securing funds for research in this area. I was instrumental in having included in the Senate's bill and preserved through the conference the requirement that NSF spend at least $25 million on energy research—solar and geothermal—during the next fiscal year. Assuming just a 10-percent conversion efficiency from the energy contained in the sun's rays to usable electricity, in 1969, the total electric energy consumed in the United States could have been supplied by the solar energy which fell on 0.14 percent of the U.S. land area.

While I realize we may be some time away from technically being able to convert solar energy to electricity at an economic rate, I view that as an incentive for rather than an impediment to increased research in this area. My only concern is that the $25 million may be too small a figure.

Mr. President, as the ranking minority member of the National Science Foundation Subcommittee, I will be closely monitoring the research programs under this earmark, and evaluating the results in terms of increasing this figure in next year's authorization bill.

Mr. KENNEDY. Mr. President, I move that the conference report be agreed to.

The motion was agreed to.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The 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.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited therein to 10 minutes.

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

PROPOSED LEGISLATION FROM DEPARTMENT OF THE INTERIOR

A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the establishment of the Big Thicket National Biological Reserve in the State of Texas, and for other purposes (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

REPORT ON DEPARTMENT OF DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report on Department of Defense Procurement From Small and Other Business Firms, for July 1972–April 1973 (with an accompanying re-

port.) Referred to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Outlook for Production on the Navy's LHA and DD-963 Shipbuilding Programs," Department of the Navy, dated July 26, 1973 (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 entitled "Examination of Financial Statements of the National Flood Insurance Program Fiscal Year 1972," Federal Insurance Administration, Department of Housing and Urban Development, dated July 25, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT OF ALASKA POWER ADMINISTRATION

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report of the Alaska Power Administration, for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, without amendment:

S. 628. A bill to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married (Rept. No. 93-351); and

S. 871. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes (Rept. No. 93-352).

By Mr. McGEE, from the Committee on Post Office and Civil Service, with amendments:

S. 1866. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes (Rept. No. 93-353).

By Mr. CANNON, from the Committee on Armed Services, without amendment:

S. 2166. A bill to authorize the disposal of opium from the national stockpile (Rept. No. 93-354).

By Mr. PERCY, from the Committe on Foreign Relations, with amendments:

S. 1914. A bill to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes (Rept. No. 93-356), together with supplemental views.

AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION OF CERTAIN HIGHWAYS—CONFERENCE REPORT (S. REPT. NO. 93-355)

Mr. BENTSEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. I ask unanimous consent that the conference report and statement of managers be printed as a Senate report and printed in the RECORD at this point.

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

CONFERENCE REPORT (S. REPT. NO. 93-355)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Federal-Aid Highway Act of 1973".

REVISION OF AUTHORIZATION FOR APPROPRIATIONS FOR THE INTERSTATE SYSTEM

SEC. 102. Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1974, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1975, and the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1976", and by inserting in lieu thereof the following: "the additional sum of $2,600,000,000 for the fiscal year ending June 30, 1974, the additional sum of $3,000,000,000 for the fiscal year ending June 30, 1975, the additional sum of $3,000,000,000 for the fiscal year ending June 30, 1976, the additional sum of $3,250 000,000 for the fiscal year ending June 30, 1977, the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1978, and the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1979."

AUTHORIZATION OF USE OF COST ESTIMATES FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 103. The Secretary of Transportation shall apportion for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, the sums authorized to be appropriated for such years for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in table 5, of House Public Works Committee Print Numbered 92-29, as revised in House Report Numbered 92-1443.

HIGHWAY AUTHORIZATIONS

SEC. 104. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $680,000,000 for the fiscal year ending June 30, 1974, $700,000,000 for the fiscal year ending June 30, 1975, and $700,000,000 for the fiscal year ending June 30, 1976. For the Federal-aid secondary system in rural areas, out of Highway Trust Fund, $390,000,000 for the fiscal year ending June 30, 1974, $400,000,000 for the fiscal year ending June 30, 1975, and $400,000,000 for the fiscal year ending June 30, 1976.

(2) For the Federal-aid urban system, out of the Highway Trust Fund, $780,000,000 for the fiscal year ending June 30, 1974, $800,000,000 for the fiscal year ending June 30, 1975, and $800,000,000 for the fiscal year ending June 30, 1976. For the extensions of the Federal-aid primary and secondary systems in urban areas, out of the Highway Trust Fund $290,000,000 for the fiscal year ending June 30, 1974, $300,000,000 for the fiscal year ending June 30, 1975, and $300,000,000 for the fiscal year ending June 30, 1976.

(3) For forest highways, out of the Highway Trust Fund $33,000,000 for the fiscal year ending June 30, 1974, $33,000,000 for the fiscal year ending June 30, 1975, and $33,000,000 for the fiscal year ending June 30, 1976.

(4) For public lands highways, out of the Highway Trust Fund, $16,000,000 for the fiscal year ending June 30, 1974, $16,000,000 for the fiscal year ending June 30, 1975, and $16,000,000 for the fiscal year ending June 30, 1976.

(5) For forest development roads and trails $140,000,000 for the fiscal year ending June 30, 1974, $140,000,000 for the fiscal year ending June 30, 1975, and $140,000,000 for the fiscal year ending June 30, 1976.

(6) For public lands development roads and trails, $10,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $10,000,000 for the fiscal year ending June 30, 1976.

(7) For park roads and trails, $30,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

(8) For parkways, $60,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976, except that the entire cost of any parkway project on any Federal-aid system paid under the authorization contained in this paragraph shall be paid from the Highway Trust Fund.

(9) For Indian reservation roads and bridges, $75,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976.

(10) For economic growth center development highways under section 143 of title 23, United States Code, out of the Highway Trust Fund, $50,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976.

(11) For necessary administrative expenses in carrying out section 131, section 136, and section 319(b) of title 23, United States Code, $1,500,000 for the fiscal year ending June 30, 1974, $1,500,000 for the fiscal year ending June 30, 1975, and $1,500,000 for the fiscal year ending June 30, 1976.

(12) For carrying out section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, not to exceed $5,000,000 for the fiscal year ending June 30, 1975, and not to exceed $5,000,000 for the fiscal year ending June 30, 1976.

(B) for Guam not to exceed $2,000,000 for the fiscal year ending June 30, 1974, not to exceed $2,000,000 for the fiscal year ending June 30, 1975, and not to exceed $2,000,000 for the fiscal year ending June 30, 1976.

(C) for American Samoa not to exceed $1,000,000 for the fiscal year ending June 30, 1974, not to exceed $1,000,000 for the fiscal year ending June 30, 1975, and not to exceed $1,000,000 for the fiscal year ending June 30, 1976.

Sums authorized by this paragraph shall be available for obligation at the beginning of the fiscal year for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(13) Nothing in the first ten paragraphs or in paragraph (12) of this section shall be construed to authorize the appropriation of any sums to carry out section 131, 136, 319 (b), or chapter 4 of title 23, United States Code.

(b) For each of the fiscal years 1974, 1975, and 1976, no State shall receive less than one-half of 1 per centum of the total apportionment for the Interstate System under

paragraph (5) of subsection (b) of section 104 of title 23, United States Code. Whenever such amounts made available for the Interstate System in any State exceed the cost of completing that State's portion of the Interstate System, the excess amount shall be transferred to and added to the amounts apportioned to such State under paragraphs (1), (2), (3), and (6) of subsection (b) of section 104 of title 23, United States Code, in the ratio which these respective amounts bear to each other in that State. For the purpose of carrying out this subsection, there are authorized to be appropriated out of the Highway Trust Fund not to exceed $50,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 3, 1976. It is the sense of the Congress that this subsection is an interim provision to be reconsidered at the expiration of this authorization.

DEFINITIONS

SEC. 105. Subsection (a) of section 101 of title 23 of the United States Code is amended as follows:

(1) The definition of the term "construction" is amended to read as follows:

"The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic markers in accordance with specifications of the National Oceanic and Atmospheric Administration in the Department of Commerce), acquisition of rights-of-way, relocation assistance, elimination of hazards of railway grade crossings, acquisition of replacement housing, sites, acquisition and rehabilitation, relocation, and construction of replacement housing, and improvements which directly facilitate and control traffic flow, such as grade separation of intersections, widening of lanes, channelization of traffic, traffic control systems, and passenger loading and unloading areas."

(2) The definition of the term "urban area" is amended to read as follows:

"The term 'urban area' means an urbanized area or, in the case of an urbanized area encompassing more than one State, that part of the urbanized area in each such State, or an urban place as designated by the Bureau of the Census having a population of five thousand or more and not within any urbanized area, within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the entire urban place designated by the Bureau of the Census."

(3) The definition of the term "Indian reservation roads and bridges" is amended to read as follows:

"The term 'Indian reservation roads and bridges' means roads and bridges that are located within or provide access to an Indian reservation or Indian trust land or restricted Indian land which is not subject to fee title alienation without the approval of the Federal Government, or Indian and Alaska Native villages, groups, or communities in which Indians and Alaska Natives reside, whom the Secretary of the Interior has determined are eligible for services generally available to Indians under Federal laws specifically applicable to Indians."

(4) The definition of "urbanized area" is amended to read as follows:

"The term 'urbanized area' means an area so designated by the Bureau of the Census, within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the entire urbanized area within a State as designated by the Bureau of the Census."

EXTENSION OF TIME FOR COMPLETION OF SYSTEM

SEC. 106. (a) The second paragraph of section 101(b) of title 23, United States Code, is amended by striking out "twenty years" and inserting in lieu thereof "twenty-three years" and by striking out "June 30, 1976", and inserting in lieu thereof "June 30, 1979".

(b) (1) The introductory phrase and the second and third sentences of section 104 (b)(5) of title 23, United States Code, are amended by striking out "1976" each place it appears and inserting in lieu thereof at each such place "1979".

(2) The last four sentences of such section 104(b)(5) are amended to read as follows: "Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1975. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1977, and June 30, 1978. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1977. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal year ending June 30, 1979. Whenever the Secretary, pursuant to this subsection, requests and receives estimates of cost from the State highway departments, he shall furnish copies of such estimates at the same time to the Senate and the House of Representatives."

DECLARATION OF POLICY

SEC. 107. Subsection (b) of section 101 of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"It is further declared that since the Interstate System is now in the final phase of completion it shall be the national policy that increased emphasis be placed on the construction and reconstruction of the other Federal-aid systems in accordance with the first paragraph of this subsection, in order to bring all of the Federal-aid systems up to standards and to increase the safety of these systems to the maximum extent."

MINIMIZATION OF REDTAPE

SEC. 108. Section 101 of title 23 of the United States Code is amended by adding at the end thereof the following new subsection:

"(e) It is the national policy that to the maximum extent possible the procedures to be utilized by the Secretary and all other affected heads of Federal departments, agencies, and instrumentalities for carrying out this title and any other provision of law relating to the Federal highway programs shall encourage the substantial minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government."

FEDERAL-AID URBAN SYSTEM

SEC. 109. (a) Subsection (d) of section 103 of title 23, United States Code, is amended by striking the first, second, third, fourth, and fifth sentences and inserting in lieu thereof the following: "The Federal-aid urban system shall be established in each urbanized area, and in such other urban areas as the State highway department may designate. The system shall be so located as to serve the major centers of activity, and shall include high traffic volume arterial and collector routes, including access roads to airports and other transportation terminals. No route on the Federal-aid urban system shall also be a route on any other Federal-aid system. Each route of the system to the extent feasible shall connect with another route on a Federal-aid system. Routes on the Federal-aid urban system shall be selected by the appropriate local officials so as to serve the goals and objectives of the community, with the concurrence of the State highway departments, and, in urbanized areas, also in accordance with the planning process under section 134 of this title. Designation of the Federal-aid urban system shall be subject to the approval of the Secretary as provided in subsection (f) of this section."

(b) Subsection (d) of section 105 of title 23, United States Code, is amended to read as follows:

"(d) In approving programs for projects on the Federal-aid urban system, the Secretary shall require that such projects be selected by the appropriate local officials with the concurrence of the State highway department of each State and, in urbanized areas, also in accordance with the planning process required pursuant to section 134 of this title."

REMOVAL OF DESIGNATED SEGMENTS OF THE INTERSTATE SYSTEM

SEC. 110. (a) Section 103(g) of title 23, United States Code, is amended to read as follows:

"(g) The Secretary, on July 1, 1974, shall remove from designation as a part of the Interstate System each segment of such system for which a State has not notified the Secretary that such State intends to construct such segment, and which the Secretary finds is not essential to completion of a unified and connected Interstate System. Any segment of the Interstate System, with respect to which a State has not submitted by July 1, 1975, a schedule for the expenditure of funds for completion of construction of such segment or alternative segment within the period of availability of funds authorized to be appropriated for completion of the Interstate System, and with respect to which the State has not provided the Secretary with assurances satisfactory to him that such schedule will be met, shall be removed from designation as a part of the Interstate System. No segment of the Interstate system removed under the authority of the preceding sentence shall thereafter be designated as a part of the Interstate System except as the Secretary finds necessary in the interest of national defense or for other reasons of national interest. This subsection shall not be applicable to any segment of the Interstate System referred to in section 23(a) of the Federal-Aid Highway Act of 1968."

(b) Section 103 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding subsections (e)(2) and (g) of this section, in any case where a segment of the Interstate System was a designated part of such System on June 1, 1973, and is entirely within the boundaries of an incorporated city and such city enters into an agreement with the Secretary to pay all non-Federal costs of construction of such segment, such segment shall be constructed."

(c) The amendments made by subsections (a) and (b) of this section shall take effect June 30, 1973.

APPORTIONMENT

SEC. 111. (a) Section 104 of title 23, United States Code, is amended as follows:

(1) Paragraphs (1) and (2) of subsection (b) are amended by striking the words "star routes" each time they appear and inserting in lieu thereof "intercity mail routes where service is performed by motor vehicle".

(2) Paragraph (1) of subsection (b) is amended by striking out, "one-third in the ratio which the population of each State bears to the total population of all the States" and inserting in lieu thereof the following: "one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States". The last sentence of such paragraph is amended by inserting "(other than the District of Columbia)" immediately after "No State".

(3) Paragraph (2) of subsection (b) is amended by striking out "one-third in the ratio which the rural population of each State bears to the total rural population of all the States" and inserting in lieu thereof the following: "one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all of the States". The last sentence of such paragraph is amended by inserting "(other than the District of Columbia)" immediately after "No State".

(4) Paragraph (6) of subsection (b) is amended by striking the word "urbanized" wherever it appears and inserting in lieu thereof "urban", and by adding at the end thereof the following: "No State shall receive less than one-half of 1 per centum of each year's apportionment."

(5) Subsection (c) is amended by striking out "20 per centum" in each of the two places it appears and inserting in lieu thereof in each such place the following: "40 per centum" and by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)".

(6) Subsection (d) is amended to read as follows:

"(d) Not more than 40 per centum of the amount apportioned in any fiscal year to each State in accordance with paragraph (3) or (6) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. Funds apportioned in accordance with paragraph (6) of subsection (b) of this section shall not be transferred from their allocation to any urbanized area of 200,000 population or more under section 150 of this title, without the approval of the local officials of such urbanized area. The total of such transfers shall not increase the original apportionment under either of such paragraphs by more than 40 per centum."

(7) The last sentence of subsection (c) is hereby repealed.

(b) Notwithstanding the amendments made by subsection (a) of this section, no State (other than the District of Columbia) shall receive an apportionment for the primary system which is less than the apportionment which such State received for such system for the fiscal year ending June 30, 1973. In order to carry out this subsection, there is authorized to be appropriated out of the Highway Trust Fund for the Federal-aid primary system, an additional $17,000,000 for the fiscal year ending June 30, 1974, and $15,000,000 per fiscal year for the fiscal years ending June 30, 1975, and Jun 30, 1976.

APPORTIONMENT OF PLANNING FUNDS

SEC. 112. Subsection (f) of section 104 of title 23, United States Code, is amended to read as follows:

"(f)(1) On or before January 1 next preceding the commencement of each fiscal year, the Secretary, after making the deduction authorized by subsection (a) of this section, shall set aside not to exceed one-half per centum of the remaining funds authorized to be appropriated for expenditure upon the Federal-aid systems, for the purpose of carrying out the requirements of section 134 of this title.

"(2) These funds shall be apportioned to the States in the ratio which the population in urbanized areas or parts thereof, in each State bears to the total population in such urbanized areas in all the States as shown by the latest available census, except that no State shall receive less than one-half per centum of the amount apportioned.

"(3) The funds apportioned to any State under paragraph (2) of this subsection shall be made available by the State to the metropolitan planning organizations designated by the State as being responsible for carrying out the provisions of section 134 of this title. These funds shall be matched in accordance with section 120 of this title unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

"(4) The distribution within any State of the planning funds made available to agencies under paragraph (3) of this subsection shall be in accordance with a formula developed by each State and approved by the Secretary which shall consider but not necessarily be limited to, population, status of planning, and metroplitan area transportation needs."

ADVANCE ACQUISITIONS OF RIGHTS-OF-WAY

SEC. 113. (a) The last sentence of subsection (a) of section 108 of title 23, United States Code, is amended by striking out "seven years" and inserting in lieu thereof "ten years".

(b) The first sentence of paragraph (3) of subsection (c) of section 108 of title 23, United States Code, is amended by striking out "seven years" and inserting in lieu thereof "ten years".

NOISE LEVEL STANDARDS

SEC. 114. Subsection (1) of section 109 of title 23, United States Code, is amended by adding at the end thereof the following: "The Secretary, after consultation with the Administrator of the Environmental Protection Agency and appropriate Federal, State, and local officials, may promulgate standards for the control of highway noise levels for highways on any Federal-aid system for which project approval has been secured prior to July 1, 1972. The Secretary may approve any project on a Federal-aid system to which noise-level standards are made applicable under the preceding sentence for the purpose of carrying out such standards. Such project may include, but is not limited to, the acquisition of additional rights-of-way, the construction of physical barriers, and landscaping. Sums apportioned for the Federal-aid system on which such project will be located shall be available to finance the Federal share of such project. Such project shall be deemed a highway project for all purposes of this title."

SIGNS ON PROJECT SITE

SEC. 115. The last sentence of subsection (a) of section 114 of title 23, United States Code, is amended to read as follows: "After July 1, 1973, the State highway department shall not erect on any project where actual construction is in progress and visible to highway users any informational signs other than official traffic control devices conforming with standards developed by the Secretary of Transportation."

CERTIFICATION ACCEPTANCE

SEC. 116. (a) Section 117 of title 23 of the United States Code is amended to read as follows:

"§ 117. Certification acceptance

"(a) The Secretary may discharge any of his responsibilities under this title relative to projects on Federal-aid systems, except the Interstate System, upon the request of any State, by accepting a certification by the State highway department, or that department, commission, board, or official of any State charged by its laws with the responsibility for highway construction, of its performance of such responsibilities, if he finds such projects will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this title.

"(b) The Secretary shall make a final inspection of each such project upon its completion and shall require an adequate report of the estimated, and actual, cost of construction as well as such other information as he determines necessary.

"(c) The procedure authorized by this section shall be an alternative to that otherwise prescribed in this title. The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this section.

"(d) Acceptance by the Secretary of a State's certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do.

"(e) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.), section 4(f) of the Department of Transportation Act (49 U.S.C. 1653f)), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d), et seq.), title VIII of the Act of April 11, 1968 (Public Law 90-284, 42 U.S.C. 3601 et seq.), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601, et seq.), other than this title."

(b) The analysis of chapter 1, of title 23, United States Code, is amended by striking out

"117. Secondary road responsibilities."

and inserting in lieu thereof the following:

"117. Certification acceptance.".

MATERIALS AT OFF-SITE LOCATIONS

SEC. 117. Section 121(a) of title 23 of the United States Code is amended by inserting after the period at the end thereof the following: "Such payments may also be made in the case of any such materials not in the vicinity of such construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in such vicinity."

TOLL ROADS, BRIDGES, TUNNELS, AND FERRIES

SEC. 118. (a) After the second sentence of section 129(b) of title 23, United States Code, insert the following: "When any such toll road which the Secretary has approved as a part of the Interstate System is made a toll-free facility, Federal-aid highway funds apportioned under section 104(b)(5) of this title may be expended for the construction, reconstruction, or improvement of that road to meet the standards adopted for the improvement of projects located on the Interstate System."

(b) The first sentence of subsection (e) of section 129, title 23, United States Code, is amended by striking out "on the date of enactment of this subsection". The third sentence of subsection (e) of section 129, title 23, United States Code, is amended by striking out "1968" and inserting in lieu thereof "1973".

URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

SEC. 119. Subsection (c) of section 135 of title 23, United States Code, is hereby repealed and existing subsection (d) is relettered as subsection (c), including any references thereto.

TRAINING PROGRAMS

SEC. 120. Subsection (b) of section 140 of title 23, United States Code, is amended by

striking out in the second sentence "and 1973," and inserting in lieu thereof ", 1973, 1974, 1975, and 1976", and by striking out "$5,000,000 per fiscal year" and inserting in lieu thereof "$5,000,000 per fiscal year for the fiscal years 1972 and 1973, and $10,000,000 per fiscal year for the fiscal years 1974, 1975, and 1976,".

PUBLIC TRANSPORTATION

SEC. 121. (a) Section 142 of title 23, United States Code, is amended to read as follows:

"§ 142. Public Transportation

"(a)(1) To encourage the development, improvement, and use of public mass transportation systems operating motor vehicles (other than on rail) on Federal-aid highways for the transportation of passengers (hereafter in this section referred to as 'buses'), so as to increase the traffic capacity of the Federal-aid systems for the movement of persons, the Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters), and fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers, and sums apportioned under section 104(b) of this title shall be available to finance the cost of projects under this paragraph.

"(2) In addition to the projects under paragraph (1), the Secretary may, beginning with the fiscal year ending June 30, 1975, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(6) of this title, the purchase of buses, and, beginning with the fiscal year ending June 30, 1976, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(6) of this title, the construction, reconstruction, and improvement of fixed rail facilities, including the purchase of rolling stock for fixed rail, except that not more than $200,000,000 of all sums apportioned for the fiscal year ending June 30, 1975, under section 104(b)(6) shall be available for the payment of the Federal share of projects for the purchase of buses.

"(b) Sums apportioned in accordance with paragraph (5) of subsection (b) of section 104 of this title shall be available to finance the Federal share of projects for exclusive or preferential bus, truck, and emergency vehicle routes or lanes. Routes constructed under this subsection shall not be subject to the third sentence of section 109(b) of this title.

"(c) Whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a highway project the Federal share of which is to be paid from funds apportioned under section 104(b)(6) of this title for the fiscal years ending June 30, 1974, and June 30, 1975, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a contractual obligation of the United States for payment out of the general funds of its proportional share of the cost of such project in an amount equal to the Federal share which would have been paid if such project were a highway project under section 120(a) of this title. Funds previously apportioned to such State under section 104(b)(6) of this title shall be reduced by an amount equal to such Federal share.

"(d) The establishment of routes and schedules of such public mass transportation systems in urbanized areas shall be based upon a continuing comprehensive transportation planning process carried on in accordance with section 134 of this title.

"(e)(1) For all purposes of this title, a project authorized by subsection (a)(1) of this section shall be deemed to be a highway project.

"(2) Notwithstanding section 209(f)(1) of the Highway Revenue Act of 1956, the Highway Trust Fund shall be available for making expenditures to meet obligations resulting from projects authorized by subsection (a)(2) of this section and such projects shall be subject to, and governed in accordance with, all provisions of this title applicable to projects on the Federal-aid urban system, except to the extent determined inconsistent by the Secretary.

"(3) The Federal share payable on account of projects authorized by subsection (a) of this section shall be that provided in section 120 of this section.

"(f) No project authorized by this section shall be approved unless the Secretary of Transportation has received assurances satisfactory to him from the State that public mass transportation systems will fully utilize the proposed project.

"(g) In any case where sufficient land exits within the publicly acquired rights-of-way of any Federal-aid highway to accommodate needed rail or nonhighway public mass transit facilities and where this can be accomplished without impairing automotive safety of future highway improvements, the Administrator may authorize a State to make such lands and rights-of-way available without charge to a publicly owned mass transit authority for such purposes wherever he may deem that the public interest will be served thereby.

"(h) The provision of assistance under subsection (a)(2) or subsection (c) of this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

"(i) Funds available for expenditure to carry out the purposes of subsection (a)(2) and subsection (c) of this section shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended.

"(j) The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out subsection (a)(2) and subsection (c) of this section.

"(k) The Secretary shall not approve any project under subsection (a)(2) of this section in any fiscal year when there has been enacted an Urban Transporation Trust Fund or similar assured funding for both highway and public transportation."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by striking out

"142. Urban highway public transportation."

and inserting in lieu thereof the following:

"142. Public transportation,".

ECONOMIC GROWTH CENTER DEVELOPMENT HIGHWAYS

SEC. 122. (a) Section 143 of title 23, United States Code, is amended by striking out "demonstration projects" each place it appears and inserting in lieu thereof "projects", and by striking out "demonstration project" each place it appears and inserting in lieu thereof in each such place "project", by striking out "the Federal-aid primary system" in each place it appears and inserting in lieu thereof in each such place "a Federal-aid system (other than the Interstate System)", and in subsection (d) by striking out "Federal-aid primary highways" and inserting in lieu thereof "highways on the Federal-aid system on which such development highway is located".

(b) Section 143(e) of title 23, United States Code, is amended to read as follows:

"(e) Except as otherwise provided in subsection (c) of this section, the Federal share of the cost of any project for construction, reconstruction, or improvement of a development highway under this section shall be the same as that provided under this title for any other project on the Federal-aid system on which such development highway is located."

(c) Section 143(a) of title 23, United States Code, is amended by striking out "to demonstrate the role that highways can play".

FEDERAL-STATE RELATIONSHIP

SEC. 123. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 145. Federal-State relationship

"The authorization of the appropriation of Federal funds or their availability for expenditure under this chapter shall in no way infringe on the sovereign rights of the States to determine which projects shall be federally financed. The provisions of this chapter provide for a federally assisted State program."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"145. Federal-State relationship."

BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS

SEC. 124. (a) Chapter 2 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 217. Bicycle transportation and pedestrian walkways

"(a) To encourage the multiple use of highway rights-of-way, including the development, improvement, and use of bicycle transportation and the development and improvement of pedestrian walkways on or in conjunction with highway rights-of-way, the States may, on Federal-aid highway projects, include to the extent practicable, suitable, and feasible, the construction of separate or preferential bicycle lanes or paths, bicycle traffic control devices, shelters and parking facilities to serve bicycles and persons using bicycles, and pedestrian walkways in conjunction or connection with Federal-aid highways. Sums apportioned in accordance with paragraphs (1), (2), (3), and (6) of section 104(b) of this title shall be available for bicycle projects and pedestrian walkways authorized under this section and such projects shall be located and designated pursuant to an overall plan which will provide due consideration for safety and contiguous routes.

"(b) For all purposes of this title, a bicycle or pedestrian walkway project authorized by subsection (a) of this section shall be deemed to be a highway project, and the Federal share payable on account of such bicycle project or pedestrian walkway shall be that provided in section 120 of this title.

"(c) Funds authorized for forest highways, forest development roads and trails, public lands development roads and trails, park roads and trails, parkways, Indian reservation roads, and public lands highways shall be available, at the discretion of the department charged with the administration of such funds, for the construction of bicycle and pedestrian routes in conjunction with such trails, roads, highways, and parkways.

"(d) No motorized vehicles shall be permitted on trails and walkways authorized under this section except for maintenance purposes and, when snow conditions and State or local regulations permit, snowmobiles.

"(e) Not more than $40,000,000 of funds authorized to be appropriated in any fiscal year may be obligated for projects authorized by subsections (a) and (c) of this section, and no State shall obligate more than $2,-

000,000 for such projects in any fiscal year."

(b) The analysis of chapter 2, title 23, United States Code, is amended by inserting at the end thereof the following:

"217. Bicycle transportation and pedestrian walkways."

SPECIAL URBAN HIGH DENSITY TRAFFIC PROGRAM

SEC. 125. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

"§ 146. Special urban high density traffic program

"(a) There is hereby authorized to be appropriated out of the Highway Trust Fund $50,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976, for the construction of highways connected to the Interstate System in portions of urbanized areas with high traffic density. The Secretary shall develop guidelines and standards for the designation of routes and the allocation of funds for this purpose which include the following criteria:

"(1) Routes designated by the Secretary shall not be longer than ten miles.

"(2) Routes designated shall serve areas of concentrated population and heavy traffic congestion.

"(3) Routes designated shall serve the urgent needs of commercial, industrial, airport, or national defense installations.

"(4) Any routes shall connect with existing routes on the Interstate System.

"(5) Routes designated under this section shall have been approved through the planning process required under section 134 of this title and determined to be essential by responsible local officials.

"(6) A route shall be designated under this section only where the Secretary determines that no feasible or practicable alternative mode of transportation which could meet the needs of the area to be served is now available or could become available in the foreseeable future.

"(7) The designation of routes under this section shall comply with section 138 of this title, and no route shall be designated which substantially damages or infringes upon any residential area.

"(8) Routes shall be designated by the Secretary on the recommendation of the State and responsible local officials.

"(9) No more than one route in any one State shall be designated by the Secretary.

"(10) Any route designated by the Secretary under this section must be on a Federal-aid system.

"(b) The Federal share payable on account of any project authorized pursuant to this section shall not exceed 90 per centum of the cost of construction of such project."

(b) The table of contents of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"146. Special urban high density traffic program."

PRIORITY PRIMARY ROUTES

SEC. 126. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

"§ 147. Priority primary routes

"(a) High traffic sections of highways on the Federal-aid primary system which connect to the Interstate System shall be selected by each State highway department, in consultation with appropriate local officials, subject to approval by the Secretary, for priority of improvement to supplement the service provided by the Interstate System by furnishing needed adequate traffic collector and distributor facilities. For the purpose of this section such highways shall hereafter in this section be referred to as 'priority primary routes'.

"(b) The Federal share of any project on a priority primary route shall be that provided in section 120(a) of this title. All provisions of this title applicable to the Federal-aid primary system shall be applicable to priority primary routes selected under this section except that one-half of such funds shall be apportioned among the States in accordance with section 104(b)(1) of this title, and one-half shall be apportioned among the States in accordance with section 104(b)(3) of this title. Funds authorized to carry out this section shall be deemed to be apportioned on January 1 next preceding the commencement of the fiscal year for which authorized.

"(c) The initial selection of the priority primary routes and the estimated cost of completing such routes shall be reported to Congress on or before July 1, 1974.

"(d) There is authorized to be appropriated out of the Highway Trust Fund to carry out this section not to exceed $100,000,000 for the fiscal year ending June 30, 1974, $200,000,000 for the fiscal year ending June 30, 1975, and $300,000,000 for the fiscal year ending June 30, 1976."

(b) The table of contents of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"147. Priority primary routes.".

ALASKA HIGHWAY

SEC. 127. (a)(1) Chapter 2 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"§ 218. Alaska Highway

"(a) Recognizing the benefits that will accrue to the State of Alaska and to the United States from the reconstruction of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaskan border, the Secretary is authorized out of the funds appropriated for the purpose of this section to provide for necessary reconstruction of such highway. Such appropriations shall remain available until expended. No expenditures shall be made for the construction of such highways until an agreement has been reached by the Government of Canada and the Government of the United States which shall provide, in part, that the Canadian Government—

"(1) will provide, without participation of funds authorized under this title all necessary right-of-way for the reconstruction of such highways, which right-of-way shall forever be held inviolate as a part of such highways for public use;

"(2) will not impose any highway toll, or permit any such toll to be charged for the use of such highways by vehicles or persons;

"(3) will not levy or assess, directly or indirectly, any fee, tax, or other charge for the use of such highways by vehicles or persons from the United States that does not apply equally to vehicles or persons of Canada;

"(4) will continue to grant reciprocal recognition of vehicle registration and drivers' licenses in accordance with agreements between the United States and Canada; and

"(5) will maintain such highways after their completion in proper condition adequately to serve the needs of present and future traffic.

"(b) The survey and construction work undertaken pursuant to this section shall be under the general supervision of the Secretary."

(2) The analysis of chapter 2 of title 23 of the United States Code is amended by adding at the end thereof the following:

(b) For the purpose of completing necessary reconstruction of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaskan border there is authorized to be appropriated the sum of $58,670,000 to be expended in accordance with the provisions of section 218 of title 23 of the United States Code.

BRIDGES ON FEDERAL DAMS

SEC. 128. (a) Section 320(d) of title 23, United States Code, is amended by striking out "$16,761,000" and inserting in lieu thereof "$25,261,000".

(b) All sums appropriated under authority of the increased authorization of $8,500,000 established by the amendment made by subsection (a) of this section shall be available for expenditure only in connection with the construction of a bridge across lock and dam numbered 13 on the Arkansas River near Fort Smith, Arkansas, in the amount of $2,100,000 and in connection with reconstruction of a bridge across the Chickamauga Dam on the Tennessee River near Chattanooga, Tennessee, in the amount of $6,400,000. No such sums shall be appropriated until all applicable requirements of section 320 of title 23 of the United States Code have been complied with by the appropriate Federal agency, the Secretary of Transportation, and the State of Arkansas for the Fort Smith project, and the State of Tennessee for the Chattanooga project.

GREAT RIVER ROAD

SEC. 129. (a) Section 14 of the Federal-Aid Highway Act of 1954, as amended (68 Stat. 70; Public Law 83-350), is amended by striking out "$500,000" and inserting in lieu thereof "$600,000".

(b) Chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"§ 148. Development of a national scenic and recreational highway

"(a) As soon as possible after the date of enactment of this section, the Secretary shall establish criteria for the location and construction or reconstruction of the Great River Road by the ten States bordering the Mississippi River. Such criteria shall include requirements that—

"(1) priority be given in the location of the Great River Road near or easily accessible to the larger population centers of the State and further priority be given to the construction and improvement of the Great River Road in the proximity of the confluence of the Mississippi River and the Wisconsin River;

"(2) the Great River Road be connected with other Federal-aid highways and preferably with the Interstate System;

"(3) the Great River Road be marked with uniform identifying signs;

"(4) effective control, as defined in section 131 of this title, of signs, displays, and devices will be provided along the Great River Road;

"(5) the provisions of section 129(a) of this title shall not apply to any bridge or tunnel on the Great River Road and no fees shall be charged for the use of any facility constructed with assistance under this section.

"(b) For the purpose of this section, the term 'construction' includes the acquisition of areas of historical, archeological, or scientific interest, necessary easements for scenic purposes, and the construction or reconstruction of roadside rest areas (including appropriate recreational facilities), scenic viewing areas, and other appropriate facilities as determined by the Secretary.

"(c) Highways constructed or reconstructed pursuant to this section (except subsection (f)) shall be part of the Federal-aid system.

"(d) Funds appropriated for each fiscal year pursuant to subsection (g) shall be apportioned among the ten States bordering the Mississippi River on the basis of their relative needs as determined by the Secretary for payments to carry out this section.

"(e) The Federal share of the cost of any project for any construction or reconstruction pursuant to the preceding subsections of this section shall be that provided in section 120 of this title for the Federal aid system on which such project is located, and if such project is not on such a system, such share shall be 70 per centum of such cost.

"(f) The Secretary is authorized to consult with the heads of other Federal departments and agencies having jurisdiction over Federal lands open to the public in order to enter into appropriate arrangements for necessary construction or reconstruction of highways on such lands to carry out this section. Highways constructed or reconstructed by a State pursuant to this section which are not on a Federal-aid system, and highways constructed or reconstructed under this subsection, shall be subject to the criteria applicable to highways constructed or reconstructed pursuant to subsection (c) of this section. Funds authorized pursuant to subsection (g) shall be used to pay the entire cost of construction or reconstruction pursuant to the first sentence of this subsection.

"(g) There is authorized to be appropriated to carry out this section, out of the Highway Trust Fund, for construction or reconstruction of roads on a Federal-aid highway system, not to exceed $10,000,000 for the fiscal year ending June 30, 1974, $25 000,000 for the fiscal year ending June 30, 1975, and $25,000,000 for the fiscal year ending June 30, 1976, for allocations to the States pursuant to this section, and there is authorized to be appropriated to carry out this section out of any money in the Treasury not otherwise appropriated, not to exceed $10,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, for construction and reconstruction of roads not on a Federal-aid highway system."

(c) The table of contents of chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof the following:

"148. Development of a national scenic and recreational highway.".

ALASKAN ASSISTANCE

SEC. 130. Subsection (b) of section 7 of the Federal-Aid Highway Act of 1966 is amended by striking out at the end of the last sentence "June 30, 1972 and June 30, 1973," and substituting "June 30, 1972, June 30, 1973, June 30, 1974, June 30, 1975, and June 30, 1976."

ROUTE 101 IN NEW HAMPSHIRE

SEC. 131. (a) The amount of all Federal-aid highway funds paid on account of those sections of Route 101 in the State of New Hampshire referred to in subsection (c) of this section shall, prior to the collection of any tolls thereon, be repaid to the Treasurer of the United States on or before October 1, 1977. The amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment, the Federal-aid projects with respect to which such funds have been repaid and any other Federal-aid project located on said sections of such toll road and programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highways funds of the same class last apportioned to the State of New Hampshire. The amount so credited shall be in addition to all other funds then apportioned to said State and shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended or supplemented.

(b) Upon the repayment of Federal-aid highway funds and the cancellation and withdrawal from the Federal-aid highway program of the projects on said sections of Route 101 as provided in subsection (a) of this section, such sections of said route shall become and be free of any and all restrictions contained in title 23, United States Code, as amended or supplemented, or in any regulation thereunder, with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

(c) The provisions of this section shall apply to the following sections:

(1) That section of Route 101 from Route 125 in Epping to Brentwood Corners, a distance of approximately two and thirty one-hundredths centerline miles.

(2) That section of Route 101 in the vicinity of Sells Corner in Auburn, beginning approximately two and forty one-hundredths centerline miles east of the junction of Interstate Route 93 and running easterly approximately two miles.

FREEING INTERSTATE TOLL BRIDGES

SEC. 132. Section 129, title 23, United States Code, as amended by section 139 of this Act, is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding the provisions of section 301 of this title, in the case of each State which, before January 1, 1975, shall have constructed or acquired any interstate toll bridge (including approaches thereto), which before January 1, 1975, caused such toll bridge to be made free, which bridge is owned and maintained by such State or by a political subdivision thereof, and which bridge is on the Federal-aid primary system (other than the Interstate System), sums apportioned to such State in accordance with paragraphs (1) and (3) of subsection (b) of section 104 of this title shall be available to pay the Federal share of a project under this subsection of (1) such amount as the Secretary determines to be the reasonable value of such bridge after deducting therefrom that portion of such value attributable to any grant or contribution previously paid by the United States in connection with the construction or acquisition of such bridge, and exclusive of rights-of-way, or (2) the amount by which the principal amount of the outstanding unpaid bonds or other obligations created and issued for the construction or acquisition of such bridge exceeds the amount of any funds accumulated or provided for their amortization, on the date such bridge is made free, whichever is the lesser amount."

STUDY OF TOLL BRIDGE AUTHORITY

SEC. 133. (a) The Secretary of Transportation is authorized and directed to undertake a full and complete investigation and study of existing Federal statutes and regulations governing toll bridges over the navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reasonable tolls nationwide. The Secretary shall submit a report of the findings of such study and investigation to the Congress not later than July 1, 1974, together with his recommendations for modifications or additions to existing laws, regulations, and policies, except that in the case of the toll bridge at Chester, Illinois, the Secretary shall submit a report to the Congress not later than December 31, 1973.

(b) The Secretary of Transportation shall promulgate regulations establishing guidelines governing any increase in tolls for use of any bridge constructed pursuant to either the General Bridge Act of 1906 or the General Bridge Act of 1946.

NATIONAL SCENIC HIGHWAY SYSTEM STUDY

SEC. 134. (a) The Secretary of Transportation shall make a full and complete investigation and study to determine the feasibility of establishing a national system of scenic highways to link together and make more accessible to the American people recreational, historical, scientific, and other similar areas of scenic interest and importance. In the conduct of such investigation and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the Commission on Highway Beautification, the States and their political subdivisions, and other interested private organizations, groups, and individuals. The Secretary shall report his findings and recommendations to the Congress not later than July 1, 1974, including an estimate of the cost of implementing such a program. There is authorized to be appropriated $250,000 from the Highway Trust Fund to carry out this subsection.

(b) The Secretary of Transportation shall make a full and complete investigation and study to examine problems of user access to parks, recreation areas (including public recreation areas on Federal lakes), historic sites and wildlife refuges. Such study and investigation shall include, but not be limited to, an analysis of the desirability and feasibility of a national scenic road and parkways system referred to in subsection (a) including benefits to the user if any and the total long range environmental impact of such system on the Nation's recreation resources; alternatives to private automobile access to parks and recreation resources, including mass transit; and special problems of safe access to urban and metropolitan parks and recreation resources. In the conduct of such investigations and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the States and their political subdivisions, and interested private organizations, groups and individuals. The Secretary shall report his findings and recommendations to the Congress not later than January 1, 1975, including an estimate of the cost of implementing any suggested programs.

DISTRICT OF COLUMBIA

SEC. 135. None of the provisions of the Act entitled "An Act to provide a permanent system of highways in that part of the District of Columbia lying outside of cities", approved March 2, 1893 (27 Stat. 532), as amended, shall apply to any segment of the Interstate System within the District of Columbia.

CORRIDOR HEARINGS

SEC. 136. (a) The Secretary of Transportation shall permit no further action on Interstate Route I-287 between Montville and Mahwah, New Jersey, until new corridor hearings are held.

(b) The Secretary of Transportation shall permit no further action on the Corporation Freeway, Winston-Salem, North Carolina, until new corridor hearings are held.

(c) The new corridor hearings required by this section shall be held and the reports thereon shall be made no later than one year after the date of enactment of this section.

INTERSTATE SYSTEM

SEC. 137. (a) Paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended as follows:

(1) The first sentence is amended by striking out "additional mileage for the Interstate System of two hundred miles, to be used in making modifications" and inserting in lieu thereof "additional mileage for the Interstate System of five hundred miles, to be used in making modifications".

(2) The fourth sentence is amended by striking out "the 1968 Interstate System cost estimate set forth in House Document Numbered 199, Ninetieth Congress, as revised," and inserting in lieu thereof the following: "the 1972 Interstate System cost estimate set forth in House Public Works Committee Print Numbered 92-29, as revised in House Report Numbered 92-1443."

(3) The fifth sentence is amended by striking out "due regard" and inserting in lieu thereof the following: "preference,

along with due regard for interstate highway type needs on a nationwide basis,".

(b) Subsection (e) of section 103 of title 23, United States Code, is amended by adding the following:

"(4) Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System within any urbanized area in that State selected and approved in accordance with this title prior to the enactment of this paragraph, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System or will no longer be essential by reason of the application of this paragraph and will not be construed as a part of the Interstate System, and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by such route or portion thereof. The mileage of the route or portion thereof approval of which is withdrawn under this paragraph shall be available for designation on the Interstate System in any other State in accordance with paragraph (1) of this subsection. After the Secretary has withdrawn his approval of any such route or portion thereof, whenever responsible local officials of such urbanized area, notify the State highway department that, in lieu of a route or portion thereof approval for which is withdrawn under this paragraph, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a contractual obligation of the United States for payment out of the general funds in the Treasury of its proportional share of the cost of such project in an amount equal to the Federal share which would be paid for such a project under the Urban Mass Transportation Act of 1964, except that the total Federal cost of all such projects under this paragraph with respect to such route or portion thereof approval of which is withdrawn under this paragraph, shall not exceed the Federal share of the cost which should have been paid for such route or portion thereof, as such cost is included in the 1972 Interstate System cost estimate set forth in table 5 of House Public Works Committee Print Numbered 92–29, as revised in House Report Numbered 92–1443. Funds apportioned to such State for the Interstate System, which apportionment is based upon an Interstate System cost estimate that includes a route or portion thereof approval of which is withdrawn under this paragraph, shall be reduced by an amount equal to the Federal share of such project as such share becomes a contractural obligation of the United States. No general funds shall be obligated under authority of this paragraph after June 30, 1981. No nonhighway public mass transit project shall be approved under this paragraph unless the Secretary has received assurances satisfactory to him from the State that public mass transportation systems will fully utilize the proposed project. The provision of assistance under this paragraph shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable. Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended. The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out this paragraph."

PUBLIC MASS TRANSPORTATION STUDIES

SEC. 138. (a) The Secretary shall, in cooperation with the Governor of each State and appropriate local officials, make an evaluation of that portion of the 1972 National Transportation Report, pertaining to public mass transportation. Such evaluation shall include all urban areas. The evaluation shall include but not be limited to the following:

(1) Refining the public mass transportation needs contained in such report.

(2) Developing a program to accomplish the needs of each urban area for public mass transportation.

(3) Analyzing the existing funding capabilities of Federal, State, and local governments for meeting such needs.

(4) Analyzing other funding capabilities of Federal, State, and local government's for meeting such needs.

(5) Determining the operating and maintenance costs relating to the public mass transportation system.

(6) Determining and comparing fare structures of all public mass transportation systems.

The Secretary shall, not later than July 1, 1974, report to Congress the results of this evaluation together with his recommendations for necessary legislation.

(b) The Secretary shall conduct a study of revenue mechanisms, including a tax on fuels used in the provision of urban mass transportation service, and an additional gasoline tax imposed in urban areas, which could be used now or in the future to finance transportation activities receiving financial assistance from the Highway Trust Fund. Such study will include an analysis of the magnitude of the various potential sources of user tax revenues, the rates at which such taxes could be levied (including possible differential rates), the mechanisms for collection of such taxes, the incidence of such taxes, and the potential impact on transit usage caused by such taxes. The Secretary shall report to the Congress the findings of his study by no later than the 180th day after the date of enactment of this section.

(c) There is hereby authorized not to exceed $10,000,000 to carry out this section.

FERRY OPERATIONS

SEC. 139. (a) The last subsection of section 129 of title 23, United States Code, is hereby redesignated as subsection (g).

(b) Paragraph (5) of subsection (g) of section 129 of title 23, United States Code, as redesignated in subsection (a) of this section, is amended to read as follows:

"(5) Such ferry may be operated only within the State (including the islands which comprise the State of Hawaii) or between adjoining States. Except with respect to operations between the islands which comprise the State of Hawaii and operations between the States of Alaska and Washington, or between any two points within the State of Alaska, no part of such a ferry operation shall be in any foreign or international waters."

METRO ACCESSIBILITY TO THE HANDICAPPED

SEC. 140. The Secretary of Transportation is authorized to make payments to the Washington Metropolitan Area Transit Authority in amounts sufficient to finance 80 per centum of the cost of providing such facilities for the subway and rapid transit system authorized in the National Capital Transportation Act of 1969 (83 Stat. 320) as may be necessary to make such subway and system accessible by the handicapped through implementation of Public Laws 90–480 and 91–205. There is authorized to be appropriated, to carry out this section, not to exceed $65,000,000.

ENVIRONMENTAL IMPACT STATEMENTS

SEC. 141. (a) The Secretary of Transportation shall, not later than forty-five days after the date of enactment of this section, complete all necessary action on (1) the environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, and (2) the application for approval under the General Bridge Act of 1946, with respect to the proposal for construction by the Department of Transportation of the State of New Jersey of a bridge over the Raritan River in such State for the purpose of such State's Highway Route 18.

(b) The Secretary of Transportation shall—

(1) by October 1, 1973—

(A) complete the draft environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act, and his determination under section 4(f) of the Department of Transportation Act and section 138 of title 23 of the United States Code, on the project for Interstate Route Numbered 66 in the State of Virginia from the National Capital Beltway to the Potomac River, which project is described in the 1972 estimate of the cost of completing the National System of Interstate and Defense Highways as estimate section termini E 10.4.2 at the Beltway to E 10.11.1 in Rosslyn.

(B) circulate such statement to all interested Federal, State, and local agencies and to the public for comment within forty-five days, and

(C) insure that notice of a public hearing on the design and location of such project is issued;

(2) insure that a public hearing is held within forty-five days after issuance of the notice pursuant to paragraph (1)(C) of this subsection; and

(3) not later than December 31, 1973, complete consideration of the information received at the hearing, review any comments on the statement received within the forty-five-day notice period referred to in paragraph (1)(B) of this subsection and any other information received by the end of such forty-five-day period and file the final version of such statement on the basis of such comments and information, together with any other final determination which he is required by law to make in order to permit the construction of such project to proceed. The determination of the Secretary shall be conclusive with respect to all issues of fact.

TRUCK LANES

SEC. 142. (a) Chapter 1 of title 23, United States Code, is amended by adding to the end thereof the following new section:

"§ 149. Truck lanes

The Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential truck lanes."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"149. Truck lanes.".

HIGHWAY STUDIES

SEC. 143. The Secretary of Transportation shall report to Congress by January 1, 1975, on the feasibility and necessity for constructing to appropriate standards proposed highways along the following routes:

(1) A route from Brunswick, Georgia, or its vicinity, to Kansas City, Missouri, or its vicinity, so aligned to serve the following intermediate locations, or vicinities thereof:

Columbus, Georgia; Birmingham, Alabama; Tupelo, Mississippi; Memphis, Tennessee; Batesville or Jonesboro, Arkansas; and Springfield, Missouri.

(2) A route from Kansas City, Missouri, or its vicinity, to Chicago, Illinois, or its vicinity, so aligned as to cross the Mississippi River at a point between Nauvoo, Illinois, on the north, and Hannibal, Missouri, on the south.

(3) A route from Amarillo, Texas, or its vicinity to Las Cruces, New Mexico, or its vicinity, so aligned as to serve the following intermediate locations, or vicinities thereof; Hereford, Texas; Clovis, New Mexico; Portales, New Mexico; Roswell, New Mexico; Ruidoso, New Mexico; Tularosa, New Mexico; and Alamogordo, New Mexico; together with a branch route from Alamogordo, New Mexico, or its vicinity, to El Paso, Texas, or its vicinity, to connect with Interstate Route No. 10 and the port of entry with Mexico.

(4) A route from the Port of Catoosa, Catoosa, Oklahoma, or its vicinity, to Interstate Route No. 35 to Ponca City, Oklahoma, or its vicinity.

(5) Extension of Interstate Highway 70 from Cove Fort, Utah, or its vicinity, in a westerly direction, so aligned to serve the intermediate locations of Ely and Carson City, Nevada, or their vicinities.

(6) A route from Kansas City, Missouri, or its vicinity, to Baton Rouge, Louisiana, or its vicinity, so aligned to serve one or both of the following intermediate locations or vicinities thereof: Fayetteville, Fort Smith, and Texarkana, Arkansas; or Little Rock, Arkansas, or any other route through the State of Arkansas determined feasible by such State and the Secretary.

(7) A route from Interstate Highway 380 from Waterloo, Iowa, via Dubuque, Iowa, to Interstate Highway 90 at Rockford, Illinois; and an extension of Interstate Highway 74 from the Davenport, Iowa-Moline, Illinois, area through Dubuque, Iowa, to Interstate 90 at LaCrosse, Wisconsin.

(8) Extension of Interstate Highway 27 from Lubbock, Texas, or its vicinity in a southerly direction to intersect with Interstate 20 and, proceeding further, to intersect with Interstate 10.

(9) A route from Salina, Kansas, or its vicinity, in a northerly direction to intersect with Interstate 80 in the vicinity of York, Nebraska, and, proceeding further, to Interstate 29 in the vicinity of Watertown, South Dakota.

(10) A route from Wichita, Kansas, or its vicinity to Tucumcari, New Mexico, or its vicinity, so aligned to serve the following intermediate locations or vicinities thereof: Pratt, Kansas; Meade, Kansas; Liberal, Kansas; Guymon, Oklahoma; Stafford, Texas; Dalhart, Texas; and Logan, New Mexico; or any other route through the State of Kansas determined feasible by such State and the Secretary.

INTER-AMERICAN HIGHWAY

SEC. 144. Section 4 of the Federal-Aid Highway Act of 1962 (Public Law 87-866; 76 Stat. 1145) is amended by striking out "$32,000,000" and inserting in lieu thereof "$42,000,000".

DONATIONS

SEC. 145. (a) Chapter 3 of title 23 of the United States Code is amended by adding at the end thereof the following:

"§ 323. Donations

"Nothing in this title, or in any other provision of law, shall be construed to prevent a person whose real property is being acquired in connection with a project under this title, after he has been tendered the full amount of the estimated just compensation as established by an approved appraisal of the fair market value of the subject real property, from making a gift or donation of such property, or any part thereof, or of any of the compensation paid therefor, to a Federal agency, a State or a State agency, or a political subdivision of a State, as said person shall determine."

(b) The analysis of chapter 3 of title 23, United States Code, is amended by adding at the end thereof the following:

"323. Donations.".

HIGH-SPEED TRANSPORTATION DEMONSTRATION

SEC. 146. The Secretary is authorized to undertake a study and demonstration program for high-speed bus service from collection points in the Washington, District of Columbia area to Dulles International Airport, Virginia. Such study and demonstration shall utilize exclusive bus transportation lanes between points of origin and termination of such service, and include, where necessary, the construction of such exclusive bus transportation lanes as well as terminal and parking facilities. Such study and demonstration shall also include the purchase of high-speed buses. As necesary to implement this section, the Secretary shall undertake research into the development of buses designed to maintain high-speed, safe transportation. Not to exceed $10,000,000 of the amount authorized to be apportioned under section 104(b)(6) of title 23, United States Code, for the fiscal year ending June 30, 1975, shall be available to the Secretary to carry out this section and such sum shall be set aside for such purpose prior to the apportionment of such amount for such fiscal year.

RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

SEC. 147. To encourage the development, improvement, and use of public mass transportation systems operating vehicles on highways for transportation of passengers within rural areas, in order to enhance access of rural populations to employment, health care, retail centers, education, and public services, there are authorized to be appropriated $30,000,000 for the two-fiscal-year period ending June 30, 1976, of which $20,000,000 shall be out of the Highway Trust Fund, to the Secretary of Transportation to carry out demonstration projects for public mass transportation on highways in rural areas. Projects eligible for Federal funds under this section shall include highway traffic control devices, the construction of passenger loading areas and facilities, including shelters, fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers, and the purchase of passenger equipment other than rolling stock for fixed rail.

FEDERAL-AID SYSTEMS REALIGNMENT

SEC. 148. (a) Section 103(b) of title 23, United States Code, is renumbered as section 103(b)(1) and a new section 103(b)(2) is added to read as follows:

"(2) After June 30, 1976, the Federal-aid primary system shall consist of an adequate system of connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas. The Federal-aid primary system shall be designated by each State acting through its State highway department and where appropriate, shall be in accordance with the planning process pursuant to section 134 of this title, subject to the approval of the Secretary as provided by subsection (f) of this section."

(b) Section 103(c) of title 23, United States Code, is renumbered as section 103(c)(1) and a new subsection 103(c)(2) is added to read as follows:

"(2) After June 30, 1976, the Federal-aid secondary system shall consist of rural major collector routes. The Federal-aid secondary system shall be designated by each State through its State highway department and appropriate local officials in cooperation with each other, subject to the approval of the Secretary as provided in subsection (f) of this section."

(c) Section 103(d) of title 23, United States Code, is renumbered as section 103(d)(1) and a new subsection 103(d)(2) is added to read as follows:

"(2) After June 30, 1976, the Federal-aid urban system shall be located in each urbanized area and such other urban areas as the State highway departments may designate and shall consist of arterial routes and collector routes, exclusive of urban extensions of the Federal-aid primary system. The routes on the Federal-aid urban system shall be designated by appropriate local officials, with the concurrence of the State highway departments, subject to the approval of the Secretary as provided in subsection (f) of this section, and in the case of urbanized areas shall also be in accoradnce with the planning process required pursuant to the provisions of section 134 of this title."

(d) Federal-aid systems realignment shall be based upon anticipated functional usage in the year 1980 or a planned connected system.

(e) In addition to the foregoing amendments, the second sentence of section 103(c)(1) of title 23, United States Code, is amended to insert, after the words "local rural roads," the phrase, "access roads to airports,".

TOLL ROAD REIMBURSEMENT PROGRAM

SEC. 149. (a) Whenever the State of Louisiana has received its final apportionment of sums authorized to be appropriated for expenditure on the Interstate System, or on or after July 1, 1977, whichever first occurs, the Secretary shall, notwithstanding the provisions of subsection (b) of section 129 of title 23 of the United States Code, reimburse the Federal share of the actual cost of construction of new toll highways or improvements to existing toll highways in that State, construction of which highways or improvement is begun after July 1, 1973, but not including the cost of toll collection and service facilities, on the same basis and in the same manner as in the construction of free highways under chapter 1 of title 23 of the United States Code upon compliance with the conditions contained in this section.

(b) The Secretary shall reimburse the Federal share of the costs of construction as applicable to a project under section 120(a) of title 23 of the United States Code from funds apportioned to such State pursuant to paragraph (1) of subsection (b) of section 104 of title 23 of the United States Code whenever the State enters into an agreement with the Secretary whereby it undertakes performance of the following obligations:

(1) to provide for the construction of such highway in accordance with standards approved by the Secretary;

(2) all tolls received from the operation of such highway, less the actual cost of such operation and maintenance, shall be applied by the State to the repayment of the actual costs of construction, except for an amount equal to the Federal share payable of such actual costs of a project; and

(3) no tolls shall be charged for the use of such highway after the Federal share has been paid and the highway shall be maintained and operated as a free highway.

Upon the enactment of this section the Secretary shall, at the request of the State of Louisiana, enter into an agreement with that State if such agreement meets the requirements of this subsection. Reimbursements shall not be made until after the State receives its final apportionment of sums authorized to be appropriated for expenditure on the Interstate System or July 1, 1977, whichever first occurs.

(c) Such highway shall be designated as a part of the Federal-aid primary system, other than the Interstate System, before the pay-

ment of any Federal funds under this section, notwithstanding the mileage limitations in subsection (b) of section 103 of title 23 of the United States Code.

(d) The Federal share payable of such actual cost of the project shall be made in not more than fifteen equal annual installments, from the funds apportioned to the State pursuant to paragraph (1) of subsection (b) of section 104 of title 23 of the United States Code, with the first installment being made either (1) one year after the project agreement has ben entered into between the Secretary and the State highway department or (2) either one year after the State receives its final apportionment of sums authorized to be appropriated for expenditure, on the Interstate System, or July 1, 1977, whichever first occurs, whichever of such clause (1) or (2) is last to occur. Such payment shall be applied against the outstanding obligations of the project.

PARKWAYS

SEC. 150. (a) Subsection (a) of section 207 of title 23, United States Code, is amended to read as follows:

"(a) Funds available for parkways shall be used to pay for the cost of construction and improvement thereof, including the acquisition of rights-of-way and related scenic easements."

(b) Section 207 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Any parkway project on a Federal-aid system shall be subject to all of the requirements of this title and of any other law applicable to highways on such system."

RESEARCH AND PLANNING

SEC. 151. Subsection (c)(1) of section 307 of title 23, United States Code, is amended to read as follows:

"(c)(1) Not to exceed 1½ per centum of the sums apportioned for each fiscal year beginning with fiscal year 1974 to any State under section 104 of this title shall be available for expenditure upon request of the State highway department, with the approval of the Secretary, with or without State funds, for engineering and economic surveys and investigations: for the planning of future highway programs and local public transportation systems and for planning for the financing thereof; for studies of the economy, safety, and convenience of highway usage and the desirable regulation and equitable taxation thereof; and for research and development, necessary in connection with the planning, design, construction, and maintenance of highways and highway systems, and the regulation and taxation of their use."

TECHNICAL AMENDMENTS

SEC. 152. Title 23. United States Code, is amended as follows:

(1) Section 101(a) is amended by striking out "Secretary of Commerce" and inserting in lieu thereof "Secretary of Transportation".

(2) Section 109(g) is amended by striking out "Rct" and inserting in lieu thereof "Act".

(3) Sections 126(a) and 310 are amended by striking out "Commerce" each place it appears and inserting in lieu thereof "Transportation".

(4) The heading of section 303 is amended to read:

"Administration organization."

(5) Sections 308(b), 309, 312, and 314 are amended by striking out "Bureau of Public Roads" each place it appears and inserting in lieu thereof "Federal Highway Administration".

(6) Sections 312 and 314 are amended by striking out "Commerce" each place it appears and inserting in lieu thereof "Transportation".

INCREASED FEDERAL SHARE—EFFECTIVE DATE

SEC. 153. Subsection (b) of section 108 of the Federal-Aid Highway Act of 1970 is amended to read as follows:

"(b) The amendments made by subsection (a) of this section shall take effect with respect to all obligations incurred after June 30, 1973."

TERMINATION OF FEDERAL-AID RELATIONSHIP

SEC. 154. (a) Notwithstanding any other provisions of Federal law or any court decision to the contrary, the contractual relationship between the Federal and State Governments shall be ended with respect to all portions of the San Antonio North Expressway between Interstate Highway 35 and Interstate Loop 410, and the expressway shall cease to be a Federal-aid project.

(b) The amount of all Federal-aid highway funds paid on account of sections of the San Antonio North Expressway in Baxer County, Texas (Federal-aid projects numbered U 244(7), U 244(10), UG 244(9), U 244(8), and U 244(11)), shall be repaid to the Treasurer of the United States and the amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment the Federal-aid projects with respect to which funds have been repaid and any other Federal-aid projects located on such expressway and programed for expenditure on such project, if any, shall be canceled and withdrawn from the Federal-aid highway program. Any amount so repaid, together with the unpaid balance of any amount programed for expenditure on any such project shall be credited to the unprogramed balance of Federal-aid highway funds of the same class last apportioned to the States, respectively. The amount so credited shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended.

HIGHWAY LITTER STUDY

SEC. 155. (a) The Secretary is directed to undertake a study of litter accumulation within the rights-of-way of the Federal-aid highway systems and recommend improved procedures to be used by the several States to prevent and clean up such highway litter on a regular basis. The Secretary shall report his findings and recommendations to the Congress by June 30, 1974.

(b) For the purposes of this section, the term "litter" means beverage and food containers, food wastes, paper products, smoking materials or packaging, and any other materials which the Secretary finds are commonly used and discarded by the traveling public and which, when discarded along highway rights-of-way, cause an unsightly appearance, a danger to public health or safety, or an unreasonable expenditure of public funds.

(c) Funds authorized to carry out section 307 of title 23, United States Code, are authorized to be used to carry out the investigation and study required by this section.

BRIDGE APPROACH STANDARDS

SEC. 156. Section 109 of title 23, United States Code, is amended by adding at the end thereof the following subsection:

"(k) The Secretary shall not approve any project involving approaches to a bridge under this title, if such project and bridge will significantly affect the traffic volume and the highway system of a contiguous State without first taking into full consideration the views of that State."

ALLOCATION OF URBAN SYSTEM FUNDS

SEC. 157. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 150. Allocation of urban system funds

"The funds apportioned to any State under paragraph (6) of subsection (b) of section 104 of this title that are attributable to urbanized areas of 200,000 population or more shall be made available for expenditure in such urbanized areas for projects in programs approved under subsection (d) of section 105 of this title in accordance with a fair and equitable formula developed by the State which formula has been approved by the Secretary. Such formula shall provide for fair and equitable treatment of incorporated municipalities of 200,000 or more population. Whenever such a formula has not been developed and approved for a State, the funds apportioned to any State under paragraph (6) of subsection (b) of section 104 of this title which are attributable to urbanized areas having a population of 200,000 or more shall be allocated among such urbanized areas within such State for projects in programs approved under subsection (d) of section 105 of this title in the ratio that the population within each such urbanized area bears to the population of all such urbanized areas, or parts thereof, within such State. In the expenditure of funds allocated under the preceding sentence, fair and equitable treatment shall be accorded incorporated municipalities of 200,000 or more population."

(b) The table of contents of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"150. Allocation of urban system funds".

FRANCONIA NOTCH, NEW HAMPSHIRE

SEC. 158. Notwithstanding section 109(b) of title 23 of the United States Code, the Secretary of Transportation is authorized, upon application of the Governor of the State, to approve construction of that section of Interstate Route 93 from B20.6 an interchange with State route 3A in North Woodstock, New Hampshire, to B22.1 an interchange with U.S. Route 3 in Franconia, New Hampshire, approximately twelve miles in length, as a parkway type of highway to geometric and construction standards (whether or not in accordance with section 109(b)) which the Secretary determines are necessary for the safety of the traveling public, for the protection of the environment, and for the preservation of the park-like and historic character of the Franconia Notch area adjacent to the highway. The State of New Hampshire, with the concurrence of the Secretary, is authorized to permit the use of the above section of highway to specified types of vehicles during specified times of the day and of the year.

DWIGHT D. EISENHOWER HIGHWAY

SEC. 159. (a) The following segments of the National System of Interstate and Defense Highways which form a continuous interstate highway link from coast to coast are hereby designated as the "Dwight D. Eisenhower Highway":

(1) Interstate Route 70 between Washington, District of Columbia, and Denver, Colorado;

(2) Interstate Route 25 between Denver, Colorado, and Cheyenne, Wyoming; and

(3) Interstate Route 80 between Cheyenne, Wyoming, and San Francisco, California.

(b) Any law, regulation, map, document, record, or other paper of the United States in which such segments are designated or referred to shall be held to designate or refer to such segments as the "Dwight D. Eisenhower Highway."

CUMBERLAND GAP NATIONAL HISTORICAL PARK

SEC. 160. (a) Notwithstanding the definition of parkways in subsection (a) of section 101, funds available for parkways shall be available to finance the cost of reconstruction and relocation of Route 25E through the Cumberland Gap National Historical Park, including construction of a tunnel and the approaches thereto, so as to permit restoration of the Gap and provide adequate traffic capacity.

(b) Upon construction, such highway and

tunnel and all associated lands and rights-of-way shall be transferred to the National Park Service and managed as part of the Cumberland Gap National Historical Park.

HIGHLAND SCENIC HIGHWAY

SEC. 161. (a) The Secretary of Agriculture (acting through the Forest Service) is authorized to develop and construct as a parkway the Highland Scenic Highway from West Virginia State Route 39 to U.S. 250 near Barton Knob. Notwithstanding subsection (c) of section 103 of title 23, United States Code, such parkway shall be a route on the Federal-aid secondary system.

(b) The route from Richwood, West Virginia, to U.S. 250 near Barton Knob, via West Virginia State Route 39 and the parkway authorized by subsection (a) of this section shall be designated as the Highland Scenic Highway.

(c) The Secretary of Agriculture is authorized to acquire rights-of-way, land containing such rights-of-way, and interests in land, including scenic easements and mineral rights, necessary to carry out the purpose of a scenic highway. In addition to the acquisition of such lands and interests in lands, funds available for parkways shall be available for the reclamation of lands within the scenic corridor of the Highland Scenic Highway.

(d) Funds available for highways shall be available for signs on Interstate highways, Appalachian highways and other appropriate highways at natural points of access to such geographic area, indicating the direction and distance to the Highland Scenic Highway and to Richwood as "Gateway to the Highland Scenic Highway".

(e) Funds available for parkways shall be available for upgrading that portion of West Virginia State Route 39 designated as the Highland Scenic Highway to appropriate standards for a scenic and recreational highway, including the construction of vistas and other scenic improvements.

(f) The Highland Scienic Highway as authorized by subsection (a) of this section and all associated lands and rights-of-way shall be managed as part of the Monongahela National Forest, solely for scenic and recreational use and passenger car travel.

(g) The Highland Scenic Highway as authorized by subsection (a) of this section shall be designed and constructed in accordance with standards appropriate for a scenic highway, providing for moderate speeds and minimizing modification to topographic contours and natural drainage.

(h) Construction of the position of the Highland Scenic Highway as authorized by subsection (a) of this section which is proposed to be constructed through the upper Shavers Fork watershed shall not be initiated until—

(1) the Forest Service has acquired sufficient lands and interests in land (including mineral rights) in such watershed to assure an adequate scenic corridor for the Highland Scenic Highway and the control of water quality in Shavers Fork; and

(2) the completion of a geological and soil survey of any proposed route, conducted in cooperation with the Division of Water Resources of the West Virginia Department of Natural Resources.

(i) Any parkway authorized in the future to proceed southward in such area shall begin in the immediate vicinity of Richwood, West Virginia.

(j) Any connection of the Highland Scenic Highway as authorized by subsection (a) of this section with Corridor H of the Appalachian Development Highway System or any more northerly segment of the Highland Scenic Highway shall utilize existing routes and not involve construction through the Monongahela National Forest between U.S. 250 and Cunningham Knob.

PROHIBITION OF DISCRIMINATION ON THE BASIS OF SEX

SEC. 162. (a) Chapter 3 of title 23, United States Code is amended by adding at the end thereof the following new section:

"§ 324. Prohibition of discrimination on the basis of sex

"No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity received Federal assistance under this title or carried on under this title. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee."

(b) The analysis of chapter 3, title 23, United States Code, is amended by adding at the end thereof the following:

"324. Prohibition of discrimination on the basis of sex.".

DEMONSTRATION PROJECT—RAILROAD-HIGHWAY CROSSINGS

SEC. 163. (a) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out demonstration projects in Lincoln, Nebraska, Wheeling, West Virginia, and Elko, Nevada, for the relocation of railroad lines from the central area of the cities in conformance with the methodology developed under proposals submitted to the Secretary by the respective cities. The cities shall (1) have a local agency with legal authority to relocate railroad facilities, levy taxes for such purpose, and a record of prior accomplishment; and (2) have a current relocation plan for such lines which has a favorable benefit-cost ratio involving and having the unanimous approval of three or more class I railroads in Lincoln, Nebraska, and the two class I railroads in Wheeling, West Virginia, and Elko, Nevada, and multicivic, local, and State agencies, and which provides for the elimination of a substantial number of the existing railway-road conflict points within the city.

(b) The Secretary of Transportation shall carry out a demonstration project for the elimination or protection of certain public ground-level rail-highway crossings in, or in the vicinity of Springfield, Illinois.

(c) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out demonstration projects in Brownsville, Texas, and Matamoros, Mexico, for the relocation of railroad lines from the central area of the cities in conformance with the methodology developed under proposals submitted to the Secretary by the Brownsville Navigation District, providing for the construction of an international bridge and for the elimination of a substantial number of existing railway-road conflict points within the cities.

(d) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in East Saint Louis, Illinois, for the relocation of rail lines between Thirteenth and Forty-third Streets, in accordance with methodology approved by the Secretary. The Secretary of Transportation shall carry out a demonstration project for the relocation of rail lines in the vicinity of Carbondale, Illinois.

(e) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in New Albany, Indiana, for the elimination of the existing rail loop and relocation of rail lines to a location between Vincennes Street and East Eighth Street, in accordance with methodology approved by the Secretary.

(f) The Secretary of Transportation shall carry out demonstration projects for the construction of an overpass at the rail-highway grade crossing on Cottage Grove Avenue between One Hundred Forty-second Street and One Hundred Thirty-eighth Street in the village of Dolton, Illinois, and the construction of an overpass at the rail-highway grade crossing at Vermont Street and the Rock Island Railroad tracks in the city of Blue Island, Illinois.

(g) The Secretary of Transportation shall carry out a demonstration project for the elimination of the ground level railroad highway crossing on United States Route 69 in Greenville, Texas.

(h) The Secretary of Transportation shall carry out a demonstration project in Anoka, Minnesota, for the construction of an underpass at the Seventh Avenue and County Road 7 railroad-highway grade crossing.

(i) The Federal share payable on account of such projects shall be that provided in section 120 of this title.

(j) The Secretary shall make annual reports and a final report to the President and the Congress with respect to his activities pursuant to this section.

(k) There is authorized to be appropriated to carry out this section (other than subsection (1)) not to exceed $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976, except that two-thirds of all funds authorized and expended under authority of this section in any fiscal year shall be appropriated out of the Highway Trust fund.

(l) The Secretary, in cooperation with State highway departments and local officials, shall conduct a full and complete investigation and study of the problem of providing increased highway safety by the relocation of railroad lines from the central area of cities on a nationwide basis, and report to the Congress his recommendations resulting from such investigation and study not later than July 1, 1975, including an estimate of the cost of such a program. Funds authorized to carry out section 307 of title 23, United States Code, are authorized to be used to carry out the investigation and study required by this subsection.

FINANCIAL ASSISTANCE AGREEMENTS

SEC. 164. (a) No Federal financial assistance shall be provided under (1) subsection (a) or (c) of section 142, title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) the Urban Mass Transportation Act of 1964, for the purchase of buses to any applicant for such assistance unless such applicant and the Secretary of Transportation shall have first entered into an agreement that such applicant will not engage in charter bus operations in competition with private bus operators outside of the area within which such applicant provides reguarly scheduled mass transportation service. A violation of such agreement shall bar such applicant from receiving any other Federal financial assistance under those provisions of law referred to in clauses (1), (2), and (3) of this subsection.

(b) No Federal financial assistance shall be provided under (1) subsection (a) or (c) of section 142, title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) the Urban Mass Transportation Act of 1934, for the purchase of buses to any applicant for such assistance unless such applicant and the Secretary of Transportation shall have first entered into an agreement that such applicant will not engage in school bus operations, exclusively for the transportation of students and school personnel, in competition with private school bus operators. This subsection shall not apply to an applicant with respect to operation of a

school bus program if the applicant operates a school system in the area to be served and operates a separate and exclusive school bus program for this school system. This subsection shall not apply unless private school bus operators are able to provide adequate transportation, at reasonable rates, and in conformance with applicable safety standards, and this subsection shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting school children and personnel along with facilities to be used therefor) was so engaged in school bus operations any time during the twelve-month period immediately prior to the date of the enactment of this subsection. A violation of a agreement under this subsection shall bar such applicant from receiving any other Federal financial assistance under those provisions of law referred to in clauses (1), (2), and (3) of this subsection.

BUS AND OTHER PROJECT STANDARDS

SEC. 165. (a) The Secretary of Transportation shall require that buses acquired with Federal financial assistance under (1) subsection (a) or (c) of section 142 of title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) section 147 of the Federal-aid Highway Act of 1973 meet the standards prescribed by the Administrator of the Environmental Protection Agency under section 202 of the Clean Air Act, and under section 6 of the Noise Control Act of 1972, and shall authorize the acquisition, wherever practicable, of buses which meet the special criteria for low-emission vehicles set forth in section 212 of the Clean Air Act, and for low-noise-emission products set forth in section 15 of the Noise Control Act of 1972.

(b) The Secretary of Transportation shall assure that projects receiving Federal financial assistance under (1) subsection (a) or (c) of section 142 of title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) section 147 of the Federal-aid Highway Act of 1973 shall be planned and designed so that mass transportation facilities and services can effectively be utilized by elderly and handicapped persons who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability are unable without special facilities or special planning or design to utilize such facilities and services as effectively as persons not so affected.

TITLE II

SHORT TITLE

SEC. 201. This title may be cited as the "Highway Safety Act of 1973".

HIGHWAY SAFETY

SEC. 202. The following sums are hereby authorized to be appropriated:

(1) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $100,000,000 for the fiscal year ending June 30, 1974, $125,000,000 for the fiscal year ending June 30, 1975, and $150,000,000 for the fiscal year ending June 30, 1976.

(2) For carrying out section 403 of title 23, United States Code (relating to highway safety research and development), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $42,500,000 for the fiscal year ending June 30, 1974, $55,000,000 for the fiscal year ending June 30, 1975, and $65,000,000 for the fiscal year ending June 30, 1976.

(3) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the Federal Highway Administration, out of the Highway Trust Fund $25,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $35,000,000 for the fiscal year ending June 30, 1976.

(4) For carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, out of the Highway Trust Fund, for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, not to exceed $10,000,000 per fiscal year.

RAIL-HIGHWAY CROSSINGS

SEC. 203. (a) Each State shall conduct and systematically maintain a survey of all highways to identify those railroad crossings which may require separation, relocation, or protective devices, and establish and implement a schedule of projects for this purpose. At a minimum, such a schedule shall provide signs for all railroad-highway crossings.

(b) In addition to funds which may be otherwise available to carry out section 130 of title 23, United States Code, there is authorized to be appropriated out of the Highway Trust Fund for projects for the elimination of hazards of railway-highway crossings $25,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976. At least half of the funds authorized and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

(c) Funds authorized by this section shall be available solely for expenditure for projects on any Feredal-aid system (other than the Interstate System).

(d) 50 percent of the funds made available in accordance with subsection (c) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a)(1) of section 104 of the Federal-Aid Highway Act of 1973 and 50 percent of the funds made available in accordance with subsection (c) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a) (2) of section 104 of the Federal-Aid Highway Act of 1973. The Federal share payable on account of any such project shall be 90 per centum of the cost thereof.

(e) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made to implement the railroad-highway crossings program authorized by this section and the effectiveness of such improvements. Each State report shall contain an assessment of the costs of the various treatments employed and subsequent accident experience at improved locations. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1, of each year thereafter, on the progress being made by the States in implementing projects to improve railroad-highway crossings. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, nature of treatment, and subsequent accident, experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any State found not to be in compliance with the schedule of improvements required by subsection (a), and include recommendations for future implementation of the railroad-highway crossings program.

(f) Funds authorized by this section may be used to provide local government with funds to be used on a matching basis when State funds are available which may only be spent when local government produces matching funds for the improvement of railroad crossings.

BRIDGE RECONSTRUCTION AND REPLACEMENT

SEC. 204. (a) Subsection (e) of section 144 of title 23, United States Code, is amended by striking out "1972; and" and inserting in lieu thereof "1972,"; by inserting immediately after "1973," the following: "$25,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976.".

(b) Subsection (f) of section 144 of title 23, United States Code, is relettered as subsection (g) (including references thereto); and immediately after subsection (e) the following new subsection (f) is inserted:

"(f) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system."

(c) Existing subsection (g) of section 144 of title 23, United States Code, is relettered as subsection (h) (including references thereto).

PAVEMENT MARKING DEMONSTRATION PROGRAM

SEC. 205. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 151. Pavement marking demonstration program

"(a) Congress hereby finds and declares it to be in the vital interest of the Nation that a pavement marking demonstration program be established to enable the several States to improve the pavement marking of all highways to provide for greater vehicle and pedestrian safety.

"(b) Notwithstanding the provisions of the last sentence of subsection (a) of section 105 of this title, the Secretary may approve under this section such pavement marking projects on any highway whether or not on any Federal-aid system, but not included in the Interstate System, as he may find necessary to bring such highway to the pavement marking standards issued or endorsed by the Federal Highway Administrator.

"(c) In approving projects under this section, the Secretary shall give priority to those propects which are located in rural areas and which are either on the Federal-aid secondary system or are not included on any Federal-aid system.

"(d) The entire cost of projects approved under subsections (b) and (f) of this section shall be paid from sums authorized to carry out this section.

"(e) For the purpose of carrying out the provisions of this section by the Federal Highway Administration, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1974, $25,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, out of the Highway Trust Fund, the sum of $75,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(f) Funds not required for pavement-marking projects authorized by this section may be released by the Secretary for expenditure for projects to eliminate or reduce the hazards to safety at specific locations or sections of highways which are not located on any Federal-aid system and which have high accident experiences or high accident potentials. Funds may be released by the Secretary under this subsection only if the Secretary has received satisfactory assurance from the State highway department that all nonurban area highways within the State are marked in accordance with the pavement-marking standards issued or endorsed by the Federal

Highway Administrator for carrying out this program.

"(g) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made in implementing the program and the effectiveness of the improvements made under it. Each report shall include an analysis and evaluation of the number, rate, and severity of accidents at improved locations and the cost-benefit ratio of such improvements, comparing an adequate time period before and after treatment in order to properly assess the benefits occurring from such pavement markings. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1 of each year thereafter, on the progress being made in implementing the program and the safety benefits achieved under it."

(b) The analysis of chapter 1 of title 23, United States Code is amended by adding at the end thereof the following:

"151. Pavement marking demonstration program.".

PAVEMENT MARKING RESEARCH AND DEMONSTRATION PROGRAMS

SEC. 206. (a) In addition to the research authorized by section 307(a) of title 23, United States Code, the Secretary of Transportation is authorized to conduct research and demonstration programs to improve the effectiveness and durability of various types of pavement markings and related delineators, to develop improved equipment and techniques for applying, erecting, and maintaining such markings and delineators, and to develop new traffic control materials, devices, and related delineators to assist the traveling public during adverse weather and nighttime driving conditions.

(b) There is authorized to be appropriated to carry out this section by the Federal Highway Administration, out of the Highway Trust Fund, $10,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

HIGHWAY SAFETY ON INDIAN RESERVATIONS

SEC. 207. Section 402 of title 23 of the United States Code is amended by adding a new subsection (i) as follows:

"(i) For the purpose of the application of this section on Indian reservations, 'State' and 'Governor of a State' includes the Secretary of the Interior and political subdivision of a 'State' includes an Indian tribe: *Provided*, That, notwithstanding the provisions of subparagraph (C) of subsection (b)(1) hereof, 95 per centum of the funds apportioned to the Secretary of the Interior after date of enactment, shall be expended by Indian tribes to carry out highway safety programs within their jurisdictions: *And provided further*, That the provisions of subparagraph (E) of subsection (b)(1) hereof shall be applicable except in those tribal jurisdictions in which the Secretary determines such programs would not be practicable."

(b) Subsection (d) of section 402 of title 23, United States Code, is amended by inserting before the period at the end of the first sentence thereof the following: "and except that, in the case of a local highway safety program carried out by an Indian tribe, if the Secretary is satisfied that an Indian tribe does not have sufficient funds available to meet the non-Federal share of the cost of such program, he may increase the Federal share of the cost thereof payable under this Act to the extent necessary."

DRUG USE AND DRIVER BEHAVIOR HIGHWAY SAFETY RESEARCH

SEC. 208. (a) Section 403 of title 23, United State Code, is amended by inserting "(a)" immediately before the first sentence thereof, and by striking out "this section" each place it appears and inserting in lieu thereof "this subsection", and by adding at the end thereof the following new subsections:

"(b) In addition to the research authorized by subsection (a) of this section, the Secretary, in consultation with such other Government and private agencies as may be necessary, is authorized to carry out safety research on the following:

"(1) The relationship between the consumption and use of drugs and their effect upon highway safety and drivers of motor vehicles; and

"(2) Driver behavior research, including the characteristics of driver performance, the relationships of mental and physical abilities or disabilities to the driving task, and the relationship of frequency of driver accident involvement to highway safety.

"(c) The research authorized by subsection (b) of this section may be conducted by the Secretary through grants and contracts with public and private agencies, institutions, and individuals."

(b) There is authorized to be appropriated to carry out the amendments made by this section by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, the sum of $10,000,000 per fiscal year for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976.

PROJECTS FOR HIGH-HAZARD LOCATIONS

SEC. 209. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 152. Projects for high-hazard locations

"(a) Each State shall conduct and systemically maintain an engineering survey of all highways to identify high-hazard locations which may constitute a danger to vehicles and to pedestrians, assign priorities for the correction of such locations, and establish and implement a schedule of projects for their improvement.

"(b) For projects to eliminate or reduce the hazards at specific locations or sections of highways which have high accident experiences or high accident potentials, by the Federal Highway Administration, there is hereby authorized to be appropriated, out of the Highway Trust Fund, for the fiscal year ending June 30, 1974, $50,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, the sum of $75,000,000 shall be appropriated out of the Highway Trust Fund. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa.

"(d) Funds made available in accordance with subsection (b) shall be apportioned to the States in the same manner as is provided in section 402(c) of this title, and the Federal share payable on account of any such project shall be 90 per centum of the cost thereof.

"(e) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year threafter, on the progress being made to implement projects for high-hazard locations and the effectiveness of such improvements. Each State report shall contain an assessment of the cost of, and safety benefits derived from, the various means and methods used to mitigate or eliminate hazards and the previous and subsequent accident experience at these locations. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1 of each year thereafter, on the progress being made by the States in implementing projects for improvements at high-hazard locations. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, means and methods used, and the previous and subsequent accident experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any State found not to be in compliance with the schedule of improvements required by subsection (a) and include recommendations for ftuure implementation of the spot improvements program."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"152. Projects for high-hazard locations.".

PROGRAM FOR THE ELIMINATION OF ROADSIDE OBSTACLES

SEC. 210. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 153. Program for the elimination of roadside obstacles

"(a) Each State shall conduct and systematically maintain an engineering survey of all highways to identify roadside obstacles which may constitute a hazard to vehicles and to pedestrians, assign priorities for the correction of such obstacles and establish and implement a schedule of projects for their elimination. Such a schedule shall provide for the replacement, to the extent necessary, of existing sign and light supports which are not designed to yield or break away upon impact. Yielding or breakaway sign and light supports shall be used, where appropriate, on all new construction or reconstruction of highways.

"(b) For projects to correct roadside hazards by the Federal Highway Administration, there is hereby authorized to be appropriated, out of the Highway Trust Fund, for the fiscal year ending June 30, 1974, $25,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, the sum of $75,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa.

"(d) Funds made available in accordance with subsection (c) shall be apportioned to the States in the same manner as it provided in section 402(c) of this title, and the Federal share payable on account of any such project shall be 90 per centum of the cost thereof.

"(e) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made in implementing the program for the removal of roadside obstacles and the effectiveness of such improvements. Each report shall contain an asssessment of the costs and safety benefits of the various means and methods used to mitigate or eliminate roadside obstacles. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1 of each year thereafter, on the progress being made by the States in eliminating roadside obstacles and the effectiveness of the improvements made under this program. The Secretary's report shall include, but not be limited to, an analysis and evaluation of each State program, identification of any State found not to be in compliance with the schedule of improvements required by subsection (a) and shall include recommendations for future implementation of the roadside obstacle removal program. In addition, to assess the safety benefits of varying roadside obstacle treat-

ments, the report shall contain an assessment of the costs and safety benefits of the various means and methods used to mitigate or eliminate roadside obstacles."

(b) The analysis of chapter 1 of title 23, United States Code is amended by adding at the end thereof the following:

"153. Program for the elimination of roadside obstacles.".

HIGHWAY SAFETY EDUCATIONAL PROGRAMING AND STUDY

SEC. 211. (a) The Secretary of Transportation, in cooperation with interested government and nongovernment authorities, agencies, organizations, institutions, businesses, and individuals, shall conduct a full and complete investigation and study of the use of mass media for informing and educating the public of ways and means for reducing the number and severity of highway accidents. Such a study shall include, but not be limited to, ways and means for encouraging the participation and cooperation of television and radio station licensees, for measuring audience reactions to current educational programs, for evaluating the effectiveness of such programs, and for developing new programs for the promotion of highway safety. The Secretary shall report to the Congress his findings and recommendations by June 30, 1974.

(b) For the purpose of carrying out subsection (a) of this section, there is hereby authorized to be appropriated the sum of $1,000,000 out of the Highway Trust Fund.

(c) The Secretary of Transportation, in consultation with State and local highway safety officials, shall develop a series of highway safety television programs of varying length, up to and including five minutes, for use in accordance with the provisions of the Communications Act of 1934. At least 50 per centum of the funds authorized and expended under subsection (d) of this section shall be allocated to the States at the discretion of the Secretary for approved programing projects. To the maximum extent feasible, the services of private individuals shall be utilized in carrying out this subsection.

(d) For the purpose of carrying out subsection (c) of this section, there is hereby authorized to be appropriated the sum of $4,000,000 out of the Highway Trust Fund.

CITIZEN PARTICIPATION STUDY

SEC. 212. (a) The Secretary of Transportation, in cooperation with State and local highway safety authorities, shall conduct a full and complete investigation and study of ways and means for encouraging greater citizen participation and involvement in highway safety programs, with particular emphasis on traffic enforcement and accident detection, response, and reporting, including, but not limited to, the creation of citizen adjuncts to assist professional traffic enforcement agencies and highway rescue agencies in the performance of their duties. The Secretary shall report to the Congress his findings and recommendations by June 30, 1974.

(b) For the purposes of carrying out this section, there is authorized to be appropriated the sum of $1,000,000 out of the Highway Trust Fund.

FEASIBILITY STUDY—NATIONAL CENTER FOR STATISTICAL ANALYSIS OF HIGHWAY OPERATIONS

SEC. 213. (a) The Secretary of Transportation shall make a study of the feasibility of establishing a National Center for Statistical Analysis of Highway Operations designed to acquire, store, and retrieve highway accident data and standardize the information and procedures for reporting accidents on a nationwide basis. Such study should include, but not be limited to, an estimate of the cost of establishing and maintaining such a center, including the means of acquiring the accident information to be stored therein, the methods to be used for its evaluation and the criteria needed to assure its proper utilization by appropriate public and private agencies and groups. The Secretary shall report to the Congress his findings and recommendations not later than January 1, 1975.

(b) For the purpose of carrying out this section, there is authorized to be appropriated the sum of $5,000,000 out of the Highway Trust Fund.

PEDESTRIAN AND BICYCLE SAFETY STUDY

SEC. 214. (a) The Secretary of Transportation shall make a full and complete investigation and study of pedestrian and bicycle safety. Such an investigation and study shall include, but not be limited to, the following:

(1) A review and evaluation of State and local ordinances, regulations, and laws and the enforcement policies, procedures, methods, practices, and capabilities for enforcing them.

(2) The relationship between alcohol and pedestrian and bicycle safety, with special emphasis on problem drinkers, both drivers and pedestrians.

(3) An evaluation of way and means of improving pedestrian and bicycle safety programs.

(4) An analysis of present funding allocations for pedestrian and bicycle safety programs and an assessment of the capabilities of Federal, State, and local governments to fund such activities and programs.

In the conduct of such investigation and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the States, and their political subdivisions, and other interested private organizations, groups, and individuals.

(b) The Secretary shall, not later than January 31, 1975, report to the Congress the results of this investigation and study together with his conclusions and recommendations for appropriate legislation.

(c) There is hereby authorized not to exceed $5,000,000 from the Highway Trust Fund to carry out this section.

MANPOWER TRAINING AND DEMONSTRATION PROGRAMS

SEC. 215. (a) The first sentence of subsection (c) of section 402 of title 23, United States Code, is amended by inserting immediately after "approved in accordance with subsection (a)," the following: "including development and implementation of manpower training programs, and of demonstration programs that the Secretary determines will contribute directly to the reduction of accidents, and deaths and injuries resulting therefrom. Such funds".

PUBLIC ROAD MILEAGE

SEC. 216. Subsection (c) of section 402 of title 23, United States Code, is amended by inserting immediately after the third sentence the following: "Public road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary."

MINIMUM APPORTIONMENT

SEC. 217. Subsection (c) of section 402 of title 23, United States Code, is amended by striking "one-third of 1 per centum" in the fifth sentence thereof, and inserting "one-half of 1 percentum".

HIGHWAY SAFETY PROGRAM APPLICABILITY

SEC. 218. Section 401, title 23, United States Code, is amended by adding at the end thereof the following: "For the purposes of this chapter, the term 'State' means any one of the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa, except that all expenditures for carrying out this chapter in the Virgin Islands, Guam, and American Samoa shall be paid out of money in the Treasury not otherwise appropriated."

INCENTIVES FOR COMPLIANCE WITH HIGHWAY SAFETY PROGRAMS

SEC. 219. Section 402 of title 23, United States Code, is amended by adding the following new subsection:

"(j)(1) In addition to other grants authorized by this section, the Secretary may make incentive grants in each fiscal year to those States which have adopted legislation requiring the use of seatbelts in accordance with criteria which the Secretary shall establish and publish. Such grants may only be used by recipient States to further the purposes of this chapter. Such grants shall be in addition to other funds authorized by this section. There is hereby authorized to be appropriated to carry out this paragraph, out of the Highway Trust Fund, not to exceed $25,000,000 for the fiscal year ending June 30, 1974, not to exceed $32,000,000 for the fiscal year ending June 30, 1975, and not to exceed $37,500,000 for the fiscal year ending June 30, 1976.

"(2) In addition to other grants authorized by this section, the Secretary may make additional incentive grants to those States which have made the most significant progress in reducing traffic fatalities based on the reduction in the rate of such fatalities per one hundred million-vehicle miles during the calendar year immediately preceding the fiscal year for which such incentive funds are authorized compared with the average annual rate of such fatalities for the four calendar year period preceding such calendar year. Such incentive grants shall be made in accordance with criteria which the Secretary shall establish and publish. Such grants may only be used by recipient States to further the purposes of this chapter. Such grants shall be in addition to other funds authorized by this section. There is hereby authorized to be appropriated to carry out this paragraph, out of the Highway Trust Fund, not to exceed $12,500,000 for the fiscal year ending June 30, 1974, not to exceed $16,000,000 for the fiscal year ending June 30, 1975, and not to exceed $19,000,000 for the fiscal year ending June 30, 1976.

"(3) Incentive awards authorized by this section shall not exceed 25 per centum of each State's apportionment as authorized by this chapter."

HIGHWAY SAFETY RESEARCH AND DEVELOPMENT

SEC. 220. The second sentence of subsection (a) of section 403 of title 23, United States Code, is amended to read as follows: "In addition, the Secretary may use the funds appropriated to carry out this section, either independently or in cooperation with other Federal departments or agencies, for making grants to or contracting with State or local agencies, institutions, and individuals for (1) training or education of highway safety personnel, (2) research fellowships in highway safety, (3) development of improved accident investigation procedures, (4) emergency service plans, (5) demonstration projects, and (6) related activities which the Secretary deems will promote the purposes of this section. The Secretary shall assure that no fees are charged for any meetings or services attendant thereto or other activities relating to training and education of highway safety personnel."

TRANSFER OF DEMONSTRATION PROJECT EQUIPMENT

SEC. 221. Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Secretary may, where he deems it to be in furtherance of the purposes of section 402 of this title, vest in State or local agencies, on such terms and conditions as he deems appropriate, title to equipment purchased for demonstration projects with funds authorized by this section."

ADMINISTRATIVE ADJUDICATION OF TRAFFIC INFRACTIONS

SEC. 222. Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) In addition to the research authorized by subsection (a) of this section, the Secretary shall, either independently or in cooperation with other Federal departments or agencies, conduct research into, and make grants to or contracts with State or local agencies, institutions, and individuals for projects to demonstrate the administrative adjudication of traffic infractions. Such administrative adjudication demonstration projects shall be designed to improve highway safety by developing fair, efficient, and effective processes and procedures for traffic infraction adjudication, utilizing appropriate punishment, training, and rehabilitative measures for traffic offenders. The Secretary shall report to Congress by July 1, 1975, and each year thereafter during the continuance of the program, on the research and demonstration projects authorized by this subsection, and shall include in such report a comparison of the fairness, efficiency, and effectiveness of administrative adjudication of traffic infractions with other methods of handling such infractions."

NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

SEC. 223. Subsection (a)(1) of section 404 of title 23, United States Code, is amended by inserting immediately after "Federal Highway Administrator," the following: "the National Highway Traffic Safety Administrator,".

DATE OF ANNUAL REPORT

SEC. 224. The first sentence of subsection (a) of section 202 of the Highway Safety Act of 1966 (80 Stat. 736) is amended by deleting "March 1" and substituting in lieu thereof the following: "July 1".

HIGHWAY SAFETY NEEDS STUDY

SEC. 225. In order to provide the basis for evaluating the continuing highway safety programs authorized in title 23, United States Code, and to furnish Congress with the information necessary for the authorization of appropriations for such programs, the Secretary of Transportation, in cooperation with the Governors and appropriate State and local highway officials, shall make a full and complete study of highway safety needs and shall prepare rcommendations and estimates of the costs for meeting such needs. Such estimates and recommendations shall identify the requirements to meet highway safety needs of the States, Puerto Rico, and the District of Columbia and would also consider those of Guam, American Samoa, the Virgin Islands and such other United States territories as the Secretary shall determine. The Secretary shall submit such detailed estimates and recommendations to the Congress not later than January 10, 1976.

DRIVER EDUCATION EVALUATION PROGRAM

SEC. 226. (a) Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) In addition to the research authorized by subsection (a) of this sction, the Secretary shall carry out research, development, and demonstration projects to improve and evaluate the effectiveness of various types of driver education programs in reducing traffic accidents and deaths, injuries, and property damage resulting therefrom. The research, development, and demonstration projects authorized by this subsection may be carried out by the Secretary through grants and contracts with public and private agencies, institutions, and individuals. The Secretary shall report to the Congress by July 1, 1975, and each year thereafter during the continuance of the program, on the research, development, and demonstration projects authorized by this subsection, and shall include in such report an evaluation of the effectiveness of driver education programs in reducing traffic accidents and deaths, injuries, and property damage resulting therefrom."

(b) For the purpose of carrying out the amendment made by subsection (a) of this section, there is authorized to be appropriated $10,000,000 out of the Highway Trust Fund.

TRANSFER OF FUNDS AMONG HIGHWAY SAFETY PROGRAMS

SEC. 227. Section 104 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) Not more than 30 per centum of the amount apportioned in any fiscal year to each State in accordance with sections 144, 152, and 153 of this title, or section 203(d) of the Highway Safety Act of 1973, may be transferred from the apportionment under one section to the apportionment under any other of such sections if such a transfer is requested by the State highway department and is approved by the Secretary as being in the public interest. The Secretary may approve such transfer only if he has received satisfactory assurances from the State highway department that the purposes of the program from which such funds are to be transferred have been met."

CURB RAMPS FOR THE HANDICAPPED

SEC. 288. Paragraph (1) of subsction (b) of section 402 of title 23, United States Code, is amended by adding at the end thereof the following:

"(F) provide adequate and reasonable access for the safe and convenient movement of physically handicapped persons, including those in wheelchairs, across curbs constructed or replaced on or after July 1, 1976, at all pedestrian crosswalks throughout the State."

HIGHWAY SAFETY STANDARDS

SEC. 229. Subsection (h) of Section 402 of title 23, United States Code, is amended to read as follows:

"(h) Each uniform safety standard promulgated under this section on or before July 1, 1973, shall continue in effect unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973. The Secretary shall not promulgate any other uniform safety standard under this section (including by revision of a standard continued in effect by the preceding sentence) unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973."

FEDERAL-AID SAFER ROADS DEMONSTRATION PROGRAM

SEC. 230. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 405. Federal-aid safer roads demonstration program

"(a) The Federal-aid safer roads demonstration program shall consist of all public roads or segments thereof not on a Federal-air system needing improvements to correct safety hazards, selected or designated by each State subject to the approval of the Secretary.

"(b) Not later than June 30, 1974, each State shall identify projects for the Federal-aid safer roads demonstration program for all public roads in such State not on the Federal-aid system, including projects to improve highway marking and signing, to eliminate roadside obstacles, to eliminate hazards at railroad-highway grade crossings, and to correct high-hazard locations, identified by accident reporting, traffic records, and hazards analysis systems established in accordance with standards promulgated under subsection (a) of section 402 of this title. Each State shall assign priorities for and undertake the systematic correction of identified hazards, to provide for the most effective improvement in highway safety.

"(c) There is authorized to be appropriated for the Federal-aid safer roads demonstration program for projects on public roads not on the Federal-aid system for the removal of roadside obstacles, the elimination of hazards at railroad-highway grade crossings, and the proper marking an signing of highways in accordance with subsection (b) of this section, out of the Highway Trust Fund, $50,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 per fiscal year for each of the fiscal years ending June 30, 1975, and June 30, 1976. Such sums shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title. The Federal share payable on account of any such project shall be 90 per centum of the cost thereof. The provisions of chapter 1 of this title relating to the obligation, period of availability, and expenditure for Federal-aid primary highway funds shall apply to funds apportioned to carry out this subsection. Prior to June 30, 1974, funds shall be available for such projects as determined by the State, subject to the approval of the Secretary.

"(d) For the purposes of this section, the term 'public road' means any road under the jurisdiction of and maintained by a public authority and open to public travel and which is not on a Federal-aid system.

"(e) It shall be the responsibility of each State to maintain adequate pavement markings on any public road marked with funds available under this section in such State.

"(f) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(g) In carrying out the Federal-aid safer roads demonstration program authorized by this section, the Secretary shall coordinate such program with the programs and projects authorized in sections 144, 152, and 153, of this title and section 203(d) of the Highway Safety Act of 1973.

"(h) The Secretary shall file an interim report with the Congress on January 1, 1975, concerning the progress being made under the demonstration program authorized by this section and its effectiveness. The Secretary shall report to Congress on or before January 1, 1976, a comprehensive report on the program authorized by this section. Such reports shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, roads system, means and methods used, and previous and subsequent accident experience at improved locations. In addition such reports shall analyze and evaluate the program State by State, and shall include such recommendations as he determines necessary for the further implementation of this program."

(b) The table of contents of chapter 4 of title 23, United States Code, is amended by adding at the end thereof:

"405. Federal-aid safer roads demonstration program.".

BICYCLE SAFETY

SEC. 231. (a) The fourth sentence of subsection (a) of section 402 of title 23, United States Code, is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and bicycle safety."

(b) Paragraph (b)(1)(E) of section 402 of title 23, United States Code, is amended by striking out "and" before "(5)" and by striking out the period at the end of such paragraph and inserting in lieu thereof a comma and the following: "and (6) driver education programs, including research, that will assure greater safety for bicyclists using public roads in such State."

TITLE III

URBAN MASS TRANSPORTATION ACT OF 1964

SEC. 301. (a) The fifth sentence of section 4(a) of the Urban Mass Transportation Act of 1964 is amended to read as follows "The Federal grant for any such project to be assisted under section 3 shall be in an amount equal to 80 per centum of the net project cost."

(b) The amendment made by subsection (a) shall apply only with respect to projects which were not subject to administrative reservation on or before July 1, 1973.

(c) Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out "$3,100,000,000" in the first and third sentences and inserting in lieu thereof "$6,100,000,000".

(d) Section 9 of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "to make grants" in the first sentence and inserting in lieu thereof "to contract for and make grants";

(2) by striking out "and designing" in the first sentence and inserting in lieu thereof "designing, and evaluation";

(3) by striking out "and (3)" in the second sentence and inserting in lieu thereof "(3) evaluation of previously funded projects; and (4)";

(4) by inserting "or contract" after "A grant" in the third sentence; and

(5) by striking out all that follows "Secretary" in the third sentence and inserting in lieu thereof a period.

(e) The provision of assistance under the amendments made by this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

(f) Section 12 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(f) No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance under this Act or carried on under this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminate."

(g) Section 16(b) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(b) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

"(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to all of the terms, conditions, requirements, and provisions applicable to grants and loans made under section 3(a) and being considered for the purposes of all other laws to have been made under such section; and

"(2) to private nonprofit corporations and associations for the specific purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)) as the Secretary may determine to be necessary or appropriate for purposes of this paragraph.

Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 4(c), 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs)."

TITLE IV

INAPPLICABILITY OF TIME REQUIREMENTS

SEC. 401. The time requirements in section 104(b) of title 23, United Sttaes Code, shall not be applicable to the apportionment of sums authorized for the fiscal year ending June 30, 1974, in any title of this Act, and the Secretary shall apportion such sums for such fiscal year as soon as practicable after the date of enactment of this Act.

CONFORMING ADJUSTMENTS

SEC. 402. All sums authorized in Public Law 93-61 are included within the authorizations contained in this Act for the fiscal year ending June 30, 1974, and the Secretary shall make such adjustments in apportionments made under Public Law 93-61 as may be necessary to conform such apportionments to this Act.

And the House agree to the same.

LLOYD BENTSEN,
JENNINGS RANDOLPH,
EDMUND S. MUSKIE,
JOSEPH M. MONTOYA,
HOWARD BAKER,
ROBERT T. STAFFORD,
JAMES BUCKLEY,
Managers on the Part of the Senate.

JIM WRIGHT,
JOHN A. BLATNIK,
JOHN C. KLUCZYNSKI,
HAROLD T. JOHNSON,
JAMES V. STANTON,
DON H. CLAUSEN,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying, clerical, and conforming changes, the differences are noted below:

TITLE I

Short title

Senate Bill

Provides that the Act may be cited as the "Federal-Aid Highway Act of 1973".

House Amendment

Provides that the Act may be cited as the "Federal-Aid Highway Act of 1973."

Conference Substitute

This is the same as both the Senate bill and the House amendment.

Revision of authorization for appropriations for Interstate System

Senate Bill

The section provides authorizations for the Interstate highway program through the fiscal year 1976. $3.25 billion would be authorized for each fiscal year from 1974 through 1976. It amends subsection (b) of section 108 of the Federal-Aid Highway Act of 1956 by reducing the authorization by $750 million for each of those fiscal years.

House Amendment

This section authorizes the appropriation of an additional $8 billion for completion of the Intersttae System. $3.5 billion per fiscal year for the fiscal years 1974 through 1978 and $2.5 billion for the fiscal year 1979.

Conference Substitute

This section authorizes the appropriation of $2.6 billion for fiscal year 1974, $3 billion per fiscal year for the fiscal years 1975 and 1976, and $3.25 billion per fiscal year for the fiscal years 1977, 1978, and 1979.

Authorization of use of cost estimates for apportionment of Interstate funds

Senate Bill

This section approves the use of apportionment factors contained in revised table 5 in the 1973 Interstate Cost Estimate (House Document 29, 92d Congress) for the apportionment of Interstate funds authorized to be appropriated for fiscal years 1974, 1975 and 1976.

House Amendment

This section approves the use of the apportionment factors contained in revised table 5 of the 1972 Interstate System Cost Estimate (House Public Works Committee Print No. 92-29, as revised in House Report Numbered 92-1443), for the apportionment of Interstate funds authorized to be appropriated for fiscal years 1974, 1975, and 1976.

Conference Substitute

This section is the same as the Senate bill and the House amendment with the exception that the Secretary of Transportation is required to make the apportionments rather than being authorized to do so.

Highway authorizations

Senate Bill

This section authorizes funds for the Federal-Aid and Federal domain roads programs for the fiscal years 1974, 1975, and 1976.

For the Federal-aid primary system in rural areas, $650,000,000; for the Federal-aid urban system, $850,000,000; for the Federal-aid secondary system in rural areas, $350,000,000; for the extensions of the Federal-aid primary and secondary systems in urban areas, $350,000,000.

Funds for parkways are authorized to be appropriated from the trust fund for the first time. Funds for forest highways and public lands highways are available from the trust fund in accordance with the practice established in the 1970 Federal-Air Highway Act. Authorizations for Indian reservation roads and bridges are from the trust fund also for the first time. The authorizations for these highways are as follows:

[In millions]

Category	1974	1975	1976
Forest highways	$33	$33	$33
Public lands highways	16	16	16
Forest development roads and trails	75	75	75
Public lands development roads and trails	10	10	10
Park roads and trails	30	30	30
Parkways	75	75	75
Indian reservation roads and bridges	75	75	75

This section also authorizes $15 million for fiscal 1974, 1975, and 1976 for landscaping and scenic enhancement; $1.5 million for each of those years for the administrative expenses of the beautification program; and continues the territorial highway program established in the 1970 act with authorization to the territories in the following amounts:

[In millions of dollars]

Category	1974	1975	1976
Virgin Islands	2.5	2.5	2.5
Guam	2.0	2.0	2.0
American Samoa	1.0	1.0	1.0

For fiscal years 1974, 1975, and 1976, each State will receive at least ½ of 1% of total apportionments for the Interstate System. Whenever such amount exceeds the cost of completing the system in any State, the excess amount will be added to primary, secondary, and urban apportionments for such State in the ratio which the respective amounts bear to each other. For those costs, an additional $50 million will be authorized for the 1974, 1975, and 1976 fiscal years. The funds made available by this provision are to be obligated at the Federal share applicable to projects on such systems.

House Amendment

This section authorizes the appropriation, out of the Highway Trust Fund, of the following sums for each of the fiscal years 1974, 1975, and 1976:

For the Federal-aid primary system in rural areas, $700,000,000; for the Federal-aid urban system, $700,000,000; for the Federal-aid secondary system in rural areas, $400,000,000; for the extensions of the Federal-aid primary and secondary systems in urban areas, $400,000,000; for economic growth center development highways, $150,000,000; for forest highways, $33,000,000; and for public lands highways, $16,000,000.

This section eliminates the present single authorization for appropriation for the Federal-aid primary and secondary systems and their urban extensions within urban areas and substitutes a separate authorization for appropriation for the rural and the urban portions of these systems.

It also provides authorizations of $50,000,000 for each of the fiscal years 1974, 1975, and 1976 in addition to all other authorizations for the Interstate System, be apportioned to each of the States which otherwise would receive less than one-half of one percent of the Interstate apportionment for fiscal year 1974, 1975, or 1976, so long as such State has not completed Federal funding of the Interstate System within its boundaries.

Use of any funds authorized by this section for highway beautification (sections 131, 136 and 319(b)) or Chapter 4 of title 23, United States Code, is prohibited.

It also provides authorizations for $3,000,000 for each of the fiscal years 1974, 1975, and 1976 for necessary administrative expenses in carrying out sections 131, 136, and 319(b).

Authorizations are provided for the Territorial Highway Program for each of the fiscal years 1974, 1975, and 1976, as follows: Virgin Islands, $5,000,000; Guam, $2,000,000; and American Samoa, $1,000,000.

Sums authorized for the fiscal years 1974, 1975, and 1976, for certain categories of roads administered by the Department of Transportation jointly with either the Department of the Interior or the Department of Agriculture, are as follows:

[In millions of dollars]

	1974	1975	1976
Forest development roads and trails	170	170	170
Public lands development roads and trails	10	10	100
Park roads and trails	30	30	30
Indian reservation roads and bridges	100	100	100
Parkways	75	75	75

Conference Substitute

This section is the same as the House amendment with the following revisions:

(1) The Federal-aid urban system is funded at $780,000,000 for fiscal 1974 and at $800,000,000 per fiscal year thereafter and extensions of the Federal-aid primary and secondary system in urban areas are funded at $290,000,000 for fiscal year 1974 and at $300,000,000 per fiscal year thereafter.

(2) The Federal-aid primary system in rural areas is funded at $680,000,000 for fiscal year 1974 and $700,000,000 per fiscal year thereafter. The Federal-aid secondary system in rural areas is funded at $390,000,000 and $400,000,000 per fiscal year thereafter.

(3) Forest development trials are funded at $140,000,000 per fiscal year.

(4) Parkways are funded at $60,000,000 for fiscal year 1974 and at $75,000,000 per fiscal year thereafter from the general fund except that all of the cost of any parkway project on a Federal-aid system paid under this authorization shall be paid from the Highway Trust Fund. The Conferees intend that vehicular use of parkways on the Federal-aid system shall be subject to regulation the same as on any other parkways.

(5) Indian reservation roads and bridges are funded at $75,000,000 per fiscal year.

(6) Economic growth center development highways are funded at $50,000,000 for fiscal year 1974, $75,000,000 for 1975, and $100,000,000 for 1976.

(7) Administrative expenses for carrying out sections 131, 136, and 319(b) of title 23, United States Code, are funded at $1,500,000 per fiscal year.

(8) Funds for section 319(b) of title 23, United States Code (relating to landscaping and scenic enhancement), are deleted.

Subsection (b) of this section is the same as that subsection in the Senate bill.

Submission of certain reports

Senate bill

No comparable provision.

House amendment

This section requires the Secretary of Transportation to forward to the Congress within 30 days of the enactment of this act those reports submitted by FHWA required under sections 105(b)(2), 121 and 144 of the Federal-aid Highway Act of 1970. Such submission shall contain the Secretary's recommendations to the Director of the Office of Management and Budget unless these recommendations have already been submitted to the Congress.

Conference substitute

No comparable provision.

Definitions

Senate bill

This section amends subsection (a) of Section 101 to include traffic operation improvement programs (TOPICS) under the definition of "construction."

The definition of "Indian roads and bridges" is modified so that the Indian and Alaskan native villages, otherwise eligible for Indian services in general, would be eligible for funding under chapter 2 of title 23.

The definitions of "urban area" and "urbanized area" are changed to allow State and local officials, in cooperation with the Secretary, to fix urban and urbanized area boundaries, including at least the area designated by the Bureau of the Census.

House Amendment

This section provides a conforming amendment to the definition of the term "construction" to change the reference to the "Coast and Geodetic Survey" to its current name "National Oceanic and Atmospheric Administration" and by adding traffic engineering and operational improvements to the definition. The term "urban area" is amended to require the participation of appropriate local officials in the establishment of the boundaries of an urban area. The definition of the term "Indian reservation roads and bridges" is amended to make Alaskan native villages, groups, or communities eligible for funding under chapter 2 of title 23.

Conference Substitute

This section redefines the term "construction" as defined in the Senate bill, the term "Indian reservation roads and bridges" as defined in the House bill, the term "urban area" as defined in the Senate bill with an amendment to include parts of a multistate urban area and the term "urbanized area" as defined in the Senate bill with a technical amendment.

Extension of time for completion of system

Senate Bill

This section directs the Secretary to submit to Congress a revised Interstate System cost estimate in January of 1975 rather than January 1974.

House Amendment

This section would extend the time for completion of the Interstate System until June 30, 1979, and would further direct the Secretary to submit to Congress a revised Interstate System Cost Estimate in January of 1975 for making apportionments for fiscal years 1977 and 1978 and another cost estimate in January of 1977 for apportionment of Interstate funds for fiscal year 1979.

Conference Substitute

This section is the same as the House amendment.

Declaration of policy

Senate Bill

This section declares it to be in the national interest and the intent of Congress that the Secretary should administer the Federal-aid highway program in such a manner as to give the highest priority in all instances to highway safety and to the saving of human lives.

House Amendment

This section adds a new paragraph to the present declaration of policy to the effect that, after the completion of the Interstate System, it shall be a national policy to increase emphasis on the acceleration of other Federal-aid systems in order to bring all such systems up to standards and to increase their safety to the maximum possible no later than the year 1990.

Conference Substitute

This section adds a new paragraph to the present declaration of policy to the effect that since the Interstate System is now in the final phase of completion, it shall be the national policy that increased emphasis be placed on construction and reconstruction of the other Federal-aid systems in order to bring all such systems up to standards and increase their safety to the maximum extent.

Minimization of redtape

Senate Bill

Section 108 states the national policy, that, to the maximum extent possible, the procedures followed by the Secretary and other affected heads of Federal departments, agen-

cies and instrumentalities shall encourage the minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government.

House amendment

This section states the national policy, that, to the maximum extent possible, the procedures followed by the Secretary and other affected heads of Federal departments, agencies and instrumentalities shall encourage the "drastic" minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government.

Conference substitute

This section is the same as the House amendment except that the term "drastic" has been amended to read "substantial".

Federal-aid urban system

Senate bill

This section expands the urban system as presently, designated to encompass all urban areas and to include collector streets and access roads to airports and other transportation terminals. This section also amends section 103 of Title 23 to allow local officials to select the urban system routes after consultation with State highway departments and in accordance with section 134 planning process, subject to approval by the Secretary.

House amendment

This section expands the Federal-aid urban system to include the collection and distribution of traffic. It also provides that a State not having a designated urbanized area may designate routes on the Federal-aid urban system for its largest population center, based upon a continuing planning process developed cooperatively by State and local officials and the Secretary.

Conference Substitute

This section is the same as the Senate bill with the following changes:

(1) The Federal-aid urban ssytem shall be established in each urbanized area and in such other urban areas as the State highway department may designate.

(2) The routes are to be selected by local officials with the concurrence of the State highway departments.

(3) In approving programs for projects on the system, the Secretary shall require that projects be selected by local officials with the concurrence of the State highway department.

Removal of designated segments of the Interstate System

Senate Bill

This section amends section 103(g) of Title 23 and requires the States to notify the Secretary by July 1, 1974, of their intent to build any remaining Interstate segments; otherwise, such segments would be removed from Interstate designation. Substitute alternative segments, however, could be considered up to one year after that date. By July 1, 1975, States would be required to submit a schedule for completion of the system (including alternate segments).

House Amendment

The section changes the date for removing from designation as part of the Interstate System of those segments for which a State has not submitted a schedule for expenditure of funds to complete the system from July 1, 1973 to July 1, 1974, and for submitting plans, specifications and estimates for approval by the Secretary from July 1, 1975 to July 1, 1977. The District of Columbia is exempted from this provision.

Conference Substitute

The same as the Senate provision except for technical amendments and two added provisions, one of which excepts the District of Columbia from the provisions of the section and the second of which requires construction of any portion of a designated Interstate segment wholly within the borders of a city if such city provides matching funds from its own resources. The effective date of the provision is made June 30, 1973. Subsection (h) of section 103, title 23, United States Code, is intended to give urban areas the authority and responsibility to complete transportation systems necessary for mobility of urban residents and essential for the economic viability or urban areas. Local funds for such designated segments of the Interstate System are to be provided by one or more of the units of local government that will be served by the facility.

Apportionment

Senate Bill

Section 113 amends the Federal-aid primary formula to substitute the phrase "intercity mail routes where service is performed by motor vehicles" for the words "star routes" as a more accurate description. Provision would also be made to establish a minimum of one-half of one percent for each State's apportionment of funds for the Federal-aid urban system and changing the word "urbanized" to "urban". This assures the apportionment of urban system funds on the basis of population in urban areas of over 5,000 in population, as defined in 23 U.S.C. 101(a). The authority to transfer apportionments between the Federal-aid primary and secondary systems, is increased from 20 to 30 percent. Authorization to transfer up to 30 percent of urban extension funds to the urban highway system is also provided. A conforming amendment deleting the last sentence of section 104(c) would also be made.

In addition, in any State in which the Administrator of the Environmental Protection Agency has certified that one or more air quality regions would fail to achieve by July 1, 1975, specified standard air quality levels under the Clean Air Act, the Secretary is authorized to require the State to transfer all urban extension sums apportioned to such State to the account of urbanized areas within such designated air quality region for emergency assistance for transportation system improvements.

House Amendment

This section would amend the Federal-aid primary formula to substitute rural population for general population. Provision is also made to establish a minimum of one-half of one percent for each State's apportionment of funds for the Federal-aid urban system. The section would increase the authority of the Secretary to approve the transfer of apportionments from one system to another from 20 to 50 percent. Such transfers may be made, on the one hand, between the Federal-aid primary and secondary systems under sections 104(b) (1) and (2) and, on the other hand, between extensions of the Federal-aid primary and secondary systems within urban areas and the Federal-aid urban system. Conforming amendments deleting the last sentence of section 104(c) are also made.

Conference Substitute

This section would amend section 104 of title 23 of the United States Code as follows:

(1) by revising the concept of "star routes" to make it conform to the present law;

(2) to amend the Federal-aid primary and Federal-aid secondary formulas to substitute rural area population for general population and rural population respectively and to exclude the District of Columbia from apportionments;

(3) to establish a minimum of one-half of one percent of each State's apportionment of funds for the Federal-aid urban system and by changing the word "urbanized" to "urban". This assures the apportionment of urban system funds on the basis of population in urban areas as the term urban area is defined in 23 U.S.C. 101(a);

(4) by increasing the authority of the Secretary to transfer apportionments from 20 percent to 40 percent in accordance with the provisions of the House amendment. Funds apportioned under section 104(b)(6) are not to be transferred from their allocation to an urbanized area of 200,000 population without approval of the local officials;

(5) conforming amendments deleting the last sentence of section 104(c) are made.

A new subsection (b) which would insure that no State (other than the District of Columbia) would receive an apportionment for the primary system less than that which they received for fiscal year 1973 and an additional $17,000,000 for fiscal year 1974 and $15,000,000 per year for fiscal years 1975 and 1976 is authorized for this purpose.

Apportionment of planning funds

Senate Bill

This section makes available to metropolitan planning agencies ½ of 1% of funds apportioned to States for the Federal-aid systems to be used for the purpose of carrying out section 134 of title 23, relating to transportation planning. Funds would be apportioned to the States on the basis of urbanized area population and further apportioned to metropolitan agencies within each State in accordance with a formula developed by each State and approved by the Secretary. Funds would be matched in accordance with section 120 of title 23 unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

House Amendment

This section would make available to metropolitan planning agencies ½ of 1% of funds apportioned for the Federal-aid systems for the purpose of carrying out section 134 of title 23, relating to transportation planning. Funds would be apportioned to the States on the basis of population and further apportioned to metropolitan agencies in accordance with a formula developed by each State and approved by the Secretary. Funds would be matched in accordance with section 120 of title 23 unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Advance acquisition

Senate Bill

This section extends from 7 years to 10 years the allowable time period within which actual highway construction should begin following the advance purchase of right-of-way.

House Amendment

This section extends from 7 years to 10 years the allowable time period within which actual highway construction should begin following the advance purchase of right-of-way.

Conference Substitute

This section is the same as the House amendment.

Noise level standards

Senate Bill

Subsection (a) of this section authorizes the Secretary to promulgate standards for the control of highway noise levels for Federal-aid projects approved prior to July 1, 1972. The Secretary would be authorized to approve projects on Federal-aid systems to help carry out noise-level standards.

Subsection (b) would also prohibit the initiation of any highway program or the construction of any highway project approved under title 23 after June 30, 1973, unless it is in conformity with guidelines promulgated by the Secretary to assure at-

tainment of ambient air quality standards under the Clean Air Act, as amended, and consistent with implementation plans approved by the Administrator of the Environmental Protection Agency for air quality control regions requiring transportation controls.

House Amendment

Existing law requires that after July 1, 1972, plans, specifications and estimates for Federal-aid highways which are not compatible with noise level standards promulgated by the Secretary shall be disapproved. This provision would permit the Secretary to promulgate noise level standards for projects approved prior to July 1, 1972, and also permit the expenditure of Federal-aid funds to make these projects compatible with such standards.

Conference Substitute

This is the same as subsection (a) of this section in the Senate bill.

The omission of subsection (b) of the Senate bill in the Conference Report in no way lessens the Secretary's responsibilities under the Clean Air Act. The Conferees reaffirm his responsibilities in properly meeting the requirements of the Act. This is a reaffirmation of what the Conferees understand existing law to be.

The provision in the Senate bill requiring that after June 30, 1973, the Secretary must, before approval, find a highway program or project to be in conformity with the guidelines he has issued under section 109(j)(1) of title 23 is not contained in the conference substitute.

This provision was intended to assure that Federal-aid Highway programs and projects are not inconsistent with air quality control regulations for regions which under the Clean Air Act must impose transportation controls.

The Conferees agreed to delete this provision with the understanding that existing law, in section 109(j) of Title 23, section 110 of the Clean Air Act, and the National Environmental Policy Act, requires any proposed highway project to be consistent with the Clean Air Act implementation plan for the region in which it is located before such a project could be approved by the Secretary. The determination of consistency with such an implementation plan must be made by the Secretary of Transportation.

In view of the Conferees, it is critical that in affected urbanized areas the requirements of such transportation controls be considered when the priorities are established for projects through the metropolitan area comprehensive transportation planning process required by 23 U.S.C. 134. The Secretary should take all necessary steps to assure the consideration of Clean Air Act implementation plan requirements in the selection of projects and the planning processes of affected urbanized areas.

Signs on project site

Senate Bill

This amendment prohibits any informational signs, other than official traffic control devices, from being erected on any projects where actual construction is in progress.

House Amendment

This amendment would, after July 1, 1973, prohibit any informational signs, other than official traffic control devices, from being erected on any highway projects where actual construction is in progress and which would be visible to highway users.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Certification acceptance

Senate Bill

The authority of the Secretary pursuant to section 117 of Title 23 is amended to include all projects on Federal-aid systems except the Interstate. The Secretary is authorized to discharge his responsibilities relative to such projects by accepting a certification of the capability of the State to perform such responsibilities, if he finds that they will be carried out according to State regulations at least equivalent to those required by Title 23. The Secretary could rescind his acceptance of a State's certification at any time, but this alternative procedure would not lessen his responsibility under various environmental, civil rights, housing and relocation statutes.

House Amendment

This section amends section 117 of title 23, United States Code, by broadening its scope to include all Federal-aid systems except the Interstate System. Upon the request of a State, the Secretary may discharge his responsibilities under title 23 by accepting a certification of the State highway department if he finds that the State: (1) will carry out projects on such systems in accordance with State laws, regulations, directives and standards establishing requirements at least equivalent to those required under title 23; (2) the State meets the requirements of section 302 of title 23; and (3) the final decision by responsible State officials will be in the best overall public interest. The Secretary would be required to make a final inspection of such projects upon completion and require an adequate report of the estimated and actual cost of construction and such other information as he determines necessary. The acceptance of the State's certification by the Secretary may be rescinded by him at any time he determines it is necessary to do so. The procedure provided by this section is an alternative to that otherwise prescribed in title 23 and the Secretary is required to promulgate such guidelines and regulations as may be necessary to carry out the section.

This section does not affect or discharge the responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969, section 4(f) of the Department of Transportation Act and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970, other than title 23.

Conference Substitute

This section is the same as the House amendment with the following changes:

(1) The certification is to be by the State highway department or that department, commission, board, or official of any State charged by its laws with the responsibility for highway construction.

(2) The requirements in clauses (2) and (3) that the State meet the requirements of section 302 and that final decisions be made by responsible State officials are eliminated.

(3) Subsection (e) is the same as the Senate bill.

Materials at off-site locations

Senate Bill

This amends 23 U.S.C. 121(a), which authorizes progress payments to a State for cost of construction, to permit payments to be made for materials which are not in the vicinity of the construction if the Secretary determines that, because of the required fabrication at an off-site location, the materials cannot be stockpiled in the vicinity of the construction.

House Amendment

This section amends 23 U.S.C. 121(a), relating to progress payments to a State for cost of construction, to permit payments to be made for materials which are not in the vicinity of the construction if the Secretary determines that because of the required fabrication at an off-site location the materials cannot be stockpiled in the vicinity of the construction.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Toll roads, bridges, tunnels, and ferries

Senate Bill

This section provides that any toll road designated as part of the Interstate System which becomes toll free would be eligible for Interstate funding for the construction, reconstruction or improvement of such road in order to bring it up to required standards.

House Amendment

This section would amend section 129(b) of title 23 to provide that when a toll road which the Secretary has approved as a part of the Interstate System becomes toll free, apportioned Federal-aid Interstate highway funds may be expended for construction, reconstruction or improvement of such road to standards adopted for the improvement of projects on the Interstate System.

In addition, this section makes an amendment to section 133 of the 1970 Federal-aid Highway Act, by changing the date therein from 1968 to 1973. This would permit Federal participation in the costs of the two additional lanes which are required under that legislation to bring any 2-lane section of the Interstate System up to the minimum of four lanes. The section is applicable only to any section of toll road which is now two lanes, and which was designated as a part of the Interstate System before July 1, 1973.

Conference Substitute

This section is the same as the House amendment.

Control of outdoor advertising and junkyards

Senate Bill

The section amends section 131, Title 23, to provide that after January 1, 1974, or the end of the next session of a State legislature, controls under the Highway Beautification Act are extended to include signs beyond 660 feet from the highway right of way of the Interstate or primary systems when such signs are erected with the purpose of their message being read from the main traveled way. Such signs would be permitted within zoned and unzoned industrial and commercial areas. Nonconforming signs would have to be removed within five years from the time they become nonconforming unless determined otherwise by the Secretary. The Secretary is authorized to issue standards for public informational signs within the rights of way for the primary system as now provided along the Interstate System. The Highway Beautification Act is further amended to provide that just compensation be paid for those signs required to be removed if they were lawfully erected under State law prior to the enactment of the Federal Aid Highway Act of 1973. For the purpose of carrying out Section 131, as amended, $50 million is authorized from the Highway Trust Fund for each of the fiscal years 1974, 1975 and 1976.

Section 136(j) of title 23 is amended to require that just compensation be paid for removing, relocating or disposing of junkyards which were lawful on the effective date of State compliance legislation.

$15,000,000 is authorized out of the Highway Trust Fund for purposes of junkyard control for each of the 1974, 1975 and 1976 fiscal years.

House Amendment

Subsection (a) amends 23 U.S.C. 131(a) relating to the control of outdoor advertising by eliminating the present 660 foot limitation on the control of signs along the Interstate and primary systems. After January 1, 1974, the 10% penalty could be imposed on States which do not remove signs beyond 660 feet away which are "visible from the main traveled way of the system" and are "erected with the purpose of their message being read from such main traveled way."

Subsection (b) amends the outdoor advertising effective control provisions and clarifies the present law with respect to signs for the information of the traveling public. It provides that on or after July 1, 1974, or after the expiration of the next regular session of State legislatures, whichever is later, effective control shall mean that signs located beyond 660 feet of the right-of-way and visible from the main traveled way of the system and erected with the purpose of their message being read from the main traveled way shall be limited to directional and official signs and notices including but not limited to signs and notices pertaining to information in the specific interest of the traveling public, such as, but not limited to, signs and notices pertaining to rest stops, camping grounds, food service, gas and automatic service, lodging, natural wonders, scenic and historic attractions. Not more than three such signs facing in the same direction of travel shall be permitted per mile of Interstate or primary highway.

Subsection (c) amends 23 U.S.C. 131(d) relating to signs in areas zoned industrial or commercial in unzoned commercial or industrial areas. Since the present 660 foot limitation would be removed, the authority for erecting approved signs in areas zoned industrial and commercial (now valid within the 660 foot zone) would be extended for the sake of consistency to areas beyond 660 feet.

Subsection (d) amends 23 U.S.C. 131(e) to privide that signs that are not in conformity with State law shall be removed not later than 5 years after they become nonconforming unless the Secretary determines otherwise. The original act provides that any signs which were lawfully in existence on September 1, 1965, but were not in conformity, cannot be required to be removed before July 1, 1970, and other lawfully erected signs that were nonconforming could not be required to be removed for 5 years.

Subsection (e) amends section 131(f) to expand the present authority of the Secretary to provide standards for the erection along the Interstate System of signs providing specific information for the traveling public to include the same authority with respect to the Federal-aid primary system. A proviso is added that such signs on the Interstate and primary shall not be erected in suburban or urban areas or in lieu of signs permitted under 23 U.S.C. 131(d). Also, such signs shall not be erected where adequate information is provided by signs permitted under 23 U.S.C. 131(e).

Subsection (f) amends 23 U.S.C. 131(g) to provide that just compensation be paid for the removal of all outdoor advertising signs which have been lawfully erected under State law.

Subsection (g) amends 23 U.S.C. 131(m) to provide authorizations of $50 million for each of the fiscal years 1974, 1975 and 1976, for outdoor advertising control.

Subsection (h) adds two new subsections to 23 U.S.C. 131. The first provides that no directional sign, display or device lawfully in existence on June 1, 1972, which gives specific information to travelers shall be required to be removed until December 31, 1974, or until the State in which the sign, display or device is located certifies that such information advertised thereon may reasonably be available to motorists by some other method or methods, whichever shall occur first. The second provides that the United States shall pay 100 percent of the just compensation for the removal (including all relocation costs) of any sign, display or device which is removed prior to the enactment of this Act which after its removal is lawfully relocated and which is required to be removed again as a result of this amendment. Just compensation would be paid pursuant to this amendment of 23 U.S.C. 136(j), for removing, relocating or disposing of junkyards which were lawfully established under State law.

Subsection (b) authorizes $15 million out of the Highway Trust Fund for each of the fiscal years 1974, 1975 and 1976, for junkyard control.

Conference Substitute

The conference substitute contains no provisions relating to control of outdoor advertising or junkyards.

The deletion of these provisions should not be construed as discontinuing the programs or affecting the existing law. The present programs remain in effect. It is the expectation of the conferees that the Congress will consider additional authorizations and possible modifications in separate legislation.

The conferees expect that the Secretary will not invoke the 10 percent penalties for failure of the State to comply with the requirements of sections 131 and 136 where such failure is the result of the lack of availability of Federal matching funds.

Urban area traffic operations improvement programs

Senate Bill

No comparable provision.

House Amendment

This section would repeal section 135(c) of title 23 which provides that sums authorized to carry out that section shall be apportioned in accordance with section 104(b)(3) of title 23.

Conference Substitute

This section is the same as the House amendment.

Training programs

Senate Bill

This section extends authorizations in section 140, title 23, for the highway construction training program for three years through fiscal year 1976, $5 million would be provided for each of the fiscal years 1974, 1975, and 1976.

House Amendment

This section extends authorization in section 140, title 23, for the highway construction training program for three years through fiscal year 1976. $10 million would be provided for each of the fiscal years 1974, 1975, and 1976.

Conference Substitute

This section is the same as the House amendment.

Public transportation

Senate Bill

This section amends the section 142 of title 23 to authorize the use of funds apportioned to each State for the Interstate system, extensions of the Federal-aid primary and secondary systems and the Federal-aid urban system to finance the Federal share of the costs of projects for public transportation purposes within urban areas. These funds could be used for the construction in urban areas of exclusive bus lanes, traffic control devices, passenger loading areas and facilities. Urban system funds could be used for the purchase of passenger equipment including fixed rail and for the construction of fixed rail facilities. Interstate funds would not be available for purchase of buses, but are available for exclusive or preferential bus, truck, and emergency vehicle routes or lanes.

Subsection (d) of section 142 of title 23 is repealed, thereby eliminating the requirement that exclusive bus lane projects must be less expensive and more feasible or prudent than additional automobile lanes.

The Federal share of the cost for public transportation projects would be the same as that provided for regular Federal-aid projects.

No bus acquired until this section could be used for charter, lease, sightseeing or other service in any area other than the area for which it was acquired. The Urban Mass Transportation Act of 1964, as amended would apply in carrying out the provisions of this section relating to the purchase of equipment and its use within urban areas unless the Secretary determines that provisions of Title 23 of the United States Code would be more appropriate.

Buses purchased under this section would have to meet emission standards prescribed by the Environmental Protection Agency under Section 202 of The Clean Air Act and Section 6 of the Noise Control Act and must meet, wherever practicable, special criteria for low emission vehicles set forth in Section 212 of the Clean Air Act and section 15 of the Noise Control Act. The Urban Mass Transportation Act of 1964, as amended, relating to planning and design of mass transit facilities to meet the special needs of the elderly and the handicapped and applying to the purchase and use of equipment within urban areas, would apply in carrying out this section.

Funds available under this section would be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportion Act of 1964, as amended.

The Secretary could authorize any State to make lands within the publicly acquired rights of way of any Federal-aid highway available without charge to a publicly owned mass transit authority.

House Amendment

This section would authorize the use of funds apportioned to each State for the Federal-aid systems to finance the Federal share of the costs of projects for highway public transportation purposes. Included within its scope would be construction of exclusive bus lanes, traffic control devices, passenger loading areas and facilities. Where sufficient land exists within any Federal-aid rights-of-way to accommodate needed rail or nonhighway public mass transit programs without impairing automotive safety or future highway improvements, the Administrator may, if he deems it in the public interest, authorize a State to make such lands available without charge to a publicly owned mass transit authority for such purposes.

Subsection (b) would permit the use of funds apportioned for the Interstate System to finance the Federal share of projects for exclusive or preferential bus, truck, and emergency vehicle routes or lanes. Projects under this section could be constructed to less than four lanes as now required by law.

Subsection (c) of this section would provide that if local officials of an urbanized area notify the State highway department that in lieu of a highway project paid from funds apportioned for the urban system they desire to fund a mass transit project involving construction of fixed rail facilities, or purchase of passenger equipment, including rolling stock for any mode of mass transit, and such project is in accordance with the planning process under section 134 of this title, plans may be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project would constitute a contractual obligation for payment of the Federal share of the cost of the project from general funds of the Treasury. Funds previously apportioned to the State for the urban system would be reduced by an amount equal to the Federal share of such mass transit projects. No assistance would be provided under this subsection for the purchase of buses to any State or local public body or agency thereof which engages in charter bus operations in competition with private operators outside the urbanized area within which the public body or agency provides mass transit service.

The establishment of routes and schedules of public mass transportation systems

financed under this section shall be in accordance with the planning process under section 134 of this title. No project under this section would be approved unless the Secretary is assured that the mass transit systems would have adequate ridership to fully utilize the proposed project. The Federal share payable on account of any project under this section would be that provided in section 120 of this title.

No financial assistance would be provided under this section to any State or local public body or agency thereof which engages in the transporting of school children and school personnel to and from school and school related functions in competition with or supplementary to the service currently provided by a private transportation company, or other person, provided that such company or person provides adequate transportation at reasonable rates, and in conformance with applicable safety standards. This subsection would not apply if the State or local body was engaged in transporting school children or personnel during the 12-month period prior to the date of enactment of this subsection.

Subsection (i) would insure that a nonsupervisory employee of a publicly-owned mass transit system, not otherwise subject to the limitations on political activity of the Hatch Act, is not merely by virtue of assistance to transit systems under this section, restricted in his political activity at the Federal, State or local level.

Subsection (j) provides that funds made available under subsection (c) of this section would be supplementary to and not in substitution for funds authorized under the Urban Mass Transportation Act.

Subsection (k) would insure that the provisions of section 3(e)(4) of the Urban Mass Transportation Act would apply in carrying out subsection (c) of this section.

Conference Substitute

This section is an amalgam of the Senate and House provisions and would permit the Secretary to approve as a project on any Federal-aid system the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters) and fringe and transportation corridor parking facilities. In addition, beginning with funds authorized for fiscal year 1975, the Secretary may approve as a project on the urban system the purchase of buses, and beginning with funds authorized for fiscal year 1976 for the urban system, the Secretary may approve projects for the construction, reconstruction, and improvement of fixed rail facilities including the purchase of rolling stock for fixed rail. Not more than $200,000,000 of urban system funds for fiscal year 1975 are to be expended for the Federal share of projects for the purchase of buses.

Subsection (c) of the House amendment is retained, but its application is restricted to the fiscal years 1974 and 1975. Each State highway department shall submit to the Secretary each non-highway public mass transit project submitted to such department under this section by local officials, together with its determination with respect to such project under the section 134 planning process including its entitlement to priority.

In addition, the Secretary shall not approve any project for buses and rail facilities in any fiscal year when there has been enacted an urban transportation trust fund or similar assured funding for both highways and public transportation.

Provisions of the House amendment and the Senate bill relating to charter bus and school bus operations and the applicability of the Clean Air Act, Noise Control Act, and protections for the elderly and the handicapped are treated as separate provisions in the conference report.

Economic growth center development highways

Senate Bill

No comparable provision.

House Amendment

Subsection (a) would expand 23 U.S.C. 143 to allow the designation on any Federal-aid system other than the Interstate System of an economic growth center development highway. Present law now restricts such development highways to Federal-aid primary roads. The economic growth center development highways program is also made a permanent program rather than a demonstration project. The provisions applicable to highways of the Federal-aid system on which such development highway is located shall be applicable to development highways and to funds authorized for such highways except those which the Secretary determines are inconsistent with section 143.

Subsection (b) would amend 23 U.S.C. 143(e) to provide that the Federal share of the cost of construction of any development highway shall be the same as that provided for any other project on the Federal-aid system on which such development highway is located, thus converting the existing supplemental grant program to a basic grant program.

Subsection (c) contains a technical amendment to 23 U.S.C. 143(a) by eliminating language which states that the economic growth center development highway program is a demonstration program.

Conference Substitute

This section is the same as the House amendment.

Funds authorized for fiscal years 1972 and 1973 for the economic growth center development highway demonstration program which have not been obligated shall be available for obligation for the full Federal share of projects for which plans, specifications, and estimates are approved subsequent to enactment of this section.

Federal-State relationship

Senate Bill

No comparable provision.

House Amendment

This section adds a new section to chapter 1 of title 23 which declares that the authorization of Federal funds or their availability for expenditure under such chapter shall not infringe on the sovereign rights of the States to determine the projects to be federally financed, and that provisions of chapter 1 provide for a federally-assisted State program.

Conference Substitute

This section is the same as the House amendment.

Bicycle transportation and pedestrian walkways

Senate Bill

Under new section 145, Title 23, sums apportioned for the Federal-aid highway systems are made available for the development and improvement of bicycle transportation, equestrian trails and pedestrian walkways located on or in conjunctioin with highway rights-of-way.

Funds could be used to finance the Federal share of the cost of constructing separate or preferential bicycle lanes or paths, bicycle traffic control devices, bicycle shelters and parking facilities, pedestrian walkways, and equestrian trails. Projects to be authorized under this program would have to be located and designed according to an overall plan providing for safety and for contiguous routes.

Funds authorized and appropriated for forest highways, forest development roads and trails, parkways, Indian reservation roads and bridges and public lands highways would also be available for carrying out the provisions of this section at the discretion of the Department charged with the administration of such programs.

No motorized vehicle would be permitted on trails and walkways authorized under this section except for maintenance purposes.

House Amendment

This section would perimt the use of sums apportioned for the primary, secondary, urban extension, and urban systems to construct, in conjunction with Federal-aid highway projects, separate or preferential bicycle lanes, bicycle traffic control devices, shelters and parking facilities to serve bicycles and persons using bicycles.

This section would also permit the use of funds authorized for forest highways, forest development roads and trails, parkways, Indian reservation roads and bridges, public lands highways, and public lands development roads and trails, for constructing bicycle routes in conjunction with such trails, roads, highways, or parkways.

No motorized vehicles would be permitted on the trails except for maintenance purposes, and when snow conditions permit, snowmobiles.

Conference Substitute

This section is the same as the House amendment except as follows:

(1) Pedestrian walkways are included within the scope of the provision.

(2) The obligation level is set at not more than $40 million in any fiscal year with no State to obligate more than $2 million for any such projects in any fiscal year.

(3) Bikeways financed under this section may utilize available land not on the highway right-of-way so long as the bike route accommodates bicycle traffic which otherwise would have used the Federal-aid route. The locaton, design, and construction of bikeways shall take into consideration maximum safety of persons using such bikeways.

Special urban high density traffic program

Senate Bill

This section adds a new section 147 to title 23 authorizing $50 million for each of the fiscal years 1974 and 1975 for the construction of special highways connected to the Interstate System in portions of urbanized areas with high traffic density. The Federal share for any project under this section could not exceed 90% of the cost of construction.

The Secretary would develop guidelines for designation of routes and allocation of funds according to several criteria. Routes selected could be no more than 10 miles long, would have to serve areas of concentrated population and heavy traffic congestion, would have to meet the urgent needs of commercial, industrial, airport, or national defense installations, and would have to connect with existing routes on the Interstate System. Any route selected would have to be approved through the section 134 planning process and could be designated only if the Secretary determines that no other feasible or practicable alternative mode of transportation would be available. Designation of routes would have to comply with section 138 of title 23 regarding parkland preservation and no route could be approved which substantially damaged or infringed upon any residential area. The Secretary could designate no more than one route in each State and would base his designation upon the recommendation of State and responsible local officials.

House Amendment

This section adds a new section to chapter 1 of title 23 which would authorize $100 million for each of the fiscal years 1974, 1975 and 1976, for special highways connected to the Interstate System in portions of urban-

ized areas with high traffic density. The Federal share for any project under this section could not exceed 90 percent of the cost of construction.

The Secretary would develop guidelines for designation of routes and allocation of funds to include several criteria. Routes selected could be no more than 10 miles long, would have to serve areas of concentrated population and heavy traffic congestion, the urgent needs of commercial, industrial or national defense installations, and would have to connect with existing routes on the Interstate System. Any route selected would have to be approved through the section 134 planning process and could be designated only if the Secretary determines that no other feasible or practicable alternative mode of transportation would be available. Designation of routes would have to comply with section 138 of title 23 regarding parkland preservation and no route could be approved which substantially damaged or infringed upon any residential area. The Secretary could designate no more than one route in each State and would base his designation upon the recommendation of State and responsible local officials. Routes must be on the Federal-aid system prior to designation.

Conference Substitute

This section is the same as the House amendment except as follows:

(1) The authorization is established at $50 million per fiscal year, and

(2) The requirement that a route designated under this section must be on a Federal-aid system prior to such designation is revised to strike the words "prior to such designation.".

Priority primary routes

Senate Bill

No comparable provision.

House Amendment

This section adds a new section to chapter 1 of title 23 to provide for the selection of not more than 10,000 miles of high traffic sections of highway which are on the Federal-aid primary system and connect to the Interstate System. Such sections are to be selected for priority of improvement in consultation with appropriate local officials and subject to the Secretary's approval. The Federal share of such projects shall be the same as the Federal share on other primary routes as provided in 23 U.S.C. 120(a) and the provisions of title 23 which are applicable to the Federal-aid primary system shall be applicable to the priority primary routes. Funds authorized for such routes shall be deemed to be apportioned on January 1 next proceeding the commencement of the fiscal year for which authorized. A report to Congress on selection of routes and their estimated costs shall be made on or before July 1, 1974. Three hundred million dollars is authorized out of the Highway Trust Fund for each of the fiscal years 1974, 1975, and 1976, for carrying out the priority primary route program.

Conference Substitute

This is the same as the House amendment except that the 10,000 mile limitation on the system is eliminated and the authorization level is $100 million for fiscal 1974, $200 million for 1975 and $300 million for fiscal 1976. It is the expectation of the conferees that the event of this system will be about 10,000 miles.

Alaska Highway

Senate Bill

This section adds a new section 217 to title 23 and authorizes $58,670,000 for reconstructing the Alaska Highway from the Alaskan border to Haines Junction in Canada, and reconstructing the Haines Cutoff Highway from Haines Junction to the south Alaskan border.

House Amendment

This section adds a new section to chapter 2 of title 23 to authorize $58,670,000 for reconstructing the Alaska Highway from the Alaskan border to Haines Junction in Canada, and reconstructing the Haines Cutoff Highway from Haines Junction to the south Alaskan border.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Bridges on Federal dams

Senate Bill

This section provides increased authorization of $8.5 million to finance the construction of two bridges on Federal dams on the Arkansas and Tennessee Rivers located in the vicinities of Fort Smith, Arkansas, and Chattanooga, Tennessee, respectively.

House Amendment

This section would provide an increased authorization of $8.5 million to finance the construction of two bridges on Federal dams located in the vicinity of Fort Smith, Arkansas, and Chattanooga, Tennessee.

Conference Substitute

This section is the same as the Senate bill.

Great River Road

Senate Bill

No comparable provision.

House Amendment

This section provides construction funds of $20 million for each of the fiscal years 1974, 1975, and 1976, out of the Highway Trust Fund, to be matched on an 80% Federal and 20% State ratio. These funds will be applied on those portions of the Great River route on Federal-aid highways.

An additional $10 million for each of the fiscal years 1974, 1975, and 1976, is authorized out of the general fund. Those sections of the route on Federal lands will be entirely paid for by Federal funds.

One hundred thousand dollars will be apportioned to the 10 States bordering the Mississippi for planning.

Conference Substitute

This section is the same as the House amendment with the following changes:

(1) Subsection (a) relating to Congressional findings and purpose is eliminated.

(2) The Federal share of the cost of any project shall be that provided in section 120 of title 23 for the Federal-aid system on which the project is located and if the project is not on a system the Federal share shall be 70 percent.

(3) The authorization is provided at not to exceed $10,000,000 for fiscal year 1974, and $25,000,000 for each of the fiscal years 1975 and 1976.

Alaskan assistance

Senate Bill

This section amends the special Alaskan Highway authorization in the Federal-aid Highway Act of 1966 by providing $20 million from the Highway Trust Fund for each of the fiscal years 1974, 1975, and 1976. These funds are limited to Federal-aid highway projects.

House Amendment

The special Alaskan highway authorization in the Federal-aid Highway Act of 1956 is amended by providing $20 million from the Highway Trust Fund for each of the fiscal years 1974, 1975, and 1976. These funds are limited to Federal-aid highway projects.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Route 101 in New Hampshire

Senate Bill

No comparable provision.

House Amendment

The State of New Hampshire would be permitted to repay all Federal-aid highway funds paid on account of certain sections of Route 101 in the State of New Hampshire prior to the collection of any tolls on such sections. Upon such repayment, the Federal-aid projects for which such funds have been repaid and any other Federal-aid projects located on the sections involved and programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highway funds of the same class which were last apportioned to the State of New Hampshire. Such amount shall be in addition to all other funds apportioned to the State and shall be available for expenditure in accordance with title 23. Upon repayment of Federal-aid highway funds and cancellation and withdrawal from the Federal-aid highway program of the projects on Route 101, such sections of said route shall become free of any and all restrictions contained in title 23 or any regulations thereunder with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

Conference Substitute

This section is the same as the House amendment except that the State of New Hampshire would be required to make these repayments on or before October 1, 1977 and failure to do so within this time would render this provision inoperative.

Freeing interstate toll bridges

Senate Bill

No comparable provision.

House Amendment

This section permits States which have constructed or acquired any interstate toll bridge on the Federal-aid primary system (other than the Interstate System) including approaches, before January 1, 1975, and which before that date, have caused the bridge to be made free, to use funds apportioned to it for the primary system and for extensions of the primary system within urban areas to pay the Federal share of a project of (1) such amount as the Secretary determines to be reasonable value of the bridge after deducting the portion of such value attributable to any previous grant or Federal contribution in connection with its construction or acquisition, exclusive of rights-of-way, or (2) the amount by which the principal amount of outstanding unpaid bonds or other obligations created and issued for the construction or acquisition of such bridge exceeds the amount of funds accumulated or provided for their amortization on the date the bridge is made free, whichever is the lesser amount.

Conference Substitute

This section is the same as the House amendment.

Study of toll bridge authority

Senate Bill

This provision requires the Secretary of Transportation to undertake a study of existing laws and regulations governing toll bridges over navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reasonable tolls nationwide.

The Secretary is required to establish regulations to implement his responsibilities regarding rates of tolls under the General Bridge Act of 1946.

House Amendment

This provision would require the Secretary to undertake a study of existing laws and regulations governing toll bridges over navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reason-

able tolls nationwide. A report to Congress is required by July 1, 1974, except in the case of the toll bridge at Chester, Illinois, a report to Congress is required by December 31, 1973.

Conference Substitute

Subsection (a) of this section is the same as the House amendment. Subsection (b) requires the Secretary of Transportation to promulgate regulations establishing guidelines governing any increases in tolls for use of any bridge constructed pursuant to the General Bridge Act of 1906 or the General Bridge Act of 1946.

National scenic highway system study

Senate Bill

No comparable provision.

House Amendment

The Secretary is directed to make a full and complete investigation and study to determine the feasibility of establishing a national system of scenic highways to link together and make more accessible recreational, historical, scientific and other similar areas of scenic interest and importance. In such investigation and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the Commission on Highway Beautification, the States and their political subdivisions and other interested private organizations, groups, and individuals. The Secretary shall report his findings and recommendations to the Congress by July 1, 1974, including an estimate of the cost of such program. This section authorizes $250,000 from the Highway Trust Fund to carry out this program.

Conference Substitute

Subsection (a) of this section is the same as the House amendment. Subsection (b) of this section requires the Secretary of Transportation to make a full and complete investigation and study to examine problems of user access to parks, recreation areas, historic sites and wildlife refuges. The finding and recommendations is to be submitted to Congress not later than January 1, 1975, including estimated costs of implementing any suggested programs.

District of Columbia

Senate Bill

No comparable provision.

House Amendment

This section exempts any segment of the Interstate System within the District of Columbia from the coverage of an 1893 Act (27 Stat. 532), as amended, relating to highways in the District of Columbia.

Conference Substitute

This is the same as the House amendment.

Corridor hearings

Senate Bill

No comparable provision.

House Amendment

This section requires the Secretary of Transportation to withhold any further action on Interstate Route I-287 between Montville and Mahwah, New Jersey, and on the Corporation Freeway in Winston-Salem, North Carolina, until new corridor hearings are held.

Conference Substitute

This is the same as the House amendment except that the new corridor hearings shall be held and reports thereon be made no lated than one year after the date of enactment of this section.

Interstate System

Senate Bill

This section amends subsection (e) of section 103 of title 23 to provide that, at the joint request of a State Governor and the local government concerned, the Secretary can withdraw his approval of any Interstate segment, if he finds that a route is not essential to complete a unified and connected system within a State. Dollar-for-dollar substitution of the substitute essential connection would be permitted without restriction on length, and the existing 200 miles total limit for substitute routes would be repealed.

The cost of withdrawn Interstate mileage for any project would be the maximum Federal cost allowed for any substitute project. If no substitute essential connection is necessary, or if the cost of substitute mileage is less than the cost of the original route, the total amount or difference in amount would be available, in the urbanized area from which the non-essential route was withdrawn, for use on the urban system or for local public transportation purposes under section 142 of title 23 United States Code. Any costs incurred by reason of the development of the project withdrawn would be deducted from such amounts. Any mileage from a route or portion thereof which is withdrawn from designation and not replaced may be redesignated elsewhere as part of the Interstate System.

Costs would be that as of the date of withdrawal. In approving substitute mileage, the Secretary would be required to "assure", rather than "give due regard to", connectivity of Interstate routes and extensions of routes which terminate within municipalities served by a single Interstate route, so as to provide through traffic service.

House Amendment

Subsection (a)(1) of this section eliminates the 200-mile limitation on additions to the Interstate System contained in the Cramer-Howard amendment. The subsection would leave the mileage open-ended as necessary for making modifications to the System.

Subsection (a)(2) of this section further amends the Cramer-Howard amendment to provide that the costs to the United States of the aggregate of all substitute mileage and mileage for modifications shall not exceed the cost of the aggregate of all mileage which is not to be constructed and is withdrawn as nonessential, as such cost is reflected in the 1972 Interstate System cost estimate rather than the 1968 estimate.

Subsection (a)(3) amends the Cramer-Howard amendment to require the Secretary in considering substitute routes and modifications to give "preference, along with due regard for interstate highway type needs on a nationwide basis," to routes in States in which other routes were or hereafter are withdrawn and extension of routes which terminate within cities served by a single Interstate route, so as to provide traffic service entirely through such cities.

Subsection (b) provides that upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of an Interstate route if the route is not essential to completion of a connected system and if the State does not intend to construct a toll road in the corridor which would be served by such route. The mileage withdrawn shall be available for designation on the Interstate System in another State. After the Secretary has withdrawn his approval, whenever responsible local officials notify the highway department that, in lieu of a highway, their needs require a nonhighway public mass transit project involving fixed rail or purchase of rolling stock and such project is in accordance with section 134 of this title, plans shall be submitted to the Secretary for approval.

Approval of plans, specifications and estimates shall be deemed a contractual obligation of the United States for payment out of the general fund of its proportional share of the cost of the project in an amount equal to the federal share which would have been paid for the withdrawn route. Funds previously apportioned to the State for the Interstate System shall be reduced by an amount equal to such federal share. No project would be approved unless the Secretary receives assurances that the public mass transportation systems would have adequate capability to fully utilize the proposed project.

Conference Substitute

This is the same as the House amendment except that the 200-mile limit is raised to 500 miles rather than made open-ended, and clarifying changes are made in the proposed new subsection (e)(4) of section 103 of title 23, U.S. Code. In the administration of section 103(e)(2) and (4), the Secretary shall make sure all options under these provisions are considered.

Public mass transportation studies

Senate Bill

No comparable provision.

House Amendment

This section authorizes $75 million out of the General Fund to evaluate the public mass transportation portion of the 1972 National Transportation Report submitted by the Secretary. The evaluation would be submitted to the Congress not later than July 1, 1974 by the Secretary and would be conducted in cooperation with the governors and appropriate local officials. Items to be included in the evaluation are listed in the Act.

Conference Substitute

This section is the same as the House amendment except for the following changes:

(1) The authorization has been reduced to $10 million, and

(2) The mass transportation tax study contained in the Senate bill has been retained as a separate subsection in this section.

Mass transportation tax study

Senate Bill

This section requires the Secretary of Transportation to conduct a study of revenue mechanisms, including fuel taxes on urban mass transportation services, which could be used to finance the transportation activities receiving financial assistance from the Highway Trust Fund. The report on this study is to be submitted by July 1, 1974.

House Amendment

No comparable provision.

Conference Substitute

This provision of the Senate bill is contained as a separate subsection in the section dealing with the public mass transportation evaluation.

Ferry operations

Senate Bill

This section amends 23 U.S.C. 129(g)(5) to allow ferries financed under Title 23 to travel in international waters between the islands which comprise the State of Hawaii, between any two points in Alaska, or between the States of Alaska and Washington.

House Amendment

This section would permit federal assistance for the construction of ferry boats for operation in international waters between the islands in Hawaii, between any two points in Alaska, and from Alaska to the State of Washington.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Metro accessibility to the handicapped

Senate Bill

This authorizes Secretary of Transportation to make payments of $65 million to the Washington Metropolitan Area Transit Authority to finance the cost of providing necessary facilities so that the subway and transit system being constructed in Washington, D.C. and environs could be made accessible to the handicapped through the implementation of Public Laws 90-480 and 91-240.

House Amendment

This section authorizes $65 million to the Secretary of Transportation to make pay-

ments to the Washington Metropolitan Area Transit Authority to finance the cost of providing necessary facilities to make the subway and transit system being constructed in Washington, D.C. and environs accessible to the handicapped through the implementation of Public Laws 90–480 and 91–240.

Conference Substitute

This section is the same as the Senate bill and the House amendment except that the Federal share is to be 80 per centum of the costs of these facilities.

Environmental impact sttaements

Senate Bill

This section directs the Secretary to complete by October 1, 1973, the draft environmental impact statement on Interstate 66 in Virginia from the National Capital Beltway to the Potomac River. The statement would have to be circulated to all interested public agencies for comments within 45 days and a public hearing would have to be held within 45 days after issuances of the required notice.

The Secretary is further required by December 31, 1973, to have completed his consideration and review of all comments and the information resulting from the hearing, to file the final version of the environmental impact statement, and to make the final determination required by law before construction of the project could proceed. The Secretary's determination on all issues of fact would be conclusive.

House Amendment

This section would direct the Secretary to expedite necessary final action on a highway bridge project at the Raritan River on State Highway 18 in New Jersey and another project on I–66 in Arlington and Fairfax Counties in Virginia.

Conference Substitute

This section is the same as the House amendment, which incorporated the Senate provision.

Truck lanes

Senate Bill

No comparable provision.

House Amendment

This section would permit the Secretary to approve as a project on any federal-aid system the construction of exclusive or preferential truck lanes.

Conference Substitute

This is the same as the House amendment. The conferees intend that these lanes may be permitted to be used during non-peak traffic hours by autos.

Highway studies

Senate Bill

This section requires feasibility and necessity studies of five routes proposed for highways to be included in the Interstate System; (1) a route from Brunswick, Georgia, to Kansas City, Missouri; (2) extension of Interstate 70 from Cove Fort, Utah, in a westerly direction; (3) a route from Amarillo, Texas, to Las Cruces, New Mexico; (4) a route from Kansas City, Missouri, to Baton Rouge, Louisiana; (5) a route from Kansas City, Missouri, to Chicago, Illinois; (6) a route from Waterloo, Iowa, to Rockford, Illinois, and an extension of Interstate 74 to Interstate 90; (7) extension of Interstate 27 from Lubbock, Texas, to intersect with Interstate 20 and with Interstate 10.

House Amendment

This section would require a feasibility study for constructing to appropriate standards highways along (1) a route from Brunswick, Georgia, to Kansas City, Missouri, (2) a route from Kansas City, Missouri, to Chicago, Illinois, (3) a route from Amarillo, Texas to Las Cruces, New Mexico, to El Paso, Texas, and (4) a route from Catoosa, Oklahoma, to Interstate Route 35 to Ponca City, Oklahoma.

Conference Substitute

This section is the same as the House provision except that all route studies contained in the Senate bill which were not duplicative of those in the House amendment are included. The term "appropriate standards" includes the highest standards, which may be those of the Interstate System. These studies and reports shall be made in cooperation with the affected States.

Inter-American Highway

Senate Bill

No comparable provision.

House Amendment

This section would authorize an additional $10,000,000 to liquidate obligations incurred attributable to the construction of the Inter-American Highway.

Conference Substitute

This is the same as the House amendment.

Donations

Senate Bill

No comparable provision.

House Amendment

This section adds a new section to chapter 3 of title 23, U.S. Code, to provide that nothing in that title or any other law prevents a person whose real property is being acquired under that title, after he has been tendered just compensation, from making a gift or donation of such property to a Federal agency or a State or State agency as he determines.

Conference Substitute

This is the same as the provision of the House amendment except that, additionally, gifts or donations of property may be made to a political subdivision of a State.

High-speed transportation demonstration

Senate Bill

The Secretary is authorized by this section to undertake a demonstration program, with sums from the Highway Trust fund not exceeding $10 million, for a high-speed bus service from Washington, D.C. to Dulles International Airport. Funds under this program could be used for the purchase of high-speed buses, the construction of exclusive bus lanes, terminals and parking facility, the conduct of research, and, if necessary, the financing of a portion of operating expenses.

House Amendment

No comparable provision.

Conference Substitute

This is the same as the Senate bill except that this is made a study (to be undertaken with administrative funds during fiscal year 1974), as well as a demonstration project. All authority to pay operating subsidies has been deleted, and the authorization level of $10,000,000 is to come from the urban system funds for fiscal 1975, to be set aside for this purpose prior to apportionment of such funds.

Rural highway public transportation demonstration program

Senate Bill

This section authorizes $30 million during the next two fiscal years to encourage the development of public mass transportation systems on rural highways. Projects eligible for funding would include traffic control devices, passenger, loading facilities, fringe and corridor parking facilities to serve mass transportation passengers, and the purchase of passenger equipment other than railroad rolling stock. Equipment purchased under this section would have to meet applicable Federal standards with respect to air pollution, and facilities would have to meet the special needs of the elderly and the handicapped.

House Amendment

No comparable provision.

Conference Substitute

This is the same as the Senate bill, except that the program will begin with funds authorized for fiscal year 1975. This will permit proper project development.

Federal-aid systems realignment

Senate Bill

This section requires the realignment by June 30, 1975, of the Federal-aid primary, secondary and urban systems, based upon anticipated functional usage for the year 1980. The primary system would consist of rural arterial routes and their extensions into or through urban areas; the secondary system would consist of rural major collector routes; and the urban system would consist of urban arterial and collector routes, exclusive of extensions of rural arterial routes through urban areas. Access roads to airports would be made eligible for inclusion on the secondary system.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill with the following changes:

(1) The designation of the primary system shall be by each State acting through its State highway department.

(2) The Federal-aid urban system will be located in each urbanized area and such other urban areas as the State highway departments may designate and the routes on this system shall be designated by appropriate local officials with the concurrence of the State highway department and subject to the approval of the Secretary.

(3) The effective date is set at June 30, 1976.

Toll road reimbursement program

Senate Bill

New section 146, title 23, authorizes the Secretary to reimburse States after they have received their final apportionment on the Interstate System, for 70% of the construction cost of new toll roads and improvements to existing toll roads. The Federal share would be drawn from funds apportioned to the State for its Federal-aid primary system.

Toll roads built under this program would have to comply with standards approved by the Secretary and would be subject to the same regulations now applicable to other Federal-aid systems. Except for costs of operation and maintenance, all tolls collected from users of these roads would be devoted to retiring obligations incurred by the State for its 30% share.

The Federal 70% share of the cost of toll roads would be payable in not more than 15 equal annual installments from funds apportioned to the State for its Federal-aid primary system. After the Federal share has been fully paid, the highway would be maintained and operated as a free highway as a part of the primary system (or the Interstate System in the case of certain improved toll highways).

House Amendment

No comparable provision.

Conference Substitute

This provision is essentially the same as the Senate bill except as follows:

(1) the provision is limited in its application to the State of Louisiana.

(2) It is not made a part of title 23 of the United States Code.

(3) Any such highway is to be designated as part of the Federal-aid primary system (other than the Interstate System) before payment of any Federal funds under this section.

Parkways

Senate Bill

Section 207 of title 23 is amended to permit the acquisition of rights-of-way and related scenic easements from funds available for parkways. The provisions of section 106 (a) of title 23 relating to the obligation of funds would apply to funds available for parkways.

House Amendment

No comparable provision.

Conference Substitute

Subsection (a) of this section is the same as the Senate bill.

Subsection (b) provides that any parkway project on a Federal-aid system shall be subject to all the requirement of title 23 and to any other law applicable to highways on that system.

Research and planning

Senate Bill

This section permits the financing of local public transportation planning in addition to the oter planning and research purposes indicated in section 307(c) (1) of title 23.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill except for a clarifying amendment.

Technical amendments

Senate Bill

Several minor technical amendments are made to update existing language and correct typographical errors.

House Amendment

No comparable provision.

Conference Substitute

Same as Senate bill.

Increased Federal share—effective date

Senate Bill

The Federal share payable on account of any non-Interstate project is increased from 50% to 70% with respect to all obligations incurred after June 30, 1973, except for projects for which Federal funds were obligated on or before that date.

House Amendment

No comparable provision.

Conference Substitute

This section provides that the Federal share payable on account of any non-Interstate project is increased from 50 percent to 70 percent with respect to all obligations incurred after June 30, 1973.

Termination of Federal-aid relationship

Senate Bill

This terminates the San Antonio North Expressway as a Federal-aid project and provide for the return of any Federal funds paid to the State of Texas for that project to the United States for reapportionment.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill. This provision does not constitute a precedent for similar future action.

Highway litter study

Senate Bill

The Secretary is directed to make a study of litter accumulation within the rights-of-way of Federal-aid highway systems outside of urban areas and to recommend to Congress by December 31, 1973, procedures which the States could use to prevent and clean up such highway litter on a regular basis.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill except that the study would encompass all rights-of-way, not just those outside of urban areas, and the report date is June 30, 1974.

Bridge approach standards

Senate Bill

This would amend section 109 of title 23, U.S. Code, to prohibit the Secretary from approving any project which would significantly affect the highway system of a contiguous State without the concurrence of that State.

House Amendment

This section would amend section 106 of title 23, U.S. Code, to prohibit the Secretary from approving the plans, specifications, and estimates for any project to connect the Interstate System with a bridge over Long Island Sound unless the project has been approved by the State legislatures of New York and Connecticut.

Conference Substitute

This section would amend section 109 of title 23, United States Code, to provide that the Secretary shall not approve any project involving approaches to a bridge if such project and bridge will significantly affect the traffic volume and the highway system of a contiguous State without first taking into full consideration the views of that State.

Allocation of urban system funds

Senate Bill

Urban system funds apportioned under title 23 are to be made available to any urbanized area of 400,000 or more population within the State on the basis of population. These funds would be available for expenditure in another urbanized area within such State only where the responsible public officials in both such urbanized areas would agree to such a transfer.

This section would also allow urban system funds to be "passed through" to municipalities of 400,000 or more population, or combinations of municipalities in any urbanized area, where the Secretary finds that such municipality has sufficient authority to develop and implement a plan for expenditure of funds for the urban system and related highway public transportation purposes. Plans would be developed in accordance with the comprehensive, coordinated and continuing transportation planning process required by section 134 of title 23.

House Amendment

No comparable provision.

Conference Substitute

This section would add a new section to title 23, United States Code, to provide that funds apportioned to any State under section 104(b) (6) that are attributable to urbanized areas of 200,000 population or more shall be made available for expenditure in those areas for projects and programs approved under section 105(b) in accordance with a fair and equitable formula developed by the State and approved by the Secretary. This formula shall provide for fair and equitable treatment for incorporated municipalities of 200,000 or more population. If such a formula is not developed and approved, then such funds shall be allocated among such urbanized areas within such State in the ratio that the population within each such urbanized area bears to the population of all such urbanized areas or parts thereof within that State. In expending funds allocated under the preceding provision, fair and equitable treatment shall be accorded municipalities of 200,000 or more population.

Franconia Notch, New Hampshire

Senate Bill

This provides that for the purpose of facilitating the construction of the Interstate System in rural areas, where a segment not more than 12 miles in length is needed to develop a connected system, where this segment will increase safety and assist in the social and economic development of a rural it and the Secretary has postponed construction, then it is the sense of Congress that area, and where a State formally requests of the State to approve construction of the segment as a parkway.

House Amendment

No comparable provision.

Conference Substitute

This section would authorize the Secretary of Transportation upon application of the Governor of the State to approve construction of a specified portion of Interstate Route 93 North Woodstock to Franconia, New Hampshire, approximately twelve miles in length, as a parkway-type highway, to geometric and construction standards which the Secretary determines necessary for the safety of the traveling public, for the protection of the environment, and for the preservation of the park-like and historic character of the Franconia Notch area adjacent to the highway. The State is authorized to permit, with the concurrence of the Secretary, the use of this section of the highway by specified types of vehicles during specified times of the day and of the year.

Dwight D. Eisenhower Highway

Senate Bill

This would designate certain specified segments of the Interstate system forming a continuous interstate highway link from coast to coast as the "Dwight D. Eisenhower Highway".

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill.

Cumberland Gap National Historical Park

Senate Bill

This section makes parkway funds available for the relocation of Route 25E through a tunnel to be constructed in the Cumberland Gap National Historical Park so as to restore and preserve the Gap and provide adequate traffic capacity.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill.

Highland Scenic Highway

Senate Bill

This section provides for the construction of the Highland Scenic Highway from West Virginia State Route 39 to U.S. 250 near Barton Knob, West Virginia, as a parkway.

House Amendment

No comparable provision.

Conference Substitute

Except for technical and qualifying amendments this is the same as the Senate bill.

Prohibition of discrimination on basis of sex

Senate Bill

No comparable provision.

House Amendment

This section prohibits discrimination on the ground of sex on any program or activity receiving federal assistance or carried on under title 23, United States Code.

Conference Substitute

Except for technical amendments this is the same as the House amendment.

Railroad relocation demonstration

Senate Bill

This section authorizes $13.55 million to carry out demonstration projects in Lincoln, Nebraska, Wheeling, West Virginia, Elko, Nevada, and Brownsville, Texas, for the relocation of railroad lines from the central city to eliminate a substantial number of railway-road grade crossings within those cities. A general study of the relocation of rail lines from the central area of cities on a

nationwide basis is also authorized with a report by July 1, 1975.

House Amendment

This section authorizes the Secretary to carry out 10 rail-highway demonstration projects in the following cities throughout the nation: Springfield, Illinois; Lincoln, Nebraska; Brownsville, Texas; E. St. Louis, Illinois; Carbondale, Illinois; New Albany, Indiana; Dolton, Illinois; Blue Island, Illinois; Elko, Nevada; Greenville, Texas. The Secretary is required to report to the President and the Congress with respect to his activities under this section. A total of $36.3 million is provided out of the Highway Trust Fund and $54.8 million out of the general funds in the Treasury for these projects. A similar section authorizes a demonstration project for an underpass in Anoka, Minnesota.

Conference Substitute

This section authorizes all of the demonstration projects contained in both the Senate bill and the House amendment except that there is a general authorization for carrying out this section at not to exceed $15,000,000 for fiscal year 1974, $25,000,000 for fiscal year 1975, and $50,000,000 for fiscal year 1976 except that two-thirds of all funds authorized and expended under this section in any fiscal year are to be appropriated from the Highway Trust Fund. The study contained in the Senate bill is retained.

Financial assistance agreements

Senate Bill

The Senate bill revision of section 142 contains in subsection (e) a requirement that no equipment acquired with financial assistance under this section is to be available for use in charter, leased, sightseeing, or other service in any area other than the area for which it was acquired.

House Amendment

The House amendment contains in several sections prohibitions against financial assistance to an applicant for the purchase of buses if that applicant after the date of enactment of the subsection is engaged or proposes to engage, directly or indirectly, in charter bus operations in competition with private bus operators outside the urbanized area within which the applicant provides mass transportation service. In addition no financial assistance is to be provided to an applicant which engages, directly or indirectly, in transporting school children and personnel to and from school and school authorized functions or which proposes to expand present routes, schedules, or facilities for that purpose in competition with or supplementary to service criteria provided by a private transportation company or other person so engaged in so transporting such children and personnel. This is not to apply unless the private transportation company is able to provide adequate transportation at reasonable rates and safely and is not to apply to an applicant which was so engaged any time during the year preceding the date of enactment of the subsection.

Conference Substitute

The conference substitute provides that no Federal financial assistance shall be provided under (1) section 142 (a) or (c) of title 23, United States Code, (2) section 103(e)(4) of title 23, United States Code, or (3) the Urban Mass Transportation Act of 1964 for the purchase of buses to any applicant unless the applicant and the Secretary of Transportation have entered into an agreement that the applicant will not engage in charter bus operations in competition with private bus operators outside the area in which the applicant provides regularly scheduled mass transportation service. In addition, no Federal financial assistance is to be provided under those provisions of law for the purchase of buses to any applicant who has not first entered into an agreement with the Secretary of Transportation that the applicant will not engage in school bus operations in competition with private school bus operators. This subsection is made inapplicable to any applicant with respect to the operation of a school bus program if the applicant operates a school system in the area to be served and operates a separate and exclusive school bus program for this school system. The same requirements are made that private operators of school buses be able to provide adequate transportation at reasonable rates and safely and that it is inapplicable to a State, local body, or agency which was so engaged in school bus operations during the 12-month period immediately prior to the date of enactment of this subsection. This subsecion is not applicable to the transportation of school children along with other passengers by regularly scheduled bus service at either full or reduced fares.

A violation of these requirements shall bar the applicant from receiving any other Federal financial assistance under these provisions of law.

Bus and other project standards

Senate Bill

The Senate bill provides in its revision of section 142 of title 23 of the United States Code that equipment acquired under that section must meet EPA standards under section 202 of the Clean Air Act and section 6 of the Noise Control Act of 1972 and, wherever practicable, the equipment must meet special criteria for low-emission vehicles and for low-noise-emission products. This revision also required that the planning and design of mass transportation facilities must be such as to meet special needs of the elderly and handicapped. Equivalent provisions of this nature are contained in the section relating to the Rural Highway Public Transportation Demonstration Program.

House Amendment

No comparable provision.

Conference Substitute

This provision in the conference substitute is the same as the Senate bill except that it is a separate section and it has been made applicable to sections 142 (a) and (c) and 103(e)(4) of title 23, United States Code, and section 147 of the conference substitute (Rural Highway Public Transportation Demonstration Program).

Use of interstate system right-of-way

Senate Bill

No comparable provision.

House Amendment

This would amend section 111 of title 23, U.S. Code, to allow the State highway department to permit small food service establishments to operate at rest stop areas along the Interstate System right-of-way.

Conference Substitute

No comparable provision.

Participation in topics and fringe parking programs

Senate Bill

No comparable provision.

House Amendment

This section requires the Secretary of Transportation to take such action as he deems necessary to facilitate broad participation by States in TOPICS programs and fringe and corridor parking facility projects.

Conference Substitute

No comparable provision.

Application to urban system of certain controls

Senate Bill

No comparable provision.

House Amendment

This section amends the description of the Federal-aid urban system to make the provisions of chapters 1, 3 and 5 of title 23 that are applicable to Federal-aid primary highways applicable to the Federal-aid urban system unless the Secretary determines them to be inconsistent with this subsection. The provisions of title 23 relating to control of outdoor advertising, junkyard control and scenic enhancement are, however, made specifically applicable to the Federal-aid urban system and the Secretary may not determine such section to be inconsistent with subsection 103(d) of title 23, U.S.C.

Conference Substitute

No comparable provision. The conferees look to the Commission on Highway Beautification to advise the Congress on the application of the controls required under section 131 to the Federal-aid urban system.

Prohibition of impoundment

Senate Bill

This section would prohibit the impoundment of sums authorized to be apportioned by section 104 of title 23, U.S. Code, which have been appropriated by Congress except specific sums determined by the Secretary of the Treasury as necessary to meet future expenditures from the Highway Trust Fund.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision. The fact that this section of the Senate bill is not contained in the conference substitute shall not be construed to indicate anything other than complete agreement with the decision of the United States Court of Appeals for the Eighth Circuit in the case of the State Highway Commission of Missouri v. John A. Volpe, Secretary of Transportation of the United States, et al.

Access highways to public recreation areas on Federal lakes

Senate Bill

The new section authorizes $15 million for each of the 1974, 1975, and 1976 fiscal years for the construction of access highways to public recreation areas on Federal lakes. Such routes could not be longer than 35 miles, must connect with a highway on a Federal-aid system, and would be designated by the Secretary on the recommendation of State and local officials.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Preservation of parklands

Senate Bill

This section amends section 138, title 23, regarding parkland preservation, to include publicly-owned water recreation areas and historic water areas of national, state or local significance, as well as public lands.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Public hearings

Senate Bill

This section requires that, when plans are submitted for a Federal-aid project, the State highway department must provide assurance that it has taken steps to ensure and foster public participation in the development of such project before and after the required public hearings.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Programs

Senate Bill

This section amends section 105 of title 23, United States Code, relating to programs for projects on the Federal-aid system to substitute the State Governor for the State highway department in subsections (a), (b), and (g).

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Public transportation in National Forests and Parks

Senate Bill

By amendments to sections 204 and 206, title 23, funds authorized for forest highways and park roads and trails are made available for the purchase of buses as well as for the construction of passenger loading facilities and parking areas, in order to provide interpretive and shuttle transportation services in national parks and forests as an alternative to private automobile transportation.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Fringe and corridor parking facilities

Senate Bill

Section 137 of title 23 is amended to allow the construction of publicly owned parking facilities in the central business district and the imposition of parking fee rates necessary to finance the liquidation of bonds or other obligations incurred in financing the local share of constructing such facilities, as well as financing the costs of maintenance and operation now authorized by law.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Payment to States for bond retirement

Senate Bill

Under present law, any State which issues bonds and uses the proceeds to construct projects on the Federal-aid primary or Interstate Systems, or extensions of any of the Federal-aid highway systems in urban areas, may use any sums apportioned to it for expenditure on such system to aid in the retirement of the principal of such bonds at maturity. This section authorizes, in the case of the Interstate System, repayment to the States of an amount equal to the interest in addiion to the principal of such bonds.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Transportation planning in certain areas

Senate Bill

Section 134 of title 23 is amended to (1) require that States take reasonable measures to permit, encourage and assist public participation in the urban transportation planning process and (2) require the Secretary to develop minimum guidelines for such participation. These guidelines must include annual public hearings to review the planning process, plans and programs, and opportunity provided for consideration of alternative modes of transportation at such hearings. Noncompliance with these provisions by any urbanized area would result in the Secretary's disapproval of all Federal-aid highway projects within such urbanized area.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

TITLE II

Introductory

The bill before the Conferees was S. 502, Title II of which, in the House bill, was the Highway Safety Act of 1973. The Senate also passed separate highway safety legislation, S. 893, which contained many provisions similar to those in the House passed bill, S. 502. The words "No provision" in various sections of the Statement of Managers relating to the Senate bill are not intended to convey the absence of Senate legislation, only that S. 893 was not technically in the Conference.

With respect to any apportionment of funds authorized in Title II, except as provided in section 401, if no time is prescribed for the making of such apportionment, then such apportionment shall be made in accordance with the time prescribed in section 104(b) of title 23, U.S. Code.

Short title

Senate Bill

No provision.

House Amendment

This section provides that this title may be cited as the "Highway Safety Act of 1973."

Conference Substitute

Same as House provision.

Highway safety

Senate Bill

No provision.

House Amendment

This section authorizes the appropriation out of the Highway Trust Fund of $200 million for fiscal year 1974, and $300 million for each of fiscal years 1975 and 1976, for carrying out section 402 of title 23 and $115 million for each of fiscal years 1974, 1975 and 1976 for carrying out section 403 programs by the National Highway Traffic Safety Administration.

It further authorizes the appropriation out of the Highway Trust Fund of $35 million for carrying out section 402 of title 23 for fiscal year 1974, and $45 million for each of fiscal years 1975, and 1976 and $10 million for each of fiscal years 1974, 1975, and 1976 for carrying out sections 307(a) and 403 of title 23 by the Federal Highway Administration.

Conference Substitute

This is the same as the House amendment except as follows:

(1) The authorization for section 402 to be carried out by the National Highway Traffic Safety Administration is reduced to $100,000,000 for fiscal year 1974, $125,000,000 for fiscal year 1975, and $150,000,000 for fiscal year 1976.

(2) The authorization for section 403 to be carried out by the National Highway Traffic Safety Administration is reduced to $42.5 million for fiscal year 1974, $55,000,000 for fiscal year 1975, and $65,000,000 for fiscal year 1976.

(3) The authorization for section 402 to be carried out by the Federal Highway Administration is reduced to $25,000,000 for fiscal year 1974, $30,000,000 for fiscal year 1975, and $35,000,000 for fiscal year 1976.

Rail-highway crossings

Senate Bill

No provision.

House Amendment

This section authorizes $150 million for fiscal year 1974, and $225 million for each of fiscal years 1975 and 1976 for elimination of hazards at rail highway crossings in addition to funds otherwise available to carry out section 130 of title 23, United States Code. Two-thirds of these funds in any fiscal year are to be appropriated out of the Highway Trust Fund; one-third out of the general fund. Funds authorized are to be available for expenditure: (1) two-thirds for projects on any Federal-aid system (other than the Interstate System) apportioned in the same manner as sums authorized to be appropriated under section 105 of the Federal-Aid Highway Act of 1970, and (2) one-third for projects on highways not included on any Federal-aid system to be apportioned in the same manner as provided in subsection (c) of section 402 of title 23, United States Code. States would be required to conduct and sytematically maintain a survey of all rail-highway crossings and establish and implement a schedule of projects for their separation, relocation or protection. At a minimum, such schedule shall insure that adequate signing is provided at all rail-highway crossings.

The Federal share payable on account of any such project is not to exceed 90 percent of the cost.

This section would further require each State to report yearly on the cost of treatments employed and the effectiveness of such improvements. The Secretary would report to Congress yearly on the progress being made by the States in implementing the program.

Conference Substitute

This is the same as the provision of the House amendment except that all funds are authorized from the Highway Trust Fund, projects must be on a Federal-aid system, 50 percent of the funds will be apportioned to the States in the same manner as sums authorized to be appropriated under paragraph (1) of section 104 of the Federal-Aid Highway Act of 1973 and 50 percent of such funds will be apportioned in the same manner as sums authorized to be appropriated under paragraph (2) of such section 104 and the authorization levels are reduced to $25,000,000 for fiscal year 1974 and $75,000,000 per fiscal year for 1975 and 1976. In addition to other moneys which may be available to the States for the conduct and maintenance of the surveys required by this section, funds provided under section 307(c) for research and planning may also be used.

Bridge reconstruction and replacement

Senate Bill

No provision.

House Amendment

This section authorizes the appropriation out of the Highway Trust Fund of $225 million for fiscal year 1974, and $450 million for each of fiscal years 1975 and 1976 to carry out the bridge replacement program established pursuant to section 144 of title 23, United States Code. Two thirds of the funds authorized and expended under the program would be from the Highway Trust Fund for projects on the Federal-aid system. One third would be from the General Fund for projects not included on any Federal-aid system

Conference Substitute

This is the same as the House amendment except that all of the funds would be paid from the Highway Trust Fund, all of the projects must be on the Federal-aid system, and the authorization is reduced to $25,000,000 for fiscal year 1974, and $75,000,000 per fiscal year for fiscal years 1975 and 1976. Pending bringing unsafe and dangerous bridges and their approaches up to a minimum standard of safety, it is intended that funds authorized under sections 152 (projects for high hazard locations), 153 (program for the elimination of roadside obstacles) and section 151 (pavement marking demonstration program) may be used, in appropriate cases, to make interim safety improvements on bridges on the Federal-aid system.

Pavement marking demonstration program

Senate Bill

No provision.

House Amendment

This section establishes a special pavement marking demonstration program. The Secretary is authorized to approve pavement marking demonstration projects on any two-lane rural highway other than the Interstate System, in order to bring such highway up

to marking standards issued or endorsed by the Federal Highway Administrator. This section authorizes the appropriation out of the Highway Trust Fund, of $125 million for each of fiscal years 1974 and 1975, for such purposes. Funds not required in a State for pavement-marking projects may be used for the elimination or reduction of high hazard locations. The Secretary must submit a report to Congress which includes an analysis and evaluation of the number, rate, and severity of accidents at improved locations beginning January, 1975, and each January thereafter.

Conference Substitute

This is the same as the House amendment except the authorization is reduced to $25,000,000 for fiscal year 1974, and $75,000,000 per fiscal year for fiscal years 1975 and 1976. The purpose of such reports is to provide continuing evaluation of the results achieved under this demonstration program. It is not the intention of the Committee to create an on-going, Federally funded, pavement marking program.

Pavement marking research and demonstration programs

Senate Bill

No provision.

House Amendment

This section authorizes the appropriation out of the Highway Trust Fund of $15 million for fiscal year 1974, and $25 million for fiscal year 1975 to conduct research and demonstration programs to improve the effectiveness and durability of various types of pavement markings and related delineators and to develop improved equipment and techniques for applying, erecting and maintaining such markings and delineators during adverse weather and nighttime driving conditions.

Conference Substitute

This is the same as the House amendment with the authorization reduced to $10,000,000 per fiscal year for fiscal years 1974 and 1975.

Highway safety on Indian reservations

Senate Bill

No provision.

House Amendment

This section amends section 402 of title 23, United States Code, to add a new subsection (i) to define the terms "State" and "Governor of a State" as including the Secretary of the Interior and "political subdivision of a State" as including an Indian tribe, in administering these programs on Indian reservations. This section further provides that if an Indian tribe cannot pay the non-Federal share of the cost of a local highway safety program the Secretary may increase the Federal share to the extent necessary.

Conference Substitute

This is the same as the provisions of the House amendment.

Drug use and driver behavior highway safety research

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to carry out research on (1) the relationship between the consumption of drugs and highway safety, (2) driver behavior, including the characteristics and physical abilities to perform driving tasks, and (3) the relationship of the frequency of driver accident involvement to highway safety. Computer-aided means to identify graphically those highway deficiencies that contribute to aberrant driver behavior may also be studied. This research may be conducted through grants and contracts with public and private agencies, institutions, and individuals. To carry out this research by the National Highway Traffic Safety Administration there is authorized to be appropriated out of the Highway Trust Fund, $15 million for the fiscal year 1974 and $25 million for fiscal year 1975.

Conference Substitute

This is the same as the House amendment except the authorization level has been reduced to $10,000,000 per fiscal year for fiscal years 1974, 1975, and 1976.

Projects for high-hazard locations

Senate Bill

No provision.

House Amendment

This section establishes a program for the elimination or reduction of hazards at specific locations or sections of highways which have high accident experiences or high accident potentials. Each state shall be required to systematically conduct and maintain an engineering survey to identify critical accident locations, assign priorities and establish and implement a schedule for their correction. To carry out this section, there is authorized to be appropriated $100 million for each of the fiscal years 1974, 1975 and 1976. Two-thirds of all funds authorized and expended under this section in any fiscal year shall be appropriated out of the Highway Trust Fund. Two-thirds of the funds authorized by this section shall be available for expenditure on any Federal-aid system other than the Interstate System. One-third would be available for projects on highways not on any Federal aid system.

This section further requires each State to report yearly on the cost and the effectiveness of improvements under this section. The Secretary shall report to Congress yearly on the progress being made in implementing the program.

Conference Substitute

This is the same as the House amendment except that all funds will be out of the Highway Trust Fund, all projects must be on a Federal-aid system (other than the Interstate system) and the authorizations are reduced to $50,000,000 for fiscal year 1974 and $75,000,000 per fiscal year for fiscal years 1975 and 1976. In addition to other moneys which may be available to the States for the conduct and maintenance of the engineering surveys required by this section, funds provided under section 307(c) for research and planning may also be used.

Program for the elimination of roadside obstacles

Senate Bill

No provision.

House Amendment

This section authorizes a comprehensive program by the Federal Highway Administration for the elimination of roadside obstacles both on and off Federal-aid highway systems. It requires each State to conduct and systematically maintain a survey of all expressways, major streets and highways, and through streets for the identification of roadside obstacles which may constitute a hazard to vehicles, assign priorities and establish and implement a schedule for their correction.

Beginning in 1974, each State shall be required to report yearly on the progress being made in implementing this program and the effectiveness of such improvements. The Secretary is to report to Congress on the progress of the program. The report shall analyze and assess each state program, identify those not in compliance with improvement schedules and contain the Secretary's recommendations for future implementation of the program.

To carry out this section, there is authorized to be appropriated for each of the fiscal years 1974, 1975, and 1976, $75 million, except that two-thirds of all funds expended under the authority of this section in any fiscal year shall be appropriated out of the Highway Trust Fund.

Conference Substitute

This is the same as the House amendment except that all funds are from the Highway Trust Fund, all projects are to be on a Federal-aid system (other than the Interstate system) and the authorization is reduced to $25,000,000 for fiscal year 1974 and remains at $75,000,000 for fiscal years 1975 and 1976. In addition to other moneys which may be available to the States for the conduct and maintenance of the engineering surveys required by this section funds provided under section 307(c) for research and planning may also be used.

Highway safety educational programing and study

Senate Bill

No provision.

House Amendment

Subsection (a) of this section authorizes the Secretary of Transportation to conduct investigations and studies into the use of mass media and other techniques for informing the public of methods of reducing the number and severity of highway accidents. The study is to include ways and means for: (1) encouraging participation and cooperation of television and radio station licensees, (2) measuring audience reaction to current educational programs, (3) evaluating the effectiveness of such programs, and (4) developing new programs for the promotion of highway safety. The Secretary is to report to the Congress his findings and recommendations by June 30, 1974. To carry out this subsection there is authorized to be appropriated out of the Highway Trust Fund $1 million.

Subsection (b) authorizes the Secretary to develop a series of highway safety pilot television messages, each not more than five minutes duration, for use in accordance with the provisions of the Communications Act of 1934. To carry out this subsection there is authorized to be appropriated out of the Highway Trust Fund $4 million.

Conference Substitute

This is the same as the House amendment.

Citizen participation study

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to investigate the means for encouraging greater citizen participation and involvement in highway safety programs, with particular emphasis on traffic enforcement and accident detection, response and reporting, including the creation of citizen adjuncts to assist professional traffic enforcement and rescue agencies in the performance of their duties. The Secretary is to report to Congress his findings and recommendations by June 30, 1974. To carry out this section there is authorized to be appropriated out of the Highway Trust Fund $1 million.

Conference Substitute

This is the same as the House amendment.

Feasibility study—National Center for Statistical Analysis of Highway Operations

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to make a study of the feasibility of establishing a National Center for Statistical Analysis of Highway Operations designed to acquire, store, and retrieve highway accident data and standardize information and procedures for reporting accidents on a nationwide basis. The study is to include an estimate of the cost of establishing and maintaining such a center including the means for acquiring the accident information to be stored therein. The Secretary is to report to the Congress his findings and recommendations not later than January 1, 1975. To carry out

this section there is authorized to be appropiated out of the Highway Trust Fund $5 million.

Conference Substitute

This is the same as the House amendment.

PEDESTRIAN AND BICYCLE SAFETY STUDY

Senate Bill

No provision.

House Amendment

This section directs the Secretary to make a full and complete investigation and study of pedestrian safety problems in consultation with other agencies of the Federal government, the States and their political subdivisions, and other interested groups and organizations, and report to Congress his findings and recommendations for legislation no later than January 31, 1976.

Conference Substitute

The same as the House amendment except that the study is broadened to include bicycle safety as well.

MANPOWER TRAINING AND DEMONSTRATION PROGRAMS

Senate Bill

No provision.

House Amendment

This section would authorize funds appropriated to States for their highway safety programs to be used for the development and implementation of manpower training and demonstration programs, which the Secretary determines might help reduce traffic accidents.

Conference Substitute

This is the same as the House amendment. It is the intention of this provision that self-instructional training programs and techniques may be authorized by the Secretary.

Public road mileage

Senate Bill

No provision.

House Amendment

For purposes of apportioning funds for highway safety among the States, the public road mileage in each State would be determined at the end of each calendar year.

Conference Substitute

This is the same as the House amendment.

Minimum apportionment

Senate Bill

No provision.

House Amendment

The minimum amount available to any State for highway safety programs would be increased from one-third of one percent to one-half of one percent.

Conference Substitute

This is the same as the House amendment.

Highway safety program applicability

Senate Bill

No provision.

House Amendment

The purpose of this section is to broaden the term "State" to include not only the 50 States and the District of Columbia, and Puerto Rico, but also the Virgin Islands, Guam, and American Samoa. The effect of this provision is to make the latter three jurisdictions eligible for apportionment of section 402 funds. Since none of these jurisdictions have any Federal-aid highways, expenditures resulting from the obligations of each year's apportionment will be paid out of the general funds in the Treasury.

Conference Substitute

This is the same as the House amendment.

Incentives for compliance with highway safety programs

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to make incentive grants of up to 25% of a State's section 402 apportionments in fiscal years 1974, 1975, and 1976 to those States which adopt legislation requiring the use of seatbelts in accordance with criteria established by the Secretary. Not to exceed $50 million is authorized to be appropriated for fiscal year 1974, and $75 million for each of fiscal years 1975 and 1976.

It also provides additional incentive grants, up to 25% of a State's section 402 apportionment, to those States making the most significant progress in reducing traffic fatality rates. Not to exceed $25 million is authorized to be appropriated for such purposes in fiscal year 1974 and not to exceed $35 million for each of fiscal years 1975 and 1976.

Conference Substitute

This is the same as the House amendment with the authorization for subsection (j) (1) reduced to $25,000,000 for fiscal year 1974, $32,000,000 for fiscal year 1975, $37.5 million for fiscal year 1976 and the authorizations for subsection (j) (2) reduced to $12.5 million for fiscal year 1974, $16,000,000 for fiscal year 1975 and $19,000,000 for fiscal year 1976.

Highway safety research and development

Senate Bill

No provision.

House Amendment

This section would amend section 403 of title 23, United States Code, to make it clear that research funds could be used for grants to or contracts with public agencies, institutions and individuals for all of the purposes listed in section 403. The Secretary would be required to provide assurances that no fees would be charged for training and education of highway safety personnel.

Conference Substitute

This is the same as the House amendment.

Transfer of demonstration project equipment

Senate Bill

No provision.

House Amendment

The Secretary would be authorized to transfer to State and local agencies the title to equipment purchased with research funds for demonstration projects.

Conference Substitute

This is the same as the House amendment.

Administrative adjudication of traffic infractions

Senate Bill

No provision.

House Amendment

This section would direct the Secretary to conduct research and make grants for projects to demonstrate the efficacy of administrative adjudication of traffic infractions. The Secretary would report his findings to Congress by July 1, 1975, and each year thereafter during the continuance of the program.

Conference Substitute

This is the same as the House amendment.

National Highway Safety Advisory Committee

Senate Bill

No provision.

House Amendment

The National Highway Traffic Safety Administrator would be added as an ex officio member of the National Highway Safety Advisory Committee.

Conference Substitute

This is the same as the House amendment.

Date of Annual Report

Senate Bill

No provision.

House Amendment

The date on which the Secretary is to make an annual report to Congress on the administration of the Highway Safety Act would be changed from March 1 to July 1.

Conference Substitute

This is the same as the House amendment.

Highway Safety Needs Study

Senate Bill

No provision.

House Amendment

This section directs the Secretary of Transportation, in cooperation with the governors and appropriate State and local highway safety officials, to make a full and complete study of highway safety needs related to programs in title 23, and prepare recommendations and estimates of the cost for meeting those needs. Such studies shall include the needs of the 50 States, Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands and such other territories as the Secretary shall determine. The Secretary shall submit detailed estimates and recommendations to the Congress not later than January 10, 1976.

Conference Substitute

Same as the House amendment. To the extent practicable, the highway safety needs study authorized by this section shall take into account the findings of the studies authorized by this title and such other safety studies as may be conducted by the Department of Transportation. It is intended that this study be financed by funds allocated to the National Highway Traffic Safety Administration under section 403 of title 23, United States Code.

Driver education evalation program

Senate Bill

No provision.

House Amendment

This section directs the Secretary of Transportation to carry out research, development and demonstration projects to improve and evaluate the effectiveness of various types of driver education programs and their effects in reducing traffic accidents, deaths, injuries, and property damage. Public and private agencies, institutions and individuals may be utilized to carry out such projects. Commencing July 1, 1975, and each year thereafter during the continuation of the program, the Secretary shall report to the Congress on the results of the projects funded under this program.

Conference Substitute

Same as the House amendment.

Transfer of funds among highway safety programs

Senate Bill

No provision.

House Amendment

This section authorizes the transfer of up to 30% of the funds apportioned in any fiscal year to a State in accordance with Section 144 (Bridge Reconstruction and Replacement), Section 152 (Projects for High Hazard Locations), and Section 153 (Program for the Removal of Roadside Obstacles) of the title 23, United States Code and section 203(d) of this Act (relating to rail-highway crossings) to any other of the above programs if such transfer is requested by the state highway department and is approved by the Secretary as being in the public interest.

Conference Substitute

Same as the House amendment.

Curb ramps for the handicapped

Senate Bill

No provision.

House Amendment

This provision adds a new requirement to paragraph 1 of subsection (b) of section 402

of title 23, United States Code by directing the Secretary of Transportation not to approve any State highway safety program authorized under section 402 which does not provide adequate and reasonable access for safe and convenient movement of the physically handicapped, including those in wheel chairs, across curbs constructed or replaced at all pedestrian crosswalks after July 1, 1976.

Conference Substitute

Same as the House amendment.

Highway safety standards

Senate Bill

No provision.

House Amendment

This section amends section 402(h) of title 23, United States Code, to provide that each uniform safety standard promulgated under that section on or before January 1, 1973, shall continue in effect unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973. The Secretary shall not promulgate any other uniform safety standard under that section (including a revision of a standard continued in effect by the preceding sentence) unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973.

Conference Substitute

Same as the House amendment.

Federal-aid safer roads demonstration program

Senate Bill

No provision.

House Amendment

No provision.

Conference Substitute

This section adds a new section 405 to title 23, a version of which was in the Senate passed safety bill, S. 893. This section authorizes $50 million for fiscal year 1974, and $100 million for each of the fiscal year 1975 and 1976 out of the Highway Trust Fund for a demonstration program for the correction of safety hazards on highways off the Federal-aid System. The Federal share for such projects would be 90%.

By June 30, 1974, each State should identify hazards which are to be corrected under this program and assign priorities for their correction. The hazards to be corrected must fall within three major categories: 1) projects to improve highway marking and signing; 2) to eliminate roadside obstacles; and 3) to eliminate hazards at railroad-highway grade crossings. Each State would designate the projects and priorities for correcting the hazards within these categories, subject to the approval of the Secretary.

In carrying out the Federal-Aid Safer Roads Demonstration Program authorized by this section, the Secretary shall coordinate such program with the programs and projects authorized in sections 144, 152, and 153 of this title and section 203(d) of the Highway Safety Act of 1973.

An interim report on the progress of this demonstration program shall be filed by January 1, 1975, and a final report shall be filed on January 1, 1976, with recommendations for the future implementation of the program.

Bicycle safety

Senate Bill

No provision.

House Amendment

No provision.

Conference Substitute

This section amends section 402 to include bicycle safety among the areas to be covered by highway safety standards, and adds bicycle safety to required driver education programs.

While recognizing that bikeways physically separated from highways provide the best protection against injuries resulting from accidents between bicycles and motorized vehicles, the Managers believe that other measures can also help to promote bicycle safety.

The Managers expect that the results of the Pedestrian and Bicycle Safety Study authorized by another section of the conference substitute will provide guidance to the Secretary and the States in implementing this section.

TITLE III

Senate Bill

This title amends the Urban Mass Transportation Act of 1964 by authorizing the Secretary of Transportation to make grants or loans to State and local public bodies for payment of operating expenses incurred by a mass transportation system. These grants would be obligated on a two-third Federal, one-third local matching basis and funded by the allocation of $800 million over the next two fiscal years.

This title also provides an additional $3 billion in contract authority to sustain the Urban Mass Transportation Act's capital grant program through fiscal year 1977. The cost-sharing formula for this program would be changed from two-thirds, one-third to 90 percent Federal, 10 percent local. This new ratio for funding mass transit capital improvements coincides with the present Federal interstate highway financing ratio.

House Amendment

This title would increase to 80 percent the Federal share of capital grants under the Urban Mass Transportation Act of 1964, as amended, and increase from $3.1 billion to $6.1 billion contract authority under the Act.

It would also permit the Urban Mass Transportation Administration to make grants to States and local public bodies or agencies thereof and enter into contracts with private and public agencies to carry out technical studies relating to planning, engineering, design and evaluation or urban mass transportation projects. The Federal share would be determined by the Secretary.

Subsection 301(e) would insure that nonsupervisory employees are not brought under the restrictive political provisions of the "Hatch Act" merely because a transit system may be a recipient of Federal assistance under this section.

Protective provisions are also included which would prevent discrimination in the program on the basis of sex and provide from funds authorized for capital grants under the Act additional funding on a permissive basis for providing mass transit services to meet the special needs of the elderly and the handicapped.

This title further provides that no funds authorized to be obligated, appropriated or expended pursuant to the Urban Mass Transportation Act of 1964, as amended, shall be impounded or withheld from obligation.

No assistance would be provided for the purchase of buses to any State or local public body or agency thereof which engages in charter bus operations in competition with private operators outside the urbanized area within which the public body or agency provides mass transit service.

No financial assistance would be provided to any State or local public body or agency thereof which engages in the transporting of school children and school personnel to and from school and school related functions in competition with or supplementary to the service currently provided by a private transportation company, or other person, provided that such company or person provides adequate transportation at reasonable rates, and in conformance with applicable safety standards. This would not apply if the State or local body was engaged in transporting school children or personnel during the 12-month period prior to the date of enactment of this title.

Conference Substitute

This title is the same as the House provision except that the prohibition against impoundment is deleted and the references to unfair competition are covered in a new section 164.

TITLE IV

Senate Bill

No comparable provision.

House Amendment

Title V of the House amendment provides that the time requirements in section 104(b) of title 23, United States Code, are not applicable to apportionment of sums authorized for that fiscal year in any title of this Act and requires the Secretary to apportion these sums as soon as practicable after the date of enactment of this Act.

Conference Substitute

This is the same as the provision of the House amendment with an additional section that all sums authorized in Public Law 93-61 are included within the authorizations contained in this Act for fiscal year 1974 and requiring the Secretary to make appropriate adjustments in apportionments made under Public Law 93-61 to conform them to this Act.

LLOYD BENTSEN,
JENNINGS RANDOLPH,
EDMUND S. MUSKIE,
JOSEPH M. MONTOYA,
HOWARD BAKER,
ROBERT T. STAFFORD,
JAMES BUCKLEY,
Managers on the Part of the Senate.

JIM WRIGHT,
JOHN A. BLATNIK,
JOHN C. KLUCZYNSKI,
HAROLD T. JOHNSON,
JAMES V. STANTON,
DON H. CLAUSEN,
Managers on the Part of the House.

REPORT OF SELECT COMMITTEE ON SMALL BUSINESS—REPORT OF A COMMITTEE (S. REPT. NO. 93-357)

Mr. BIBLE. Mr. President, I submit the 23d annual report of the Select Committee on Small Business. I ask unanimous consent that the report be printed, together with illustrations.

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

SCOPE OF COMMITTEE'S ANNUAL REPORT

Mr. BIBLE. Mr. President, as we approach the 20th anniversary of the Small Business Administration on Monday next, may we observe that this annual report is probably one of the most complete in some few years in its examination into the many diversified economic facets of the 8½ million small businessmen and women of this country.

In the 14 chapters of this report, we believe particular attention should be called to the statistical sections dealing with Small Business Administration loans and small business' participation in Government procurement. These data provide some hard facts that both governmental agencies and the small business community itself can use advantageously.

The chapter dealing with "Helping Small Business Adjust to Environmental and Consumer Initiatives" is indicative of another interest area for Members of Congress, governmental agencies, and the small business community.

Another section provides replies to a committee questionnaire sent to all executive agencies and departments about their implementation efforts to comply with the preferential policy for small businesses spelled out in the Small Business Act and in the President's Executive Order 11518.

Just as the Congress this year has called on the Small Business Administration to submit hereafter a much fuller and more complete annual report to the Congress annually as a "State of Small Business" document, we believe our committee's annual report fulfills our comparable responsibilities to the Senate, to the Congress, to the Federal agencies, and to the small business community more effectively and capably. The areas of general lending, disaster and Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, the small business advocacy role of the SBA, and other functions of that agency are covered. Other areas include the impact of crime against small business, corporate aspects of giantism, secrecy, and farming, small business taxation proposals, credit needs, economic controls, pharmaceutical competitive problems, the paperwork burden, and transportation-distribution subjects.

On this 20th anniversary year of the Small Business Administration, we sincerely believe that the small businesses nationwide should be recognized for their contribution and that Government should remain alert to their special problems and their inestimable importance to our economy in keeping it viable and strong.

PRINTING OF REVIEW OF REPORT ON COLUMBIA RIVER AND TRIBUTARIES, POWER INSTALLATION, LIBBY RE-REGULATING DAM, KOOTENAI RIVER, MONT. (S. DOC. NO. 93-29)

Mr. RANDOLPH. Mr. President, I present a letter from the Acting Secretary of the Army, transmitting a favorable report, dated October 3, 1972, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on Columbia River and tributaries, power installation, Libby Re-Regulating Dam, Kootenai River, Mont., requested by a resolution of the Committee on Public Works, U.S. Senate, adopted July 27, 1962. I ask unanimous consent that the report be printed as a Senate document with illustrations, and referred to the Committee on Public Works.

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

MOBILE HEALTH UNIT ACT OF 1973

Mr. WILLIAMS. Mr. President, on Wednesday, July 25, 1973, I introduced S. 2248, the Mobile Health Unit Act of 1973. Because of the widespread interest expressed in this bill, I ask unanimous consent that the text of S. 2248, be printed at this point.

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

S. 2248

A bill to amend Title VI of the Public Health Service Act to provide for adequate outpatient care in medically underserved areas

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 "Mobile Health Unit Act of 1973."

AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT

SEC. 2. Title VI of the Public Health Service Act (42 U.S.C. 201) is amended by adding at the end thereof the following new part:

"PART E—PURCHASE OF MOBILE HEALTH UNITS FOR MEDICALLY UNDERSERVED AREAS

"STATEMENT OF PURPOSE

"SEC. 651. It is the purpose of this part to assist in the provision of adequate health care through special project grants for the purchase of mobile health units to provide needed health services to individuals residing in medically underserved areas.

"DEFINITIONS

"SEC. 652. For the purposes of this part, the term—

"(1) 'mobile health unit' means a van, trailer, truck, bus, or other similar vehicle properly equipped to provide needed health services (including dental care) in a designated medically underserved area; and

"(2) 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of comments, if any, of (A) each State comprehensive health planning agency designated pursuant to section 314 (a) of this Act covering in whole or in part such area, or (B) each areawide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering in whole or in part such area.

"GRANTS FOR THE PURCHASE OF MOBILE HEALTH UNITS

"SEC. 653. (a) The Secretary shall make grants to qualified public and private nonprofit agencies, organizations, and institutions to assist them in meeting the cost of purchasing mobile health units. In no case shall a grant under this section be equal to more than 75 per centum of the cost of such mobile health units.

"(b) There are authorized to be appropriated to carry out the purposes of this section $10,000,000 for the fiscal year ending June 30, 1974; $15,000,000 for the fiscal year ending June 30, 1975; and $20,000,000 for the fiscal year ending June 30, 1976.

"(c) Funds appropriated by law to carry out the purposes of this section shall be obligated and expended in the manner provided for by law for their intended purposes; and no part of any such funds shall be impounded after the date of enactment of this part, whether by withholding or delaying their obligation or expenditure, by terminating projects, programs, or activities for which they were appropriated, or by taking any other kind of executive action which effectively precludes their obligation or expenditure.

"APPLICATION REQUIREMENTS

"SEC. 654. (a) For each project grant made under this section an application shall be submitted to the Secretary for approval in such form and containing such information as he may require. Such application shall set forth as a minimum—

"(1) a detailed description of the services to be provided;

"(2) a detailed description of the manner in which such services will be provided;

"(3) the source of the 25 per centum of the cost of the mobile health units to be provided by the applicant;

"(4) assurances that the personnel needed to properly staff such mobile health units shall be available;

"(5) a guarantee that such mobile units as are acquired in whole or in part with assistance under this part shall not be disposed of in any manner other than prescribed by the Secretary in regulations.

"(b) The Secretary shall not make a grant under this part until he has considered the comments, if any, of the planning agencies established under sections 314(a) or 314(b) covering in whole or in part the area to be served by the applicant.

"PAYMENTS

"SEC. 655. Grants under this part shall be paid in advance or by way of reimbursement in such installments and on such conditions as in the judgment of the Secretary will best carry out the purposes of this part."

ORDER OF REFERENCE—FOREIGN ASSISTANCE BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the foreign assistance bill is reported from the Committee on Foreign Relations, it be referred to the Committee on Finance for its advice on section 16, and that the Committee on Finance be authorized to report the bill back to the Senate not later than September 12, 1973.

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

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. MATHIAS (by request):

S. 2271. A bill for the relief of Col. Elmer F. Smith, U.S. Air Force, retired. Referred to the Committee on Armed Services.

By Mr. TALMADGE:

S. 2272. A bill to authorize the Secretary of Commerce to transfer the N.S. *Savannah* to the city of Savannah, Ga. Referred to the Committee on Commerce.

By Mr. GOLDWATER:

S. 2273. A bill to repeal certain provisions of law allowing prospecting and mining within important components of the National Park System, to prohibit prospecting and mining activities within such areas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. RIBICOFF (for himself and Mr. WEICKER):

S. 2274. A bill to authorize the disposal of copper from the national stockpile. Referred to the Committee on Armed Services.

By Mr. McINTYRE:

S. 2275. A bill to provide for an extension of certain laws relating to the payment of interest on time and savings deposits, and for other purposes. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JAVITS:

S. 2276. A bill to be cited as the "Neighborhood Conservation Act". Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. FANNIN (for himself and Mr. GOLDWATER):

S. 2277. A bill to declare that certain federally-owned lands shall be held by the

United States in trust for the Hualapai Indian Tribe, of the Hualapai Reservation, Ariz., and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. TUNNEY (for himself and Mr. BROOKE):

S. 2278. A bill to amend Section 611 of the Federal Aviation Act of 1958 to provide control and abatement of aircraft noise and sonic boom. Referred to the Committee on Commerce.

By Mr. HATFIELD:

S. 2279. A bill for the relief of certain Korean orphans. Referred to the Committee on the Judiciary.

By Mr. PERCY (for himself, Mr. GOLDWATER, Mr. JAVITS, Mr. PEARSON, Mr. COOK, and Mr. CANNON):

S. 2280. A bill to amend the Internal Revenue Code of 1954 relating to maximum credit for contributions to candidates for public office. Referred to the Committee on Finance.

By Mr. McINTYRE (for himself and Mr. BROOKE):

S.J. Res. 140. Joint resolution to provide for an extension of certain laws relating to the payment of interest on time and savings deposits. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. TOWER (for himself and Mr. SPARKMAN):

S.J. Res. 141. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GOLDWATER:

S. 2273. A bill to repeal certain provisions of law allowing prospecting and mining within important components of the National Park System, to prohibit prospecting and mining activities within such areas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

A BILL PROHIBITING PROSPECTING AND MINING WITHIN CERTAIN IMPORTANT COMPONENTS OF THE NATIONAL PARK SYSTEM

Mr. GOLDWATER. Mr. President, the great National Parks and National and International Monuments of the United States are generally thought of as being closed to mining exploration and mineral removals. However, I was surprised to discover recently that this general rule is not applicable to all of the important units of our National Parks and Monuments System and that there are six special laws of Congress which have apparently been overlooked that open this many areas to prospecting and mining activities.

Mr. President, I am particularly concerned about the congressional oversight which allows mineral exploration and mining operations to occur on two of our great Monuments in Arizona, the Organ Pipe Cactus National Monument and the Coronado International Monument. These statutes, which date from World War II when Congress was looking for possible new mineral sources in the then all-out national military emergency, are now out-dated and unnecessary, but nevertheless allow bulldozers and drilling rigs and other facilities to move about throughout these Monuments with very little restriction and regardless of the location of a mining claim. In fact, under regulations which have been issued pursuant to the law applicable to the Organ Pipe Cactus National Monument, any locator of a mining claim within the Monument area is allowed to destroy and disturb vegetation within the boundaries of his claim to the extent that this is necessary for the proper development of his mining operations.

Mr. President, I believe Congress should repeal these laws and specifically prohibit prospecting and mining activities in these monuments and that also Congress should tackle the question of whether or not it wishes to allow mining activities to continue to go on within the other four parks and monuments where special laws now permit it. Therefore, I have included language in my bill which would not only repeal the provisions of law applicable to mining within the Arizona Monuments but, in order to focus on the principle involved, the other areas outside Arizona as well.

Mr. President, I should specifically indicate that my bill provides for the full compensation of any party's rights or interests, under any of the mining laws repealed by my proposal, which may exist as of the date of enactment of this bill and are terminated by it.

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

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

S. 2273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the Act entitled "An Act to permit mining within the Organ Pipe Cactus National Monument in Arizona," approved October 27, 1941 (55 Stat. 745; 16 U.S.C. 450 z); section 3(b) of the Act entitled "An Act to provide for the establishment of the Coronado International Memorial, in the State of Arizona," approved August 18, 1941 (55 Stat. 630, 631; 16 U.S.C. 450 y-2 (b)), relating to prospecting and mining within the Coronado Memorial area; the Act entitled "An Act to extend the mining laws of the United States to the Death Valley National Monument in California," approved June 13, 1933 (32 Stat. 202, 203; 16 U.S.C. 123); section 2 of the Act entitled "An Act to provide for uniform administration of the National Parks by the United States Department of the Interior, and for other purposes," approved January 26, 1931 (46 Stat. 1043; 16 U.S.C. 350 a), relating to prospecting and mining within the Mount McKinley National Park; the Act entitled "An Act to permit mining within the Glacier Bay National Monument," approved June 22, 1936 (49 Stat. 1817); and that portion of section 3 of the Act entitled "an Act reserving from the public lands in the State of Oregon, as a public park for the benefit of the people of the United States, and for the protection and preservation of the game, fish, timber, and all other natural objects therein, a tract of land herein described, and so forth," approved May 22, 1902, relating to the location of mining claims and the working of the same within the Crater Lake National Park, are hereby repealed; and (2) all prospecting and mining activities within the boundaries of any of the National Parks and National and International Monuments referred to above are hereby prohibited from and after the date of enactment of this Act.

(b)(1) Any party of parties possessing any rights or interests within any of the National Parks and National and International Monuments referred to in subsection (a) which (A) were acquired prior to the date of enactment of this Act and (B) are terminated by this Act, shall be entitled to receive compensation for such rights and interests in the manner hereinafter provided for in this subsection.

(2) Within the boundaries of the National Parks and National and International Monuments referred to in subsection (a), the Secretary is authorized and directed to acquire, by donation, purchase with donated or appropriated funds, or exchange, any existing rights or interests acquired prior to the date of enactment of this Act pursuant to any of the mining laws of the United States, including, for purposes of this Act, the provisions of law described in subsection (a).

(3) For the purpose of payment of compensation as provided for in this subsection, there are hereby authorized to be appropriated, from any funds in the Treasury not otherwise appropriated, such sums as may be necessary to defray the costs, as determined by the Secretary.

By Mr. JAVITS:

S. 2276. A bill to be cited as the "Neighborhood Conservation Act." Referred to the Committee on Banking, Housing and Urban Affairs.

NEIGHBORHOOD CONSERVATION ACT

Mr. JAVITS. Mr. President, I introduce for appropriate reference legislation to encourage the preservation of existing housing, to stimulate the conservation and upgrading of existing low- and moderate-income housing; and to generate private capital for housing repairs, maintenance, and rehabilitation.

In New York City approximately 180,000 units were abandoned between 1965 and 1970. In addition the existing housing shortages for low- and moderate-income families remain quite severe throughout New York State and the Nation. Heretofore, national housing efforts have focused mainly on the production of new housing while neglecting the existing housing stock. In New York City much energy and large resources have been poured into new housing for depressed communities, while housing in transitional or bordering neighborhoods have been deteriorating at an alarming rate. Transitional neighborhoods such as Washington Heights in Manhattan, Crown Heights, East Flatbush, and Bushwick in Brooklyn and Tremont in the Bronx can be the depressed communities of tomorrow. Therefore, at this time we need new initiatives to preserve and upgrade our existing housing while continuing production efforts.

Under the section 236 program, which involves a deep interest subsidy down to 1 percent, HUD has been unwilling as yet to permit the program to be used for large scale moderate rehabilitation. Also, because section 236 rehabilitation subsidies compete with subsidies for new housing, HUD has placed a limit on the 236 funds to be used for rehabilitation. Finally, under section 236, rehabilitation must be extensive with no provisions made for moderate rehabilitation. Thus, the existing programs are not adequate to cope with the crucial problem of abandonment and decay of housing in transitional neighborhoods.

The legislation I am introducing today provides for a three-pronged attack on

the problem of conserving existing low- and moderate-income housing stock and generating private capital for repairs, maintenance, and rehabilitation.

First, the legislation provides for areas to be designated as "neighborhood conservation areas" by local governmental entities, which areas would then be eligible for grants by HUD to be used for repairs of streets, sidewalks, playgrounds, and schoolyards; improvements of private property to eliminate dangers to health and safety and other similar neighborhood-oriented activities and improvements calculated to aid in achieving the objectives of the legislation.

In order to receive grants, localities would have to submit a 5-year plan and demonstrate at the end of each year that significant progress was being made. It is hoped that this program along with the other parts of the bill will help localities make a coordinated attack on abandonment and decay of existing housing.

Second, the legislation would provide for a new mortgage insurance program covering residential property located in neighborhood conservation areas. All properties covered would be multifamily rental properties, or cooperative or condominium properties which are basically sound or capable of being placed in standard conditions without substantial rehabilitation.

In the case of a mortgagor who is an owner-occupier of a building containing two to seven units, or of a cooperative or condominium covering more than seven units, the mortgage could cover 97 percent of the value of the property. The mortgage could be upped to 100 percent of value for nonprofit organizations and would be for 90 percent of value in the case of limited dividend entities. However, only owners who lived on the premises would be allowed to secure mortgages under this legislation on property of less than seven units. This will serve to eliminate many of the abuses we have seen in existing insurance programs covering small dwelling units.

The mortgage program will allow for refinancing or sale of the property provided that repair and improvements are made to such property. HUD will have to take such steps as it deems necessary to insure that repairs and improvements have been or will be made.

Third, the legislation provides that rentals on properties which receive mortgage insurance shall not be increased for a period of at least 1 year from the date of final endorsement of the insurance or thereafter unless the increase can be justified on the basis of increased operating expenses. For the purpose of maintaining or reducing rentals the Secretary of HUD is authorized to make interest reduction payments on behalf of the owners of the properties—but for the benefit of the tenants which will reduce interest rates down to a minimum of 4 percent per annum. This "shallow subsidy" should enable rents to remain steady or perhaps decrease depending on the individual owner's mortgage terms.

Finally, the Secretary of HUD is authorized to take such steps as accelerated processing of applications under the program; implementing the Government National Mortgage Association's authority to purchase mortgages under this legislation and to coordinate with other Government departments to insure that manpower training funds and funds for small businesses and minority businesses are made available to neighborhood conservation areas.

Authorizations for neighborhood conservation area grants are $100 million for fiscal 1974, $150 million for fiscal 1975, and $200 million for fiscal 1976 and for mortgage interest reduction payments, $50 million for fiscal 1974, $100 million for fiscal 1975, and $150 million for fiscal 1976.

I believe that this legislation will provide the coordinated attack that is necessary to preserve many of the "transitional areas" in New York State and other States of the Nation. It is imperative that this new program be enacted as quickly as possible.

Mr. President, I ask unanimous consent that the 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. 2276

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 "Neighborhood Conservation Act".

PURPOSE

SEC. 2. The purpose of this Act is to encourage the preservation of older neighborhoods which are threatened with blight and housing abandonment and to stimulate the broad-scale conservation and upgrading of existing low- and moderate-income housing by establishing a program of neighborhood conservation grants and a new program of mortgage insurance designed to generate private capital for housing repairs, maintenance, and rehabilitation.

GRANTS OF NEIGHBORHOOD CONSERVATION AREAS

SEC. 3. For the purpose of this Act, the term "neighborhood conservation area" means any area in which (1) the predominant residential area is housing for low- and middle-income families, and (2) such housing, though basically sound, is threatened with decay and abandonment or is in need of repair, maintenance, rehabilitation or refinancing.

PROGRAM AUTHORITY

SEC. 4. (a) The Secretary of Housing and Urban Development (hereafter referred to as the "Secretary") is authorized to make, and to contract to make, grants under this section to cities, municipalities, counties, and other general purpose units of local government to assist them in carrying out designated neighborhood conservation area programs designed to improve basic community facilities and services and bring about such other changes as may be necessary or appropriate to eliminate the threat of housing abandonment or decay in such areas and to restore and maintain such areas as suitable and stable living environments.

(b) Grants under this section may cover a period of not to exceed five years and may provide 100 per centum of the cost of any of the following types of activities within the neighborhood conservation area:

(1) The repair of streets, sidewalks, playgrounds, schoolyards, paths, street lights, traffic signs and signals, publicly owned utilities, or public buildings which have an impact on the quality of life in the neighborhood.

(2) The improvement of private properties to eliminate dangers to the public health and safety.

(3) The demolition of structures determined to be structurally unsound or unfit for occupancy.

(4) The establishment of temporary or permanent public playgrounds or parks within the area to serve residents of the neighborhood.

(5) Other similar neighborhood-oriented activities and improvements calculated to aid significantly in achieving the objectives of this section.

(6) Assistance to qualified neighborhood-based nonprofit organizations in carrying out development activities under other provisions of this Act or in carrying out management training, maintenance, or tenant education programs.

(c) To be eligible for assistance under this section, a locality acting through its chief executive authority, shall designate a specific area and prepare and submit to the Secretary a plan specifying—

(1) the improvements in basic community facilities and services to be made in such area over the five-year period in which such improvements will be made;

(2) the programs to be introduced to improve the quality of housing in the area; and

(3) the public and private resources which will be marshaled to carry out such improvements and programs.

(d) Grants under this section shall be made, or shall continue to be in effect, with respect to any neighborhood conservation area if the Secretary finds that—

(1) the five-year plan submitted by the locality involved is workable and will provide an effective means of carrying out the purposes of this Act in such areas;

(2) the locality has the necessary resources to carry out in a timely fashion all of the improvements and programs set forth in the plan;

(3) the locality continues to make significant progress toward achieving its objectives it established for itself in the plan during the term of the grant; and

(4) the locality satisfies such other conditions and requirements as the Secretary may prescribe to insure that the purpose of this Act will be achieved.

(e) There are authorized to be appropriated for grants under this section not to exceed $100,000,000 for the fiscal year ending June 30, 1974, not to exceed $150,000,000 for the fiscal year ending June 30, 1975, and not to exceed $220,000,000 for the fiscal year ending June 30, 1976. Any amount so appropriated shall remain available until expended, and any amount authorized for any fiscal year under this subsection which is not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1976.

(f) The Secretary is authorized to designate an area which meets the requirements of this section as a neighborhood conservation area notwithstanding the unavailability of funds for grants under this section. Upon such designation, the Secretary may furnish other assistance (including assistance under any mortgage insurance or related housing maintenance program) to such area.

FEDERAL MORTGAGE INSURANCE TO FACILITATE SALE OR REFINANCING OF HOUSING IN NEIGHBORHOOD CONSERVATION AREAS

SEC. 5. (a) Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"MORTGAGE INSURANCE IN NEIGHBORHOOD CONSERVATION AREAS

"SEC. 244. (a) The purpose of this section is to help preserve and upgrade the quality of housing in designated neighborhood conservation areas by facilitating the rehabilitation refinancing of such housing or its transfer to tenant- or neighborhood-based corporate ownership.

"(b) The Secretary is authorized to insure any mortgage in accordance with the provisions of this section and to make commitments for such insurance prior to the date of the execution of the mortgage or disburse-

ment thereon upon such terms and conditions as he may prescribe.

"(c) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers residential property located in a neighborhood conservation area approved for assistance under section 4 of the Neighborhood Conservation Act or any area designated as a neighborhood conservation area under section 4(e) of such Act, subject to the following conditions:

"(1) The mortgage shall cover a multifamily rental property, or a cooperative or condominium property which is basically sound or capable of being placed in standard condition without substantial rehabilitation and which contains—

"(A) more than one but less than seven dwelling units if the mortgagor is an individual or entity described in paragraph (2) of this subsection; or

"(B) seven or more dwelling units if the mortgagor is an organization described in paragraph (3) of this subsection.

"(2) The mortgage covering property referred to in paragraph (1)(A) of this subsection shall be executed by—

"(A) an individual who owns the property and occupies the property and is refinancing outstanding indebtedness related to the property, or who is purchasing the property and will occupy one or more of the units in the property after its purchase;

"(B) a cooperative or condominium organization which consists of a majority of the residential units on the property; or

"(C) a private nonprofit organization which is based in the neighborhood in which the property is located and which is approved by the Secretary.

"(3) The mortgage on a property referred to in paragraph (1)(B) of this subsection shall be executed by—

"(A) a cooperative or condominium organized which consists of or includes a majority of the occupants of the property;

"(B) a private nonprofit organization or association approved by the Secretary; or

"(C) a limited dividend ownership entity (as defined by the Secretary) including, but not limited to, corporations, general or limited partnerships, trusts, associations, and single proprietorships.

"(4) In the case of a mortgage involving a mortgagor referred to in paragraphs (2)(A), (2)(B), and (3)(A), the mortgage shall include a principal obligation, including such initial services charges, discounts, appraisal, inspection, and other fees, as the Secretary shall approve in an amount not to exceed the sum of 97 per centum of the Secretary's estimate of the value of the property before any repairs or improvements deemed necessary by the Secretary to help restore or maintain the area in which the property is situated as a stable and suitable living environment, except that in no case involving refinancing shall such principal amount exceed such estimated cost of repairs and improvements and the amount (as determined by the Secretary) required to refinance existing indebtedness secured on the property.

"(5) In the case of a mortgage involving a mortgagor referred to in paragraph (2)(C) or (3)(B), the mortgage shall include a principal obligation, including such initial services charges, discounts, appraisal, inspection, and other fees, as the Secretary shall approve in an amount not to exceed the sum of 100 per centum of the Secretary's estimate of the value of the property before any repairs or improvements deemed necessary by the Secretary to help restore or maintain the area in which the property is situated as a stable and suitable living environment, except that in no case involving refinancing shall such principal amount exceed such estimated cost of repairs and improvements and the amount (as determined by the Secretary) required to refinance existing indebtedness secured in the property.

"(6) In the case of a mortgage involving a mortgagor referred to in paragraph (3)(C), the mortgage shall include a principal obligation, including such initial services charges, discounts, appraisal, inspection, and other fees, as the Secretary shall approve in an amount not to exceed the sum of 90 per centum of the Secretary's estimate of the value of the property before any repairs or improvements deemed necessary by the Secretary to help restore or maintain the area in which the property is situated as a stable and suitable living environment, except that in no case involving refinancing shall such principal amount exceed such estimated cost of repairs and improvements and the amount (as determined by the Secretary) required to refinance existing indebtedness secured on the property.

"(7) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such term (not exceeding forty years) as the Secretary shall prescribe, except that in the case of a property referred to in paragraph (1)(A) such term shall not exceed twenty years;

"(B) bear interest (exclusive of premium charges for insurance and service charges, if any) on the amount of the principal obligation outstanding at any time at not to exceed such per centum per annum as the Secretary finds necessary to meet the mortgage market.

"(8) The Secretary shall not insure any mortgage under this section unless he has received satisfactory and enforceable assurances from the mortgagor that the refinancing or sale of the property (and any improvements thereto) will not result, directly or indirectly, in any increase in the rentals or other charges for dwelling units in the property for a period of at least one year from the date of final endorsement for mortgage insurance, or in any increases in such rentals thereafter in excess of such increases as the Secretary finds justified and approves on the basis of increased operating expenses. In addition, the Secretary may place such further restrictions on the mortgagor as to sales, charges, capital structure, rate of return, and methods of operation as, in the opinion of the Secretary, will best effectuate the purpose of this section.

"(d)(1) For the purpose of maintaining or reducing rentals or other charges for properties insured under this section, the Secretary is authorized to make, and to contract to make periodic interest reduction payments on behalf of the owners of the properties but for the benefit of the residents, which shall be accomplished through payments to mortgagees holding mortgages meeting the special requirements of this subsection.

"(2) Interest reduction payments with respect to a property shall only be made during such time as the property is operated as a rental housing and is subject to a mortgage which meets the requirements of, and is insured under, this section.

"(3) The interest reduction payments to a mortgagee by the Secretary on behalf of a property shall be in an amount not exceeding the difference between the monthly payment for principal, interest, and mortgage insurance premium which the property owner as a mortgagor is obligated to pay under the mortgage and the monthly payment for principal and interest such property owner would be obligated to pay if the mortgage were to bear interest at the rate of 4 per centum per annum.

"(4) The Secretary may include in the payment to the mortgagee such amounts, in addition to the amount computed under this subsection as he deems appropriate to reimburse the mortgagee for its expenses in handling the mortgage.

"(5) As a condition for receiving the benefits of interest reduction payments, the owner shall operate the project in accordance with such requirements with respect to tenant eligibility and rents as the Secretary may prescribe.

"(e) The Secretary may consent to the release of a part or parts of the mortgage property from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(f) Prior to insuring any mortgage under this section, the Secretary shall obtain satisfactory and enforceable assurances from the mortgagor that all repairs and improvements necessary to place the underlying property in standard condition have been or will be made and that such property will be continuously maintained in standard condition.

"(g) The Secretary shall cooperate with the Secretary of Labor and the Secretary of Health, Education, and Welfare, to insure that, to the greatest extent feasible, funds appropriated under the Manpower Development and Training Act of 1962, as amended, shall be made available on a priority basis for training and employment support use in connection with improvements financed by mortgages insured under this section. The Secretary shall cooperate with the Director of the Office of Minority Business Enterprises, the Director of the Educational Development Agency, and the Administrator of the Small Business Administration, to insure maximum utilization of minority and small business contractors in connection with improvements financed by mortgages insured under this section.

"(h) In administering the program established by this section, the Secretary shall use his best efforts to enlist the support and actual cooperation of State and local governments in establishing State or local mortgage lending funds, in providing adequate municipal services in low- and moderate-income areas, particularly in areas threatened by building abandonment, and in insuring, to the maximum extent feasible, the administration of laws and ordinances relating to existing housing stock, including building codes, housing codes, health and safety codes, zoning laws, and property tax laws, in such manner as will encourage maximum utilization of this program in accordance with the purposes herein expressed.

"(1) The Secretary shall develop and maintain full information and statistics regarding the utilization of and experiences incurred under this program, which shall include, but not be limited to, information and statistics concerning—

"(1) financial market conditions, including the interest rates, payback periods and other terms and conditions affecting housing eligible to be financed hereunder;

"(2) the character, extent and actual costs of repairs, renovations and moderate housing rehabilitation undertaken hereunder;

"(3) factors affecting and statistics showing the extent of actual and potential utilization of this program;

"(4) factors affecting the processing time of applications submitted hereunder and statistics showing processing times actually experienced;

"(5) mortgage arrearages and defaults on mortgage loans insured hereunder;

"(6) abuses of the program, actual or potential, and remedial or punitive actions taken in connection therewith; and

"(7) the costs of administering this mortgage-insurance program, provided by this section.

The Secretary shall submit each year to the Congress and to the President an annual reports summarizing such information. Such reports shall include his analysis of the effectiveness and scope of the program and his recommendations for its improvement and greater utilization.

"(j) If the Secretary determines that the unavailability of property insurance coverage is hindering the widespread utilization of this program, he shall take all prac-

ticable steps to ensure that the protections and benefits of the Urban Property Protection and Reinsurance Act of 1968 are utilized to provide adequate property insurance coverage for mortgagors and mortgagees under this program.

"(k) If the Secretary determines that widespread utilization of this program is hindered by the charging of points or discounts by mortgagees, he shall take steps to implement the Government National Mortgage Association's authority under section 305(j) of this Act to purchase and make commitments to purchase mortgages insured under this section, at a price equal to the unpaid principal amount thereof at the time of purchase, with adjustments for interests and any comparable items, and to sell such mortgages at any time at a price within the range of market prices for the particular class of mortgages involved at the time of sale as determined by the Association.

"(l) If the Secretary determines that widespread utilization of this program is hindered by delays in processing and approval of projects, he shall establish procedures to ensure, to the maximum extent feasible, the expeditious processing and approval of applications for insurance hereunder, including, where necessary and appropriate, the use of procedures and practices similar to those under title I—Home Improvement Loans.

"(m) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including such sums as may be necessary to make interest reduction payments under contracts entered into by the Secretary under this section. The aggregate amount of outstanding contracts to make such payments shall not exceed amounts approved in appropriation Acts and payments pursuant to such contracts shall not exceed $50,000,000 per annum prior to July 1, 1974, which maximum dollar amount shall be increased by $100,000,000 on July 1, 1975, by $150,000,000 on July 1, 1976."

By Mr. TUNNEY (for himself and Mr. BROOKE):

S. 2278. A bill to amend Section 611 of the Federal Aviation Act of 1958 to provide control and abatement of aircraft noise and sonic boom. Referred to the Committee on Commerce.

Mr. TUNNEY. Mr. President, I introduce for myself and the Senator from Massachusetts (Mr. BROOKE), for appropriate reference a bill to amend section 611(c)(1) of the Federal Aviation Act of 1958 to provide that not later than October 27, 1973, the Environmental Protection Agency shall submit to the Federal Aviation Administration proposed regulations to provide such control and abatement of aircraft noise and sonic boom as EPA determines is necessary to protect the public health and welfare.

Precisely 9 months ago today, the President signed the Noise Control Act of 1972 (Public Law 92-574), promising long overdue relief to residents around airports, under flightpaths, near highways, railroad tracks, as well as inside their own homes.

As sponsor, with Senator MUSKIE, of the Senate legislation, I remember vividly the long hours involved in arriving at provisions concerning the control and abatemnet of aircraft noise. The legislation underwent numerous changes on this point, and what were generally conceded to be very effective provisions passed the Senate last October 13 by an overwhelming vote of 75 to 5.

The House bill was far weaker, and the necessity to arrive at conforming amendments in the last days of the session resulted in a hybrid formula whereby, with respect to aircraft and airport noise, the Environmental Protection Agency was to make a 9 month study of the adequacy of present noise controls at the Federal, State and local levels, and the need for additional controls. EPA would then submit recommendations to the FAA which the latter must publish as its own notice of proposed rulemaking. Opportunity for public participation and review follows. While it is not as strong as the Senate version, the compromise affords an adequate regulatory framework if the administrators do their job.

At this juncture, EPA has completed its 9-month study, which is being submitted to the Congress today. In it, EPA indicates that it plans to make recommendations to the FAA on the following: First, flight and operational noise controls, second, amendments to the present FAR 36 standards to specify lower noise levels for future aircraft, third, regulations to control and reduce noise emissions from existing aircraft, and fourth, airport noise certification regulations to assure control over cumulative noise near airports.

This is a good list. The problem is that EPA fails to indicate when it will submit the recommendations. In an informal briefing yesterday, my office was told that an "optimistic" deadline was the first of next year for one set of recommendations, and that the others would follow in the 6 months thereafter. This is despite EPA's own indications earlier this year that it would be able to complete its recommendations by late October 1973.

Mr. President, I submit we cannot wait that long to take action on the problem. It has been studied for years, and, according to a recent Supreme Court decision, the FAA has had authority to do something about it since 1958.

Accordingly, my bill would amend the FAA Act to require that EPA submit its recommendations not later than October 27, 1973—3 months from now and the deadline EPA itself set earlier this year.

It seems to me that allowing EPA 1 full year from enactment of the Noise Control Act is sufficient time to get its facts in order. EPA's 9-month study, submitted today, reflects careful thought and months of input from and consultation with interested parties. Moreover, after EPA's recommendations, based on its study, are submitted to the FAA, there will be ample time for public comment on them—and, I would add, time for the Congress to reflect on whether additional legislation might be necessary.

The worst possible result is to wait another year and delay relief. Time has run out.

I ask unanimous consent to insert the text of the proposed legislation in the RECORD at this point.

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

S. 2278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 611(c)(1) of the Federal Aviation Act of 1958 (relating to the control and abatement of aircraft noise and sonic boom) is amended by striking out "Not earlier than the date of submission of the report required by section 7(a) of the Noise Control Act of 1972" and inserting in lieu thereof "Not later than October 27, 1973".

By Mr. HATFIELD:

S. 2279. A bill for the relief of certain Korean orphans. Referred to the Committee on the Judiciary.

Mr. HATFIELD. Mr. President, I am today introducing private legislation whose purpose is to allow the admission to the United States of 25 young Korean orphans. I do so at the request of the Holt adoption program, of Eugene, Oreg., and because of my own abiding concern about the plight of these young people, the children of Korean women and American servicemen.

These orphans are now teenagers and in dire need of the guidance and foster home placement which the Holt adoption program, recognized internationally for its fine work, wishes to provide.

In the humanitarian interest of providing to these orphans—innocent victims of the Korean war—the assistance they need so urgently as they approach adulthood, I respectfully urge the favorable consideration of this worthy measure by my colleagues.

The 25 orphans were selected from among many others to whom the Holt agency has furnished a foster home in Korea for the past 2 years. They are being taught English and are being given American cultural training. Holt will assume financial responsibility and foster home placement, as well as vocational training, so they will not become public charges. Special care has been taken in their selection to assure that the young people will have language fluency, will be adaptable to American culture, and are capable of becoming productive American citizens.

By Mr. TOWER (for himself and Mr. SPARKMAN):

S.J. Res. 141. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. TOWER. Mr. President, quite a while back, the House passed House Joint Resolution 512. It contained basic extensions of FHA and VA mortgage insurance programs. This bill was referred to the Committee on Banking, Housing and Urban Affairs where we gave it due consideration.

This bill was reported by our committee containing several controversial additions. One of these was a provision which would make it mandatory that HUD spend all money that was appropriated or authorized for housing programs which had not yet been utilized. A similar provision relating to rural housing was attached. Additionally, a provision expanding the section 518(B) program to include its application to houses insured under section 203 and section 221(d)(2) was included.

It was thought that because of the controversial nature of these additions to a simple FHA-VA extension bill, it would

be very difficult to bring this legislation to the floor in the closing days prior to the July 4 recess. In light of this, and because of our concern to continue the FHA and VA programs, on June 25, 1973, our committee reported Senate Joint Resolution 129. This bill would have extended the FHA and VA programs for 30 days, enough time to continue the housing programs while at the same time ironing out our differences with House Joint Resolution 512, as reported.

Unfortunately, neither bill was passed. Last Friday, House Joint Resolution 512 passed the Senate unanimously. I attempted to delete some of the controversial provisions in the bill, but my efforts failed. I did this primarily because I objected to the manner in which the provision which expanded the section 518 (B) program was written. I was also aware of the difficulty we would have in the conference with the House on this matter. They sent over a simple extension bill which was passed in the House under a suspension of the rules. We sent to them a bill which called for an ending of the housing moratorium and a whole new program which greatly affects the FHA.

Mr. President, my main concern now is to get FHA moving again. We have gone for almost a month with no FHA programs. Thousands of units have not been built because of this delay. This includes both multifamily projects and single family homes. Additionally, mortgage money is getting more difficult to obtain every day we delay. In Houston and Dallas, interest rates on a conventional mortgage is running at 9¼ percent to 9½ percent. Often times purchasers cannot find a lending institution which has any money to lend them, even at these rates. The only alternative for many of these prospective purchasers is the FHA and VA programs. That is why we cannot delay any longer.

Yesterday we held a conference on House Joint Resolution 512. Unfortunately we did not reach an agreement regarding a resolution of the differences between the House and Senate versions. We are to meet again on Monday to see if we can settle our differences. My concern at this point is that if we cannot settle those differences then it is going to be very difficult to get a bill passed which would reinstate the FHA programs prior to the August recess. And if we do not get a bill through, there will be no FHA assistance until mid-September. We cannot allow this to happen.

Mr. President, it is my hope that we can resolve our differences in conference. But, we have two or three other conferences with the House Banking Committee which have been going on for months now. It is possible that this might fall into that category.

It is for these reasons that I think it is imperative to act favorably on this joint resolution as soon as possible. The potential homeowners of this country cannot wait any longer.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 578

At the request of Mr. CASE, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 578, requiring congressional authorization for the reinvolvement of American forces in further hostilities in Indochina.

S. 1780

At the request of Mr. PELL, the Senator from Rhode Island (Mr. PASTORE) was added as a cosponsor of S. 1780, to prohibit discriminatory employment practices with respect to physically handicapped persons.

S. 1868

At the request of Mr. MCGEE (for Mr. HUMPHREY), the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of S. 1868, a bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome and to restore the United States to its position as a law-abiding member of the international community.

S. 2060

At the request of Mr. HARTKE, the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 2060, to authorize the Secretary of Transportation to act to assure the continuance of rail services in the northeastern United States, and for other purposes.

S. 2125

At the request of Mr. DOMENICI, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 2125, to amend the act entitled "An Act granting land to the city of Albuquerque for public purposes," approved June 9, 1906.

S. 2134

At the request of Mr. BIDEN, the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. CRANSTON), the Senator from Idaho (Mr. CHURCH), the Senator from Florida (Mr. CHILES), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of S. 2134, to provide for annual authorization of appropriations to the U.S. Postal Service.

S. 2200

At the request of Mr. CRANSTON, the Senator from Nevada (Mr. BIBLE), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Oregon (Mr. HATFIELD), the Senator from Maine (Mr. HATHAWAY), the Senator from Iowa (Mr. HUGHES), the Senator from Washington (Mr. MAGNUSON), and the Senator from Utah (Mr. MOSS) were added as cosponsors of S. 2200, the Right to Financial Privacy Act.

SENATE JOINT RESOLUTION 124

At the request of Mr. NELSON, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of Senate Joint Resolution 124, to establish a Joint Committee on Individual Rights.

EXTENSION OF EMERGENCY EMPLOYMENT ACT OF 1971—AMENDMENT

AMENDMENT NO. 430

(Ordered to be printed, and to lie on the table.)

Mr. TAFT. Mr. President, I am submitting an amendment, in the nature of a substitute, which I intend to propose to the bill (S. 1560) to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes. I ask unanimous consent that the amendment and a section-by-section analysis be printed in the RECORD.

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

AMENDMENT NO. 430

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Public Employment Act of 1973".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) the incidence of unemployment and poverty still persists at high levels in some of the Nation's cities and rural areas, notwithstanding the current high state of the general economy;

(2) the Nation has failed to fulfill the goal set twenty-five years ago in the Employment Act of 1946 to assure maximum levels of employment through public policy;

(3) continued high unemployment in some areas severely limits the work opportunities available to low-income persons, and migrants, persons of limited English-speaking ability, and others from socioeconomic backgrounds generally associated with substantial unemployment and underemployment;

(4) work opportunities must be made available for the increased number of persons in the labor force, including the many young persons who are entering the labor force, persons who have recently been separated from military service, and older persons who desire to remain in, enter, or reenter the labor force.

(5) there still exist unmet needs for publice services in urban and rural areas in such fields as environmental quality, health care and public health, housing and neighborhood improvements, recreation, education, public safety, maintenance of streets, parks, and other public facilities, rural development, transportation, beautification, conservation, crime and fire prevention and control, prison rehabilitation and other fields of human betterment and public involvement.

(b) It is therefore the purpose of this Act to utilize unused and underused manpower resources by providing such unemployed, underemployed and disadvantaged persons with employment in jobs providing needed public services so as to provide them with appropriate training and related services to enable them to move into permanent employment.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Secretary" means the Secretary of Labor.

(2) "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(3) "public service" includes, but is not limited to, work in such fields as environmental quality, health care, education, public safety, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, and other fields of human betterment and community improvement.

(4) "health care" includes, but is not limited to, preventive and clinical medical treatment, voluntary family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services.

(5) "unemployed persons" means—

(a) persons who are without jobs and who want and are available for work; and

(b) adults who or whose families receive money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act (1) who are determined by the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to be available for work, and (2) who are either (i) persons without jobs, or (ii) persons working in jobs providing insufficient income to enable such persons and their families to be self-supporting without such public assistance;

and the determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed;

(6) "underemployed persons" means—

(a) persons who are working part-time but seeking full-time work;

(b) persons who are working full-time but receiving wages below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.

FINANCIAL ASSISTANCE

SEC. 4. (a) The Secretary of Labor shall enter into arrangements with eligible applicants in accordance with the provisions of this Act in order to make financial assistance available in areas of persistent high unemployment for the purposes of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment or training not supported under this Act.

(b) Not less than 85 per centum of the funds authorized to be appropriated pursuant to this Act shall be expended for wages and employment benefits to persons employed in public service jobs pursuant to this Act.

ELIGIBLE AREAS AND APPLICANTS

SEC. 5. (a) The Secretary shall designate as areas of persistent unemployment those areas within the United States in which he determines, upon the basis of standards generally comparable with those set forth in paragraphs (1) and (2), that there has existed substantial and persistent unemployment for an extended period of time. There shall be included among the areas so designated any area—

(1) where the Secretary of Labor finds that the rate of unemployment, excluding unemployment due primarily to temporary or seasonal factors, is currently 6 per centum or more and has averaged at least 6 per centum for the qualifying time periods specified in paragraph (2); and

(2) where the Secretary of Labor finds that the annual average rate of unemployment has been at least—

(A) 50 per centum above the national average for three of the preceding four calendar years, or

(B) 75 per centum above the national average for two of the preceding three calendar years, or

(C) 100 per centum above the national average for one of the preceding two calendar years.

(b) An area as defined in subsection (a) shall continue to be deemed an area of persistent high unemployment until the rate of unemployment has been less than 6 per centum, on the average, for the succeeding twelve months.

(c) In determining the rate of unemployment for the purposes of subsection (a), persons who were, at the time of their employment under this Act, being counted as unemployed in determining such rate of unemployment shall continue to be so counted if they continue in such employment.

(d) Whenever the Secretary makes any determination required by subsection (a) of this section, he shall promptly notify the Congress and shall publish such determination in the Federal Register.

(e) Financial assistance under this Act may be provided by the Secretary only pursuant to applications submitted by eligible applicants which shall be—

(1) units of State, and general local government; or

(2) Indian tribes on Federal or State reservations.

ELIGIBLE PARTICIPANTS

SEC. 6. (a) Financial assistance under Section 4 of this Act may be provided by the Secretary pursuant to an application submitted by an eligible applicant and approved by the Secretary which will provide transitional public service employment to unemployed, underemployed and low income persons as defined in Section 3(5) and (6) of this Act.

(b) Notwithstanding the provisions of subsection (a) above, the Secretary may provide financial assistance to such other unemployed or underemployed persons or groups of persons as he may designate when deemed by the Secretary to be in the public interest.

APPLICATIONS

SEC. 7. (a) Financial assistance under this Act may be provided by the Secretary for any fiscal year only pursuant to an application which is submitted by an eligible applicant and which is approved by the Secretary in accordance with the provisions of this Act. Any such application shall set forth a public service employment program designed, in areas of persistent high unemployment, to provide transitional employment for unemployed and underemployed persons in jobs providing needed public services and, where appropriate, training and manpower services related to such employment which are otherwise available, and to enable such persons to move into employment or training not supported under this Act.

(b) Programs assisted under this Act shall, to the extent feasible, be designed with a view toward—

(1) developing new careers, or

(2) providing opportunities for career advancement, or

(3) providing opportunities for continued training, including on-the-job training, or

(4) providing transitional public service employment which will enable the individuals so employed to move into public or private employment or training not supported under this Act.

(c) An application for financial assistance for a public service employment program under this Act shall include provisions setting forth—

(1) assurances that the activities and services for which assistance is sought under this Act will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services under such supervision;

(2) a description of the area to be served by such programs, and a plan for effectively serving on an equitable basis the significant segments of the population to be served, including data indicating the number of potential eligible participants and their income and employment status;

(3) assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, but nothing contained in this paragraph shall be construed to preclude persons or programs for whom the foregoing goals are not feasible or appropriate;

(4) assurances that special consideration in filling public service jobs will be given to unemployed and underemployed persons who served in the Armed Forces in Indochina or Korea on or after August 5, 1964 in accordance with criteria established by the Secretary (and who have received other than dishonorable discharges); and that the applicant shall (A) make a special effort to acquaint such individuals with the program, and (B) coordinate efforts on behalf of such persons with those authorized by chapter 41 of title 38, United States Code (relating to Job Counseling and Employment Services for Veterans) or carried out by other public or private organizations or agencies;

(5) assurances that, to the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public or private sector as the unemployment rate recedes;

(6) assurances that due consideration be given to persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available;

(7) a description of the methods to be used to recruit, select, and orient participants, including specific eligibility criteria, and programs to prepare the participants for their job responsibilities;

(8) a description of unmet public service needs and a statement of priorities among such needs;

(9) a description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired, and the approximate duration for which participants would be assigned to such jobs;

(10) the wages or salaries to be paid persons employed in public service jobs under this Act and a comparison with the wages paid for similar public occupations by the same employer;

(11) where appropriate, the education, training, and supportive services (including counseling and health care services) which complement the work performed;

(12) the planning for and training of supervisory personnel in working with participants;

(13) a description of career opportunities and job advancement potentialities for participants;

(14) assurances that procedures established pursuant to section 11(a) will be complied with;

(15) assurances that agencies and institutions to whom financial assistance will be made available under this Act will undertake analysis of job descriptions and a reevaluation of skill requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations promulgated by the Secretary;

(16) assurances that the applicant will, where appropriate, maintain or provide linkages with upgrading and other manpower programs for the purpose of (A) providing those persons employed in public service jobs under this Act who want to pursue work with the employer, in the same or similar work, with opportunities to do so and to find permanent, upwardly mobile careers in that field, and (B) providing those persons so employed, who do not wish to pursue permanent careers in such field, with opportunities to seek, prepare for, and obtain work in other fields;

(17) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administra-

tive personnel, will be selected from among unemployed and underemployed persons;

(18) assurances that the program will, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service or other employment requirements which restrict employment opportunities for the disadvantaged;

(19) assurances that not more than one-third of the participants in the program will be employed in a bona fide professional capacity (as such term is used in section 13(a)(1) of the Fair Labor Standards Act of 1938), except that this paragraph shall not be applicable in the case of participants employed as classroom teachers, and the Secretary may waive this limitation in exceptional circumstances; and

(20) such other assurances, arrangements, and conditions, consistent with the provisions of this Act, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe.

APPROVAL OF APPLICATIONS

SEC. 8. An application, or modification or amendment thereof, for financial assistance under this Act may be approved only if the Secretary determines that—

(1) the application meets the requirements set forth in this Act;

(2) the approvable request for funds does not exceed 90 per centum of the cost of carrying out the program proposed in such application, unless the Secretary determines that special circumstances or other provisions of law warrant the waiver of this requirement;

(3) an opportunity has been provided to officials of the appropriate units of general local government to submit comments with respect to the application to the applicant and to the Secretary; and

(4) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Secretary.

Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

TRAINING AND RELATED SERVICES

SEC. 9. For the purpose of providing training and related services, and the acquisition or the rental or leasing of supplies, equipment, materials, and real property necessary to enable persons to be employed in public service employment programs assisted under this Act, the Secretary shall utilize, in addition to any funds otherwise available under federally supported manpower programs, not to exceed 15 per centum of the amounts appropriated under this Act for each fiscal year.

SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 10. (a) The Secretary shall establish procedures for periodic reviews by an appropriate agency of the status of each person employed in a public service job under this Act to assure that—

(1) in the event that any person employed in a public service job under this Act and the reviewing agency finds that such job will not provide sufficient prospects for advancement or suitable continued employment, maximum efforts shall be made to locate employment or training opportunities providing such prospects, and such person shall be offered appropriate assistance in securing placement in the opportunity which he chooses after appropriate counseling.

(b) The Secretary shall review the implementation of the procedures established under subsection (a) of this section six months after funds are first obligated under this Act and at six-month intervals thereafter.

(c) From funds appropriated pursuant to section 12, the Secretary may reserve such amount, not to exceed 1 per centum, as he deems necessary to provide for a continuing evaluation of programs assisted under this Act and their impact on related programs.

SPECIAL PROVISIONS

SEC. 11. (a) The Secretary shall not provide financial assistance for any program or activity under this Act unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) the program (A) will result in an increase in employment opportunities over those which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as reduction in the hours of nonovertime work or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitition of Federal for other funds in connection with work that would otherwise be performed, and (D) will not substitute public service jobs for existing federally assisted jobs;

(2) persons employed in public service jobs under this Act shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(3) funds under this Act will not be used to pay persons employed in public service jobs under this Act at a rate in excess of $12,000 per year;

(4) all persons employed in public service jobs under this Act will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits at the same levels and to the same extent, if any, as other employees of the employer and to working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy;

(5) the provisions of section 2(a)(3) of Public Law 89-286 (relating to health and safety conditions) shall apply to such program or activity;

(6) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(7) every participant shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under any program for which an application is being developed for submission under this Act, such organization shall be notified and afforded a reasonable period of time in which to make comments to the applicant and to the Secretary.

(c) The Secretary shall prescribe regulations to assure that programs under this Act have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

(d) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

(e) The Secretary shall not provide financial assistance for any program under this Act unless he determines, in accordance with regulations which he shall prescribe, that periodic reports will be submitted to him containing data designed to enable the Secretary and the Congress to measure the relative and, where programs can be compared appropriately, comparative effectiveness of the programs authorized under this Act and other federally supported manpower programs. Such data shall include information on—

(1) characteristics of participants including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in employment situations, including information on the duration of employment of program participants for at least a year following the termination of participation in federally assisted programs and comparable information on other employees or trainees of participating employers; and

(3) total dollar cost per participant, including breakdown between wages, training, and supportive services, all fringe benefits, and administrative costs.

(f) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(g) The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

(h) The Secretary shall not provide financial assistance for any program under this Act unless he determines that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

AUTHORIZED APPROPRIATIONS

SEC. 12(a). There are authorized to be appropriated to carry out this Act $500,000,000 for each fiscal year ending prior to July 1, 1977. In addition to the sums authorized under the first sentence of this subsection there are authorized to be appropriated $100,000,000 each fiscal year for each increment of one-half of 1 per centum by which the Secretary determines that the average rate of national unemployment (seasonally adjusted) for three consecutive months exceeds 5 per centum.

(b) Notwithstanding any other provision of law, any funds appropriated to carry out this Act which are not obligated and expended prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure until expended.

(c) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to the advance funding method of timing appropriation action, this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

Amend the title to read as follows: "A bill to provide public service employment oppor-

tunities for unemployed, underemployed and low income persons residing in areas of high and persistent unemployment, and to thereby assist urban and rural areas in filling unmet needs for adequate public services."

A SECTION-BY-SECTION ANALYSIS OF THE PUBLIC EMPLOYMENT ACT OF 1973

The intent of "The Public Employment Act of 1973" is to provide public service employment opportunities for unemployed, underemployed and low income persons residing in areas of high and persistent unemployment, and to thereby assist urban and rural areas in filling unmet needs for adequate public services.

Section 1 provides that the Act may be cited as the "Public Employment Act of 1973."

STATEMENT OF FINDINGS AND PURPOSE

Section 2 sets forth Congressional findings and declares that it is the Act's purpose to utilize unused and underused manpower resources by providing such unemployed, underemployed, and disadvantaged persons with employment in jobs providing needed public services so as to provide them with appropriate training and related services to enable them to move into permanent employment. It emphasizes that these jobs would contribute to providing public services in urban and rural areas in such fields as environmental quality, health care and public health, education, and public safety.

DEFINITIONS

Section 3 provides definitions of terms used in the Act. The term "State" means a State, and the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa and the Trust Territory of the Pacific; the term "Secretary" means the Secretary of Labor. In addition, the following terms are defined: public service, health care, unemployed persons, and underemployed persons.

FINANCIAL ASSISTANCE

Section 4 authorizes the Secretary of Labor to enter into arrangements with eligible applicants to make financial assistance available in areas of persistent high employment for the purposes of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services and training and manpower services related to such employment which are otherwise unavailable.

It specifies that not less than 85 percent of funds authorized to be appropriated under the Act shall be expended for wages and employment benefits to persons employed in public service jobs pursuant to this Act.

ELIGIBLE AREAS AND APPLICANTS

Section 5 authorizes the Secretary to designate as areas of persistent unemployment those areas in which there has existed substantial and persistent unemployment for an extended period of time.

It specifies standards for making such determinations:

(1) where the Secretary finds that the rate of unemployment, excluding unemployment based on temporary or seasonal factors, is 6 percent or more and has averaged 6 percent for the qualifying time periods specified in (2); and

(2) where the Secretary finds that the annual average rate of unemployment has been at least—

(A) 50 percent above the national average for three of the preceding four calendar years, or

(B) 75 percent above the national average for two of the preceding three calendar years, or

(C) 100 percent above the national average for one of the preceding two calendar years.

It specifies that an area that has been designated as an area of persistent high unemployment shall continue to be so designated until the rate of unemployment has been less than 6 percent, on the average, for the succeeding 12 months. It further specifies that, for purposes of determining the rate of unemployment, persons who were being counted as unemployed at the time of their employment under this Act shall continue to be so counted if they continue in such employment. Additionally, when the Secretary makes a determination of an area of persistent unemployment, he is required to promptly notify the Congress and to publish such determination in the Federal Register.

The section states that financial assistance may be provided under this Act only pursuant to applications submitted by eligible applicants. Eligible applicants are:

(1) units of State and general local government, and

(2) Indian tribes on Federal or State reservations.

ELIGIBLE PARTICIPANTS

Section 6 states that financial assistance may be provided by the Secretary pursuant to an application submitted by an eligible applicant and approved by the Secretary which will provide transitional public service employment to unemployed, underemployed and low income persons. Additionally, the Secretary, notwithstanding the foregoing provisions, may provide financial assistance to such other unemployed or underemployed persons or groups of persons (such as displaced defense or aerospace workers) as he may designate when he deems it to be in the public interest.

APPLICATIONS

Section 7 sets out the details of what an application for financial assistance should consist of. Basically, it should provide a public service employment program to provide transitional public service employment in areas of persistent high unemployment for unemployed and underemployed persons in jobs providing needed public services and, where appropriate, training and manpower services related to such employment which are otherwise unavailable, and to enable such persons to move into employment or training not supported under this Act.

It states that, to the extent feasible, programs assisted under this Act should be designed to develop new careers, provide opportunities for career advancement, or provide opportunities for continued training.

Additionally, this section specifies that an application will contain certain administrative and programmative provisions consistent with the purposes of this Act, such as:

(1) special consideration for unemployed and underemployed Vietnam-era veterans who served in Indochina or Korea after August 5, 1964 (and who received other than dishonorable discharges);

(2) a geographic and economic description of the area to be served;

(3) assurances that, to the extent feasible, jobs will be provided in occupational fields which are most likely to expand within the public or private sector as the unemployment rate recedes;

(4) description of and statement of priorities among unmet public service needs;

(5) description of jobs to be filled and wages or salaries to be paid to those employed for those jobs; including a comparison with the wages paid for similar public occupations by the same employer.

APPROVAL OF APPLICATIONS

Section 8 sets forth conditions for approval of applications by the Secretary. Applications must meet the requirements set forth in the Act, must request not more than 90 percent of the cost of the program (this matching requirement may be waived by the Secretary under special circumstances), and an opportunity must have been given to officials of appropriate units of general local government and to the Governor of the State to submit comments to the applicant and to the Secretary.

Non-Federal "matching" contributions may be in cash or in kind.

TRAINING AND RELATED SERVICES

Section 9 authorizes the Secretary to utilize funds appropriated under this Act, not to exceed 15 percent of the total in any fiscal year, to provide training and related services and whatever administrative support—including supplies, equipment, materials, and real property—may be necessary to enable persons to be employed in public service employment programs under this Act.

SPECIAL RESPONSIBILITIES OF THE SECRETARY

Section 10 defines the review and evaluation responsibilities of the Secretary. This includes the assurance that persons employed under this Act shall be in public service jobs that afford sufficient opportunity for advancement or suitable continued employment. He shall establish procedures to do this and shall review the implementation of these procedures at six-month intervals.

This section authorizes the Secretary to reserve up to one percent of appropriated funds to provide for a continuing evaluation of programs assisted under this Act and their impact on related programs.

SPECIAL PROVISIONS

Section 11 sets forth general administrative standards for programs under this Act relating to: labor standards, wages, health and welfare benefits, political activities, civil rights, and reporting requirements.

AUTHORIZED APPROPRIATIONS

Section 12 authorizes $500 million to be appropriated for each fiscal year ending prior to July 1, 1977. In addition, $100 million is authorized for any fiscal year for each increment of one-half percent that the Secretary determines that the average rate of national unemployment (seasonably adjusted) exceeds 6 percent for three consecutive months.

It provides that any funds appropriated but not expended during a given fiscal year shall remain available for obligation and expenditure until expended. Additionally, it provides an advance appropriations mechanism whereby funds may be appropriated in the fiscal year prior to the one during which they are available for obligation. It also provides a transition phase to this system allowing two separate appropriations in the initial year.

ESTABLISHMENT OF THE BOARD FOR INTERNATIONAL BROADCASTING—AMENDMENT

AMENDMENT NO. 431 THE "FREEDOM RADIOS"

(Ordered to be printed, and to lie on the table.)

Mr. FULBRIGHT. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 1914) to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes.

Mr. President, the news that Russia had begun to sponsor an "American Liberation Radio," bent upon showing up our iniquities and stirring up our dissidents, would probably not be met with much

favor in the United States today. It would be taken as a sign that while the Soviets talked détente, they were still set upon doing us in. It would also strengthen the hand of those among us who wish to stifle dissent in the name of national security and who believe that the only thing the Soviets really understand is the point end of a missile.

There is no ALR, I am grateful to report, but imagining one is nevertheless a useful exercise as we judge the implications of our own continuing sponsorship of radios which perform precisely such a role. Based in Europe, the so-called "freedom radios" began their broadcasts in the early 1950's, a period when ideological fervor on both sides of the East-West confrontation was reaching a near frenzy. Radio Liberty focused upon the Soviet Union, Radio Free Europe upon the Eastern European satellites. Each radio presented itself as a spontaneous creation, run by freedom-loving refugees financed by dimes from free world schoolchildren. Secretly, each was the organizational and financial instrument of the CIA, staffed by expatriates who sought the overthrow of Soviet rule. Their activities were a direct extension of the global anti-Communist crusade upon which we had embarked.

Two decades later, international conditions—and our own attitudes—had changed dramatically. On both sides, ideology had waned, and power had stabilized. Gone in the process was our belief that we could shape the world, but fading too was our compulsive fear that someone else might. Continuing unabated, however, were the "freedom" broadcasts—which by then had cost unknowing American taxpayers nearly one-half billion dollars. Discovering this anomaly, Congress last year enacted legislation which brought the radios' financing into the open: a logical first step toward a public examination of such activities in light of increasingly normalized Soviet-American relations.

But now a year has passed, and once again we have witnessed the ingenious capacity of our cold war institutions to perpetuate themselves. A Presidential study commission has been assembled to certify the radios' virtues, and now Congress has been sent legislation which would give the radios a cosmetic facelift and establish them as permanent dependencies of the American taxpayer—at a cost of more than $50 million a year.

Apart from their secret financing, what has always made the "freedom radios" different from other international radio activities is their concentration upon internal news and analysis. They criticize the domestic life and policies of the Communist countries to which they broadcast. Of course, a number of nations operate international networks which, from stations around the world transmit entertainment and general news as an act of national projection and self-advertisement. Examples of such radios are the BBC, Radio Japan, Radio Moscow, and our own Voice of America, upon which we expend $56 million a year. But these organizations, though self-interested, are purveyors of culture and information. The "freedom radios" view themselves as agencies of change.

We are told that the "freedom" broadcasts have evolved from their earlier zealotry and that their essential function today is simply to encourage dissident elements seeking to resist and peaceably alter the repressive tendencies of Communist bureaucracies. Taken in isolation, this sounds unexceptionable; we have seen enough of repressive tendencies in our own country to be sympathetic. But seen in context, the paramount question still stands: Is this interference in Communist societies within the legitimate range of American foreign policy? In a recent editorial—"Free Communication and Détente," July 11—the Post says it is, calling it—

> Interference of a perfectly legitimate sort—no less legitimate than, say Leonid Brezhnev's meeting with the Senate Foreign Relations Committee.

This, however, is an analogical leap of record proportions. There is no similarity at all—in fact, an almost total dissimilarity—between a Senate committee's effort to engage a foreign leader in productive discussions and the U.S. Government's sponsorship of the expatriates of another country in actions clearly objectionable to that country's recognized government. One activity is conducive to good relations between nations; the other is inimical. The Post editorialist does not tell us what exactly "legitimizes" our interference in Soviet and East European affairs. Which kinds of interference by other countries in our affairs do we find legitimate?

The assertion is almost made that to cease support for these broadcasts would be to condone injustice in the Communist countries. The Post goes so far as to say we would be joining with the Communist governments in an act of censorship. But this again is fallacious. The official Western-government stations, including the VOA, broadcast steadily a weekly total of over 800 program-hours to the Soviet Union and its satellites. If to avoid culpability, we must also operate a "freedom radio," then surely we are already guilty, for this planet is populated with politically repressive societies we are not trying to liberate—some far worse than Russia and Eastern Europe. Why not a Radio Free Greece? And a Radio Free Brazil? And a Radio Free South Africa? Indeed, why not a freedom radio for each of the scores of other countries exhibiting conditions we deem unjust?

Ending our sponsorship of these broadcasts is not an abandonment of our ideals. It is simply to recognize an order of priorities. There can be no more important world goal for the United States than to break down completely the overarching posture of hostility between the Soviet and American governments that has so poisoned international relations for 25 years and exacted such a terrible waste in lives and resources. If we can now dissolve the antagonistic habits of mind and institution spawned by that hostility, and open wide the channels of genuine communication, we will have released a process of change that should serve the best interests of people on both sides. Perhaps, by personal contact and by force of argument and right example, we can have an influence on life in the Communist countries. But continuing the "freedom radio" assault only perpetuates the structure of mutual distrust and delays our opportunity.

Mr. President, all of this, I believe, leads inexorably to a single conclusion: "freedom radio" broadcasting should no longer be performed as an extension of American foreign policy. Radio Free Europe and Radio Liberty have existed for more than 2 decades under the pretense of being independent institutions with diverse sources of financial support. If they are to continue their activities, the time has clearly come when they should fulfill the image they have lived behind.

It is clear also, however, that as creations and financial dependencies of the U.S. Government, the radios are at present almost totally ineffective in generating other sources of financial support. We have been told that the radios and the State Department intend to search for contributors among the governments of Europe and within the private sector in both Europe and the United States. But that effort, even if it is made, is clearly predestined for failure under current circumstances. Why should anyone else contribute so long as Congress is content to place the entire burden on the American taxpayer?

To force the radios' transition toward a broader base of support and away from the realm of direct American foreign policy, I now offer an amendment to S. 1914 which would require that, beginning next fiscal year, the U.S. Government contribution to the radios would at no time exceed 50 percent of the radios' expenses. The radios have large numbers of vocal supporters—both in the United States and in Europe, many of whom are members of governments or of organizations capable of coherent fund-raising activity. Many also have long wished to remove the radios from their cold war context. To paraphrase Samuel Johnson, it will concentrate their minds wonderfully, and also give them leverage, if the Congress acts now to make new sources of radio support a necessity. Whether the radios can negotiate such a transition remains, of course, to be seen. But if the "freedom radios" are to survive, it should not be as instruments of American foreign policy, but as a multinational endeavor with merits sufficient to summon broad support.

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

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

AMENDMENT No. 431

At the end of section 8, add the following new subsection:

"(c) Commencing July 1, 1974, grants to Radio Free Europe and Radio Liberty shall

not exceed at any time during any fiscal year 50 percent of the expenses incurred by that radio during that fiscal year as of the time any such grant is to be made to that radio."

AMENDMENT OF TITLE 38, UNITED STATES CODE—AMENDMENT

AMENDMENT NO. 432

(Ordered to be printed, and referred to the Committee on Veterans' Affairs.)

Mr. TALMADGE. Mr. President, today I submit, for myself and the chairman of the full Committee on Veterans' Affairs (Mr. HARTKE), an amendment to S. 275, a bill to protect and increase non-service-connected pensions received by veterans and their survivors. The Subcommittee on Compensation and Pensions, which I am privileged to chair, held hearings on S. 275 on June 18th and the amendment offered today reflects consideration of testimony presented to us. S. 275 as introduced earlier this year is identical to S. 4006, the pension bill reported from my subcommittee and passed by the Senate in the closing days of the 92d Congress last year. S. 4006 would have provided for an 8-percent program increase in the rates of pension together with an increase in the maximum annual income limitations of $400 to adjust for the effects of last year's social security increase on veterans' pensions.

Unfortunately, the House was unable to consider S. 4006 and hence no final action was taken then. Following commencement of the 93d Congress, we have examined a number of approaches. The administration has asked us to delay any action on pensions pending a thorough examination and revision of the existing system which they feel is necessary. While there is considerable merit to some of the general propositions advanced by the administration, an actual legislative draft was submitted to the committee for the first time only 2 weeks ago.

The Veterans' Administration is currently unable to supply to the committee all the necessary information which it requested in order to evaluate the draft bill. Meanwhile, the urgency for congressional action on pensions mounts daily. While the Subcommittee on Compensation and Pensions, which I chair, will continue to go forward and evaluate the Veterans' Administration proposal and other alternatives for a thorough revision of the pension system, it is obvious that immediate temporary action is necessary. I am most pleased to note that the House Committee on Veterans' Affairs has just reported H.R. 9474, a veterans' pension bill similar to the amendment which I introduce today. As such, I am hopeful that we may proceed to quick consideration of this necessary, immediate adjustment of the pension system while we continue to consider alternative approaches.

The amendment which I introduce today for myself and Senator HARTKE is in the nature of a substitute and briefly would provide: First, a cost-of-living increase of not less than 10 percent in non-service-connected pension rates payable to approximately 2.3 million veterans of wartime service and their widows. Second, an increase in the maximum annual income limitations of approximately $400 for veterans and widows. Third, an increase in the annual income limitation of "old law" pensioners by $400. Fourth, a cost-of-living increase of not less than 10 percent for parents receiving dependency and indemnity compensation—DIC. Fifth, an increase in the annual income limitations by $400 for such parents and dependent children. Sixth, the amendment includes the provisions of S. 1915, which provides that the effective day of an award of disability pension to a veteran shall be the date of application or the date on which the veteran becomes permanently disabled—if an application therefor is received within 1 year from such date—whichever is to the advantage of the veteran. Currently the effective date is always the date of application for pension.

Finally, the amendment would increase the amount of pension which may be received by a veteran without dependents who is hospitalized. Under current law, he may only receive $30 per month. This limitation was placed in law in 1960 and since that time the cost of living has increased dramatically so that this sum is insufficient for personal commodities needed by bedridden veterans. Accordingly, the amendment provides an increase so that a veteran will be allotted $50 per month for his personal use.

Mr. President, I believe that the 10-percent increase in the pension program is fully justified. As Members are aware, the consumer price index has continued to increase at a rapid rate since last fall when the Senate passed S. 4006. And, as the mail of my colleagues will also attest, increased social security benefits last year as provided for in Public Law 92-336 reduced the amount of veteran's pension received by over 1 million veterans and their survivors. Many veterans have also dropped from the rolls altogether as a result of this social security increase. As the veterans of World War I noted in their testimony before the committee last fall:

> The 20 percent increase in Social Security payments by Congress were designed to be a cost-of-living increase. Unless a law is enacted to protect the veteran's pension everyone who draws Social Security will receive a cost-of-living increase except the veteran.

Mr. President, the amendment which I offer today which provides for a cost-of-living increase of not less than 10 percent together with an increase of $400 in the maximum annual income limitations will both insure that almost all pensioners will receive the full measure of social security benefit increases passed last year as well as adjust current pension rates to account for past and currently anticipated inflationary experience since pension rates were last increased in January 1972.

Mr. President, I ask unanimous consent that the text of the amendment and an accompanying section by section analysis, a detailed cost breakdown of the proposal and tables illustrating current rates payable and those proposed by the substitute amendment be printed in the RECORD at this point.

There being no objection, the amendment and material were ordered printed in the RECORD as follows:

AMENDMENT NO. 432

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) subsection (b) of section 521 of title 38, United States Code, is amended to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $143. For each $1 of annual income in excess of $300 up to and including $1,000, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,000 up to and including $1,500, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,500 up to and including $1,800, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,800 up to and including $2,200, the monthly rate shall be reduced 6 cents; and for each $1 of annual income in excess of $2,200 up to and including $3,000, the monthly rate shall be reduced 7 cents. No pension shall be paid if annual income exceeds $3,000."

(b) Subsection (c) of such section 521 is amended to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is $500 or less, the monthly rate of pension shall be $154 for a veteran and one dependent, $159 for a veteran and two dependents, and $164 for three or more dependents. For each $1 of annual income in excess of $500 up to and including $900, the particular monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $900 up to and including $3,200, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $3,200 up to and including $4,200, the monthly rate shall be reduced 5 cents. No pension shall be paid if annual income exceeds $4,200."

(c) Subsection (b) of section 541 of title 38, United States Code, is amended to read as follows:

"(b) If there is no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $96. For each $1 of annual income in excess of $300 up to and including $600, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $600 up to and including $1,900, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $1,900 up to and including $3,000, the monthly rate shall be reduced 4 cents. No pension shall be paid if annual income exceeds $3,000."

(d) Subsection (c) of such section 541 is amended to read as follows:

"(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is $600 or less, the monthly rate of pension shall be $114. For each $1 of annual income in excess of $600 up to and including $1,400, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,400 up to and including $2,700, the monthly rate shall be reduced 2 cents; and for each $1 of

annual income in excess of $2,700 up to and including $4,200, the monthly rate shall be reduced 3 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds $4,200."

SEC. 2. Section 541(d) of title 38, United States Code, is amended by striking "17" and substituting in lieu thereof "18".

SEC. 3. (a) Section 542(a) of title 38, United States Code, is amended by striking the figures "42" and "17" respectively, and substituting in lieu thereof the figures "44" and "18", respectively.

(b) Section 542(c) of such title is amended by striking out "$2,000" and inserting in lieu thereof "$2,400".

SEC. 4. Section 4 of Public Law 90-275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $2,600 and $3,900, instead of $2,200 and $3,500, respectively."

SEC. 5. (a) Subsection (b) of section 415 of title 38, United States Code, is amended to read as follows:

"(b)(1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is $800 or less, the monthly rate of dependency and indemnity compensation shall be $110. For each $1 of annual income in excess of $800 up to and including $1,200, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,200 up to and including $1,600, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,600 up to and including $1,900, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,900 up to and including $2,100, the monthly rate shall be reduced 6 cents; and for each $1 of annual income in excess of $2,100 up to and including $2,800, the monthly rate shall be reduced 7 cents. For annual income of $2,800 through $3,000, the rate will be $6.00. No dependency and indemnity compensation shall be paid if annual income exceeds $3,000.

"(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula."

(b) Subsection (c) of such section 415 is amended to read as follows:

"(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is $800 or less, the monthly rate of dependency and indemnity payable to each shall be $77. For each $1 of the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $1,700 up to and including $2,900, the monthly rate shall be reduced 4 cents. For annual income of $2,900 through $3,000, the rate will be $5.00. No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds $3,000."

(c) Subsection (d) of such section 415 is amended to read as follows:

"(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is $1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be $74. For each $1 of annual income in excess of $1,000 up to and including $1,300, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,300 up to and including $3,400, the monthly rate shall be reduced 2 cents; and for each $1 of annual income in excess of $3,400 up to and including $4,100, the monthly rate shall be reduced 3 cents. For annual income of $4,100 through $4,200 the rate shall be $5.00. No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds $4,200."

SEC. 6. Section 3203 (a)(1) of title 38, United States Code, is amended by striking out "30" and inserting in lieu thereof "50".

SEC. 7. (a) Subsection (b) of section 3010 of title 38, United States Code, is amended by inserting "(1)" immediately after "(b)", and by adding at the end of said subsection the following new paragraph:

"(2) The effective date of an award of disability pension to a veteran shall be the date of application or the date on which the veteran became permanently and totally disabled, if an application therefor is received within one year from such date, whichever is to the advantage of the veteran."

(b) Subsection (a) of this section shall apply to applications filed after its effective date, but in no event shall an award made thereunder be effective prior to such effective date.

SEC. 8. This Act shall take effect on the first day of the second calendar month which begins after the date of enactment.

SECTION-BY-SECTION ANALYSIS OF TALMADGE AMENDMENT TO S. 275

SECTION 1

Subsection (a) would increase the rates of pension and the annual income limitation for unmarried veterans under subsection 521(b). Currently, a veteran with no dependents receives a maximum monthly pension of $130 if his annual income is $300 or less, decreasing on a graduated basis to $22 with an annual income of $2,600. As amended, this subsection would provide a maximum monthly rate of $140 with an annual income of $300 or less, down to $7 for an annual income of $3,000.

Subsection (b) would increase the rates of pension and the annual income limitations for a married veteran under subsection 521 (c). Currently, the maximum monthly pension payable to a veteran with one dependent is $140, with two dependents $145, and with three or more dependents $150, based on an annual income of $500 or less. This decreases on a graduated basis down to $33, $38, or $43, respectively, with an annual income of $3,800. As amended, this subsection would provide a veteran with one dependent $154, with two dependents $159, and with three or more dependents $164, based on an annual income of $500 or less, ranging down to $27, $31, or $37 respectively, with an annual income of $4,200.

Subsection (c) would increase the rates of pension and the annual income limitation for the widow without child under subsection 541(b). Currently, a widow without child receives a maximum monthly pension of $87 if her annual income is $300 or less, decreasing on a graduated basis to $17 with an annual income of $2,600. As amended, this subsection would provide a maximum monthly rate of $96 with an annual income of $300 or less down to $10 with an annual income of $3,000.

Subsection (d) would increase the rates of pension and the annual income limitations for a widow with one child under subsection 541(c). Currently, a widow with one child receives a maximum monthly pension of $104 if her annual income is $600 or less, decreasing on a graduated basis to $42 with an annual income of $3,800. As amended, this subsection would provide a maximum monthly rate of $114 with an annual income of $600 or less, down to $44 with an annual income of $4,200.

SECTION 2

This section would increase the rates of pension payable to a widow with more than one child under subsection 541(d). Currently, a widow receives $17 per month for each additional child. As amended this subsection would provide a monthly rate of $18.

SECTION 3

Subsection (a) would increase the rates of pension for children alone receiving death pension under section 542(a). Currently, pension is paid at a rate of $42 per month for one child and $17 for each additional child. As amended this subsection would provide a monthly rate of $44 for the first child and $18 for each additional child.

Subsection (b) would increase the unearned income limitation for children alone receiving death pension under subsection 542(c). Currently the maximum unearned income is $2,000. As amended this subsection would provide an unearned income limitation of $2,400.

SECTION 4

This section would amend section 4 of Public Law 92-275 (82 Stat. 68) to increase by $400 the maximum annual income limitations applicable under the prior pension program in effect on June 30, 1960: From $2,200 to $2,600 for a veteran without a dependent, or widow without a dependent, or a child alone; and from $3,500 to $3,900 for a veteran with a dependent and for a widow with a child.

SECTION 5

Subsection (a) would increase the rates of dependency and indemnity compensation (DIC) and annual income limitations for a sole surviving parent under subsection 415 (b). Currently a sole surviving parent receives a maximum monthly DIC payment of $100 if his annual income is $800 or less, decreasing on a graduated basis to $10 with an annual income of $2,600. As amended, this subsection would provide for a maximum monthly rate of $110 with an annual income of $800 or less, down to $6 for an annual income of $3,000.

Subsection (b) would increase the rates of dependency and indemnity compensation and annual income limitations for two parents not living together under subsection 415(c). Currently, each of two parents who are not living together receives a maximum monthly DIC payment of $70 if annual income is $800 or less, decreasing on a graduated basis to $10 with an annual income of $2,600. As amended, this subsection would provide a maximum monthly rate of $77 with an annual income of $800 or less, down to $5 for an annual income of $3,000.

Subsection (c) would increase the rates of dependency and indemnity compensation and annual income limitations payable under subsection 415(d). Currently, if there are two parents who are living together, or if a parent is remarried and is living with his spouse, each parent receives a maximum

monthly DIC payment of $67 if annual income is $1,000 or less, decreasing on a graduated basis to $10 with an annual income of $3,800. This subsection would provide a maximum monthly rate of $74 with an annual income of $1,000 or less, down to $5 for an annual income of $1,200.

SECTION 6

This section would increase the amount of pension paid to a veteran with neither wife nor child, who is being furnished hospital treatment, institutional or domiciliary care by the Veterans' Administration under section 3203(a)(1). Currently, such a veteran may receive $30 per month. As amended this subsection would provide a maximum of $50 per month.

SECTION 7

This section amends the law as to the effective dates for pension awards under subsection 3010(b). Currently, the effective date of pension awards is the date of application. As amended, this subsection would provide the effective date to be the date of application, or the date on which the veteran became totally and permanently disabled (if an application therefor is received within one year from the date of disability) whichever is to the advantage of the veteran.

SECTION 8

This section provides that the provisions of the bill shall be effective on the first day of the second calendar month after enactment.

COST OF TALMADGE AMENDMENT TO S. 275

Year	Cases	Cost (millions)
I. Current law, 10 percent increase $400 income limit increase:		
1974	1,917,000	$227.8
1975	2,020,000	293.7
1976	2,133,000	310.1
1977	2,250,000	327.8
1978	2,383,000	347.9
II. "Old Law" $400 income limit increase:		
1974	6,508	$5.1
1975	5,890	5.6
1976	5,331	5.0
1977	4,825	4.6
1978	4,367	4.1
III. DIC parents, 10 percent increase $400 income limit increase:		
1974	71,665	5.6
1975	71,457	5.6
1976	71,249	5.5
1977	71,042	5.5
1978	70,834	5.5
IV. Total cost:		
1974	1,995,173	238.5
1975	2,097,347	304.9
1976	2,209,580	320.6
1977	2,325,867	337.9
1978	2,458,201	357.5

Note: Sept. 1, 1973 effective date assumed for all provisions.

TALMADGE 10-PERCENT PENSION AMENDMENT

Income not over—	Veteran alone		Veteran and 1 dependent		Widow alone		Widow with 1 dependent	
	Current	10 percent	Current	10 percent	Current	10 percent	Current	10 percent
$300	130	143	140	154	87	96	104	114
$400	127	140	140	154	86	95	104	114
$500	124	137	140	154	85	94	104	114
$600	121	134	138	152	84	93	104	114
$700	118	131	136	150	81	90	103	113
$800	115	128	134	148	78	87	102	112
$900	112	125	132	146	75	84	101	111
$1,000	109	122	129	143	72	81	100	110
$1,100	105	118	126	140	69	78	99	109
$1,200	101	114	123	137	66	75	98	108
$1,300	97	110	120	134	63	72	97	107
$1,400	93	106	117	131	60	69	96	106
$1,500	89	102	114	128	57	66	94	104
$1,600	84	97	111	125	54	63	92	102
$1,700	79	92	108	122	51	60	90	100
$1,800	74	87	105	119	48	57	88	98
$1,900	68	81	102	116	45	54	86	96
$2,000	62	75	99	113	41	50	84	94
$2,100	56	69	96	110	37	46	82	92
$2,200	50	63	93	107	33	42	80	90
$2,300	43	56	90	104	29	38	78	88
$2,400	36	49	87	101	25	34	76	86
$2,500	29	42	84	98	21	30	74	84
$2,600	22	35	81	95	17	26	72	82
$2,700		28	78	92		22	70	80
$2,800		21	75	89		18	67	77
$2,900		14	72	86		14	64	74
$3,000		7	69	83		10	61	71
$3,100			66	80			58	68
$3,200			63	77			55	65
$3,300			58	72			52	62
$3,400			53	67			49	59
$3,500			48	62			46	56
$3,600			43	57			43	53
$3,700			38	52			42	50
$3,800			33	47			42	47
$3,900				42				44
$4,000				37				44
$4,100				32				44
$4,200				27				44

DIC PARENTS

Income not over—	1 parent		2 parents not together		2 parents together	
	Current	10 percent	Current	10 percent	Current	10 percent
$800	100	110	70	77	67	74
$900	97	107	68	75	67	74
$1,000	94	104	66	73	67	74
$1,100	91	101	64	71	66	73
$1,200	88	98	61	68	65	72
$1,300	84	94	58	65	64	71
$1,400	80	90	55	62	62	69
$1,500	76	86	52	59	60	67
$1,600	72	82	49	56	58	65
$1,700	67	77	46	53	56	63
$1,800	62	72	42	49	54	61
$1,900	57	67	38	45	52	59
$2,000	51	61	34	41	50	57
$2,100	45	55	30	37	48	55
$2,200	38	48	26	33	46	53
$2,300	31	41	22	29	44	51
$2,400	24	34	18	25	42	49
$2,500	17	27	14	21	40	47
$2,600	10	20	10	17	38	45
$2,700		13		13	36	43
$2,800		6		9	34	41
$2,900		6		5	32	39
$3,000		6		5	30	37
$3,100					28	35
$3,200					26	33
$3,300					24	31
$3,400					22	29
$3,500					19	26
$3,60					16	23
$3,700					13	20
$3,800					10	17
$3,900						14
$4,000						11
$4,100						8
$4,200						5

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973—AMENDMENT

AMENDMENT NO. 433

(Ordered to be printed.)

Mr. STEVENSON (for himself and Mr. MATHIAS) proposed an amendment to the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice-Presidential candidates and to amend the Campaign Communications Reform Act to provide a further limitation on expenditures in election campaign for Federal elective office.

AMENDMENT NO. 434

(Ordered to be printed and to lie on the table.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (S. 372), supra.

AMENDMENT NO. 435

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself and Mr. HATHAWAY) submitted an amendment intended to be proposed by them jointly to the bill (S. 372), supra.

AMENDMENT NO. 436

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by them jointly to the bill (S. 372), supra.

AMENDMENT NO. 437

(Ordered to be printed and to lie on the table.)

Mr. PACKWOOD submitted an amend-

ment intended to be proposed by him to the bill (S. 372), supra.

AMENDMENT NO. 438

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to the bill (S. 372), supra.

AMENDMENTS NOS. 439 AND 440

(Ordered to be printed and to lie on the table.)

Mr. BAYH submitted two amendments intended to be proposed by him to the bill (S. 372), supra.

AMENDMENT NO. 441

(Ordered to be printed and to lie on the table.)

Mr. CHURCH submitted amendments, intended to be proposed by him, to Senate bill 372 supra.

AMENDMENT NO. 442

(Ordered to be printed, and to lie on the table.)

Mr. JAVITS submitted an amendment, intended to be proposed by him, to Senate bill 372, supra.

AMENDMENT NO. 203, AS MODIFIED

(Ordered to be printed, and to lie on the table.)

Mr. KENNEDY, by unanimous consent, modified his amendment (No. 203), which was ordered to be printed, as modified.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Doroteo R. Baca, of New Mexico, to be U.S. marshal for the district of New Mexico for the term of 4 years, reappointment.

William F. Clayton, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years, reappointment.

Harold M. Fong, of Hawaii, to be U.S. attorney for the district of Hawaii, for the term of 4 years, vice Robert K. Fukuda, resigned.

George K. McKinney, of Maryland, to be U.S. marshal for the District of Columbia for the term of 4 years, vice Anthony E. Papa, resigning.

Charles E. Robinson, of Washington, to be U.S. marshal for the western district of Washington for the term of 4 years, reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, August 3, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

COST OVERRUNS ON DD-963 LIKELY TO BE CONCEALED

Mr. PROXMIRE. Mr. President, the newest GAO report on Litton's Navy shipbuilding programs contains an unusual warning that Litton is likely to conceal cost overruns and other problems on the DD-963 program until it is too late for Congress or the Navy to act.

GAO REPORT

According to the report, the action by Congress last year when it declined to authorize more than 16 ships out of the planned 30-ship destroyer program produced "stress in Litton" and tended to "freeze the announced cost estimates for the 30-ship program and the delivery schedule."

The GAO report goes on to say:

> If variances arise, Litton is likely not to disclose them until after authorization or sometime in the future when the full program seems committed.

Congress and the Navy have been put on notice that Litton may be planning a coverup of DD-963 shipbuilding problems in order to obtain approval for the full 30-ship program.

Once the Navy is committed to purchase 30 ships the likelihood of multimillion dollar bailouts to Litton will be greatly enhanced.

PROBLEM ALREADY OCCURRING

Although the Navy has taken some steps to avoid cost overruns or schedule delays in the destroyer program, there are clear signs that problems are already occurring.

Construction of the destroyers is beginning to overlap with construction of the LHA in the Litton shipyard. GAO concludes—

> We believe some slippage in delivery of the destroyers must be anticipated, and some cost growth in this program probably can be expected.

Congress and the Navy will have no one but themselves to blame for yet another procurement fiasco if we continue to do nothing until we are surprised with the inevitable announcement of a huge cost overrun on the new destroyer program.

REQUESTS QUARTERLY AUDITS

I am formally recommending to Adm. Isaac C. Kidd, Chief of Naval Material, that the Navy initiate a series of quarterly audits of the Litton shipyard to determine physical progress of the destroyer program in a reliable, timely, and systematic manner.

I am also requesting that the Comptroller General review the Navy quarterly audits of the Litton shipyard and report its findings to Congress.

Congress should assure itself that adequate progress is being made on the destroyers already authorized before committing itself to any additional ships.

The full costs of the DD-963 program have already increased by $224 million from the original estimate of $2.58 billion to a current estimate of $2.8 billion.

COMMUNICATIONS WORKERS SUPPORT ASSISTANCE TO RADIO FREE EUROPE AND RADIO LIBERTY

Mr. PERCY. Mr. President, the Communications Workers of America, a union representing more than 550,000 working men and women in the United States and Canada under the leadership of Joseph A. Beirne, has adopted a resolution of support for legislation to provide continued funding of Radio Free Europe and Radio Liberty and to establish a Board of International Broadcasting.

The resolution was adopted at the annual convention of the Communications Workers of America in Miami Beach during the week of June 18. I bring it to the attention of my colleagues as another indication of a broad support in this Nation for Radio Free Europe and Radio Liberty. The authorization bill, S. 1914, will soon be on the floor after being approved by the Committee on Foreign Relations by a vote of 13 to 3.

I ask unanimous consent that the text of the resolution of the Communications Workers of America be printed in the RECORD.

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

RESOLUTION

In the tense years immediately after World War II, the rebuilding of a devastated Europe was underway. The United States organized and led the effort in the western nations. At the same time, the Union of Soviet Socialist Republics undertook both a physical and psychological rebuilding effort in eastern Europe.

Thus, in the late 1940's, the "cold war" began. Communist propaganda spread throughout Europe—beyond the "Iron Curtain"—into western Europe, by radio and other means.

To counter the Communist ideological thrusts, Radio Free Europe was founded in 1950, and Radio Liberty in 1953. Radio Free Europe's transmitters were beamed to send programs into Poland, Czechoslovakia, Hungary, Romania, and Bulgaria. Radio Liberty programs were prepared and transmitted in 19 languages in use in the USSR.

Each of these radio services was established as a "surrogate free press" for the six eastern European nations, to offer those millions of people facts about the real world. From their beginning days, the Central Intelligence Agency gave financial support to Radio Free Europe and Radio Liberty, because the private contributions were not enough to pay for the stations' services. In 1971, because the CIA funding support was loudly criticized all over the world, the Department of State began supplying the funds, but on a "stopgap" basis. In 1972, the Presidential Study Commission on International Radio Broadcasting, headed by Dr. Milton Eisenhower, was directed by President Nixon to learn whether Radio Free Europe and Radio Liberty still are needed, in light of the gradual reduction in international tensions of recent years, and then to recommend how to ensure that Radio Free Europe and Radio Liberty could continue to exist without their being propaganda outlets.

The Eisenhower Commission made its report in February 1973, recommending that Radio Free Europe and Radio Liberty continue, but under an entirely new structure and financing arrangement. The Commission recommended that Congress establish the "Board for International Broadcasting," with these important duties:

"To accept government appropriated funds and private contributions.

"To guarantee sufficient funds to accomplish the main job—informing the people of eastern Europe of current affairs.

"To serve as the 'buffer' between government and the stations, in order that they may remain private, non-government corporations exercising independent judgment

in programming. The Board would be composed of five eminent citizens chosen by the President and the chief executives of Radio Free Europe and Radio Liberty, serving ex officio.

"To prepare the arrangements necessary for 'phase-out' or liquidation of the stations, should the international situation eventually permit. These arrangements would necessarily include employment-termination and accrued pension benefits for the staffs of the stations, as required under the laws of the European nations in which the transmitters are placed."

Be it resolved: That the Communications Workers of America support the thriving continuation of Radio Free Europe and Radio Liberty, to promote the traffic in ideas in eastern Europe; and

Be it further resolved: That this Union urge passage of legislation to establish the Board for International Broadcasting, to provide the necessary guidance to the stations, to assure that the stations will remain private and allowed to exercise independent judgment in programming, and to assure open financial support from private contributions and government appropriations.

NATIONAL ECONOMIC POLICY—THE TEETER PRINCIPLE

Mr. MONTOYA. Mr. President, I have become alarmed in recent days about developments in the national economic policy as expressed by the President and administration spokesmen in unveiling phase IV. It seems to me that in its attempt to control a wildfire inflation the administration may be once again without a well-thought-out plan.

We have had several years now of this kind of teeter-totter principle of economics, with various administration advisors disagreeing among themselves as to the best method of controlling the economic climate. In the past we have seen their reaction at the last minute to impending economic disaster and their ensuing dismay at unforeseen results.

This time I am fearful that in attempting to control inflation the administration may be creating unnecessary unemployment by acting to restrict the economy too severely. Apparently the administration plans to utilize highly restrictive fiscal and monetary policy to help regulate economic activity at a time when real economic growth may be leveling off or even coming to a halt.

There are strong signs that a slowdown is in the offing. First, real output as measured by gross national product grew at an annual rate of 2.5 percent during the second quarter of 1973, compared with an annual rate of 8.7 percent during the first quarter of this year. That is a marked drop in rate of growth, and should be at least considered as a possible warning signal.

Second, shortages of mortgage money and high interest rates are creating a "crunch" in the housing market. A sluggish housing market contributes to a general economic decline. The National Association of Homebuilders have given me estimates of units of housing starts which show a decline from 2.4 million in the first quarter of 1973 to 2.21 million in the second quarter, and further estimates of decline for the rest of the year and for the first two quarters of 1974 which end with 1.55 in the second quarter of next year. That estimate, if realized, means a major contraction in housing construction as serious or more serious than the four previous major contractions in recent years. Each of these previous cyclical contractions in housing occurred during an extended period of restrictive monetary policy and each was followed by rising unemployment. Certainly any decline in housing starts must be considered as a possible warning signal.

Third, the growth in consumer spending has dropped from $26.8 billion in the first quarter of 1973 to $15.7 billion in the second quarter, with reductions coming primarily in the purchase of durable goods. This is surely another warning signal of a teetering economy.

The administration's plans with regard to fiscal policy are reflected in Secretary Shultz' statement of a somewhat blind-faith return to "that old time religion: balance the budget."

In this phase IV statement the President outlined his monetary policy as of this date. The Federal Reserve is to mitigate economic growth by slowing down the expansion of money and credit. This tight monetary policy has already raised the Federal discount rate from 6½ to 7 percent, equaling a previous record set in 1921; at the same time it has increased member bank reserve requirements.

This new policy of restraint is also demonstrated in the administration's plan to maintain a surplus of $5.3 billion for fiscal year 1974 in the "full employment budget" and in the President's expressed desire to reduce total Federal civilian employment during fiscal year 1974. That kind of goal and proposed actions will serve to further dampen the economy.

This dose of monetary and fiscal restrictions at this time may be so severe that it will result in rates of unemployment like those suffered during the 1969–70 recession, when unemployment rose to an incredible 6.2 percent. Since there seem to be signs that at long last we are making some headway against unemployment, with a decrease to 4.8 percent just last month for the first time in 3 years, it would be particularly discouraging to see that progress reversed.

Are we once again at the point where the administration is willing to accept high unemployment rates in order to control the economy? Surely we should have learned by now that our economy is persistently prone to inflationary pressures and that we are in need of some type of long-term policy with consideration given to the current warning signals and to the economic history of the last few years.

No one can quarrel with the President's desire to control the runaway prices of phase III. Wholesale prices rose at an annual rate of 24.4 percent and are now 15 percent higher than a year ago. Wholesale prices for farm products and processed foods have risen at an almost unbelievable annual rate of 49.8 percent since January. These prices will certainly be felt by consumers in the months ahead, and it is probably too late for us to change that.

But consumers are already outraged. They have had enough of teetering economics. During the first half of this year the cost of living has risen at an annual rate of 8 percent. The price of food in grocery stores during the first 6 months of 1973 has shot up at an astronomical annual rate of 25 percent. Even the administration admits that phase IV will not change much of that picture.

Phase IV will call for further sacrifices by the consumer and the wage earner. The working people of America are the ones who ultimately pay for misadventures in economic policy. They are paying now for the administration's earlier mistakes: the premature lifting of phase II controls, followed by 6 months of indecision and inaction. They are paying in higher food prices, higher medical bills, higher interest rates, and higher rents.

Are they now to be asked to pay further in unemployment?

The wage earner has not caused this recent surge in prices. During phase I and phase II wage increases followed administration guidelines. The result is that the average citizen has lost real purchasing power in 1973.

Recent inflation is in large part the result of excessive fiscal and monetary stimulation of the economy in the election year of 1972, a year when the Federal budget showed a deficit of $23.2 billion, a year when the Federal Reserve allowed the money stock to grow at a rate of more than 8 percent, and a year when the administration was limiting agricultural output while shipping a quarter of our wheat crop to the Soviet Union. Those were the major causes of rising prices and declining food supplies.

The other end of the teeter-totter was up in 1972. With the beginning of 1973 we began phase III, a sudden and drastic freeing of the economy. Now apparently the administration recognizes that phase III was a major economic mistake, and they are ready to react again. They have not learned that the economy, with its inflationary bias, will require continued surveillance. Monetary and fiscal tools are not enough.

The use of those tools alone failed to curb inflation in 1957 and again in 1969. They succeeded only in creating unemployment. It would be most unfortunate if we did not learn from the lessons of the past and begin to lay the groundwork for a long-term wage and price policy and a Cost of Living Council with authority to maintain a watchful eye on economic indicators and warning signals.

The job ahead is not so much to control the economy as it is to assure that the economy does not get out of control. Reason and intelligent economic planning rather than "that old time religion" must set our economic course. Consumers should not have to pay the price for market imperfections and Government miscalculations. Workers must not be asked to accept unemployment in order to control inflation.

There are alternatives to the teetering from disaster to disaster.

The President says that he will not raise taxes to fight inflation. Yet social security taxes were raised in a most regressive tax. However, tax reform seems a much more acceptable way to use the tax money in control of inflation.

The administration has chosen as one

of its anti-inflationary policy plans a cutback on domestic programs, particularly those which serve the poorest segments of our population. The military budget on the other hand, he continues to allow to balloon. This policy, in my opinion, puts national priorities in reverse order.

A recent study of the 1974 Federal budget by the Brookings Institution points out that projected arms outlays could easily be cut back $10 to $25 billion per year for the next decade without endangering national security. The study argues that an across-the-board tax increase is not the only way to raise revenues. It suggests a long overdue tax reform as one alternative which would work.

A cut in military expenditures might mean economic shock to certain communities and certainly we should not expect any one area to bear the brunt of such an economic shock. Therefore, it is necessary if we are going to proceed along those lines to prepare for the dislocation and changeover which would occur. We have the tools now in operation to help with that kind of preparedness: the Economic Development Administration and seven regional action planning commissions. Yet the administration in their 1974 budget proposed the elimination of those very tools.

These programs will now be continued for an additional year, but there is a definite need to assure that they will receive adequate funding. These programs address themselves to the problems of short-term economic dislocation such as would occur in a changeover to a peace time economy. They also address themselves to the problems of long-term growth and development of this Nation. As a member of the Public Works Committee and as chairman of the Subcommittee on Economic Development, I know that the necessity exists now and will exist in the future for programs aimed at providing for domestic needs, at creating needed employment, and at providing the public facilities essential for social and economic well-being for all communities in this Nation.

I think we have had enough of unplanned and ineffective economic teetering from one policy to another. Overly restrictive monetary and fiscal policies aimed at curbing inflation may instead lead to unacceptable rates of unemployment, a housing recession, and to other problems which we could naturally expect as a result of those developments. It is painfully evident that we require a more complete and long-term economic plan, one which considers more than the immediate emergency response to a single problem. We must reexamine and reorder our priorities so that we can utilize our limited resources to meet our most pressing needs.

PERSONAL RAPID TRANSIT SYSTEM

Mr. DOMINICK. Mr. President, Colorado has drawn a battle plan for attacking transportation and environmental problems in its largest urban area—the six county region surrounding the city of Denver, through the legislative creation of a Regional Transportation District—RTD. An integral part of the plan is the development and deployment of a personal rapid transit system—PRT.

I was most gratified in reading the report (93-346) filed with H.R. 8760, the Department of Transportation's fiscal 1974 appropriations bill, to see the committee's recommendation of $40.8 million for application by the Urban Mass Transit Administration in research and development programs. Of this amount, $20.6 million would be focused on personal rapid transit systems.

Mr. President, the House had cut by $9.7 million, UMTA's request for research and development funds and Senator Haskell and I had urged the Senate Appropriations Committee to restore that amount in the Senate bill. We are indeed grateful that the committee recommended $11.2 million over the House figure.

This action is particularly timely in view of Colorado's reaffirmation of its commitment to the PRT concept. The Regional Transportation District's enabling legislation was very recently amended to change the method of financing from a property tax to a ½ percent sales tax. In a few months, this plan will be presented to Colorado's citizens by way of a referendum, and, if approved, would generate over $500 million for the project.

Mr. President, I am grateful for the Appropriation Committee's action recommending additional funds for PRT and I am confident that a PRT system in Denver can and will significantly alleviate Denver's transportation, environmental and energy problems.

NEW HAMPSHIRE RESIDENTS WIN CONSERVATION AWARD

Mr. McINTYRE. Mr. President, in this day of pollution alerts, strip mining, and general environmental problems, it is refreshing to hear of achievements in the field of conservation and environmental protection. I have just received word that the Rockingham County Conservation District of New Hampshire has been selected the first place district among the Northern New England districts in the 26th annual Goodyear Conservation Awards program, sponsored by Goodyear in association with the National Association of Conservation Districts. This distinction is the major result of the work of two New Hampshire residents, Richard Latham, chief of the Plaistow Fire Department, and John W. York, of Exeter. Both of these men deserve sincere congratulations for their fine work, and for the recognition accorded to them by this award.

Congratulations are also in order for the Coos County Conservation District of New Hampshire. The principals in this area were Mr. and Mrs. David K. Patrick of Colebrook. They too deserve the recognition brought upon them by this award. Their work, and that of others, is extremely important. Hopefully, the example of these people will encourage others to participate in this, and other conservation programs.

This kind of presentation is important because it enlightens the public to the urgent need for continued efforts in conservation. The preservation of our land and resources is important not only to the people of New Hampshire, but also to the people of the Nation. If we continue to allow man's destruction of wildlife, wilderness, and the countryside, if we continue to ignore the poisoning of the air and water, we consequently allow the destruction of the very essence of our existence. It is essential that the public be made aware of the efforts of others to counter the adverse effects of man's carelessness and apathy toward his environment.

FAA'S INTENTION TO CLOSE 30 FLIGHT SERVICE STATIONS A YEAR

Mr. DOMINICK. Mr. President, as a private pilot, I follow aviation legislation with more than a passing interest. I became alarmed and concerned when I learned of the Federal Aviation Administration's intention to close 30 flight service stations a year.

The flight service station—FSS—is the operations office for general aviation with about 4,000 air traffic control specialists rendering over 52 million flight services—including pilot weather briefs, in-flight emergency assists, IFR flight, plan filing, navigational aid monitoring, JFR flight plans, weather observations, and airport advisory service.

The Office of Management and Budget, the Department of Transportation, and the Federal Aviation Administration, after a joint study, decided to automate the FSS system—hence the decision to close 30 manned FSS's a year. The drawback to this strategy is that the system will not be automated until 1979 with 30 FSS closings a year in the meantime.

The uncertainty for general aviation between now and 1979 prompted a letter to the Appropriations Committee signed by myself and 19 other concerned Senators—Senators MANSFIELD, YOUNG, JAVITS, DOLE, MOSS, GRAVEL, HANSEN, BARTLETT, CURTIS, HASKELL, ABOUREZK, BURDICK, BIBLE, CANNON, METCALF, MCGEE, GRIFFIN, HUGHES, and HART.

Mr. President, I ask unanimous consent that a copy of that letter be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., July 19, 1973.

Senator ROBERT C. BYRD,
Chairman, Subcommittee on Transportation, Dirksen Office Building, Washington, D.C.

DEAR BOB: In 1967 the FAA established an evolutionary Flight Service Station (FSS) Modernization Plan which envisoned the hiring of over 10,000 air traffic control specialists to man the FSS's by 1980.

However, during 1971-72, OMB advised DOT/FAA that such plans were too labor intensive, and a policy was adopted to place only 2,000 personnel by 1980 in a system which should employ 10,000 and instead to automate the FSS system under a longer range plan.

There are at present over 4,000 air traffic control specialists serving in the 330 Flight Service Stations. The decision to automate has repercussions not only on the labor force, but well beyond. Most importantly, in the interests of safety, the new plan of de-

commissioning of existing FSS's at the proposed rate of 30 per year must not be implemented.

The FSS Evaluation Report relating to adopting the new plan states that under the proposed system "90% of the pilots can obtain a weather briefing and file flight plans without direct contact with a flight specialist." No indication is given, however, of how the other 10% are supposed to avail themselves of the information necessary for a safe flight. In addition, it is highly debatable that the 90% will enjoy the same quality of service as is presently available. Indeed, the equipment which is currently developed for replacing manned service stations is not capable of reporting the weather factors of ceiling, visibility and precipitation; recording of these vital statistics is beyond current technological capabilities according to FAA and the National Weather Service.

Most distressing is the fact that the automated system is scheduled to begin in 1979, but the implementation proposal for decommissioning existing FSS's would begin immediately, thus leaving unmanned stations around the nation at the accumulative rate of 30 per year.

It is reported by FAA that over 52 million flight services were rendered by the 4,000 air traffic control specialists in FY 1972, and it is estimated that the majority of the 5,000 yearly in-flight "saves" of pilots in distress are accomplished by air traffic control specialists at Flight Service Stations.

Thus one cannot help but question as highly irresponsible the portion of FAA's requested appropriations to be used for the transition from the manned to the automated FSS facilities. We urge you to disapprove this portion of the FAA request and to insure pilots continued access to the extremely valuable Flight Service Stations.

Sincerely,

Peter H. Dominick, Milton R. Young, Robert Dole, Clifford P. Hansen, Dewey F. Bartlett, Mike Mansfield, Jacob K. Javits, Mike Gravel, Frank E. Moss, Carl T. Curtis.

Floyd K. Haskell, James Abourezk, Quentin N. Burdick, Alan Bible, Howard W. Cannon, Lee Metcalf, Gale W. McGee, Robert P. Griffin, Harold E. Hughes, Philip A. Hart.

U.S. Senators.

Mr. DOMINICK. I am most grateful to Senators ROBERT C. BYRD, CASE, and other members of the Transportation Subcommittee who were sympathetic and responsive to the problem. I am gratified to see the language in the report on H.R. 8760, the Department of Transportation's appropriations bill which provides that—"FAA not decommission, or transfer airport traffic control specialists from any existing Flight Service Stations until such time as automated systems are in place and satisfactorily operational."

The 30 scheduled FSS closings would have occurred in 17 States with Colorado losing or having remoted four FSS in Akron, Eagle, La Junta, and Trinidad. Mr. President, because of the importance of the FSS's to general aviation, the lack of a real alternative to the present method of briefing private pilots and the consequent effect on flight safety, I would urge the conferees on this bill to include a similar prohibition in the conference report on FAA's ability to proceed with the planned FSS closings.

TEMPORARY LODGING FACILITIES

Mr. PROXMIRE. Mr. President, I have recently been engaged in an investigation of temporary lodging facilities which are constructed and operated by the Department of Defense. Since these facilities are financed essentially with nonappropriated funds, Congress has not been as fully informed in this area as it has in areas funded primarily with appropriated money. Consequently, I ask unanimous consent that the following correspondence be printed in the RECORD in order that everyone may be more aware of the cost, funding, occupancy, eligibility, and private sector implications of these facilities.

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

OFFICE OF THE
ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., June 11, 1973.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIRE: Reference is made to our letter of May 10, 1973, which transmitted a copy of the Department of Defense Directive governing the temporary lodging facilities program. Our letter also indicated that we were developing answers to your questions concerning the temporary lodging facilities program and would respond to your inquiry shortly.

Specific information on the areas covered by your questions has been gathered and is attached as Enclosures 1 and 2. We trust these Enclosures are responsive to your inquiry.

Sincerely yours,

EDWARD J. SHERIDAN,
Deputy Assistant Secretary of Defense.

ANSWERS TO QUESTIONS CONCERNING THE TEMPORARY LODGING FACILITY PROGRAM AND NONAPPROPRIATED FUNDS POSED BY SENATOR PROXMIRE'S LETTER OF APRIL 11, 1973

PARAGRAPH 1

Question: How much money has been expended to date by service and facility under this program?

Answer: Capital costs for Department of the Army guest houses completed or under construction to date has been $6.8 million. Completion of two projects currently under construction is estimated to cost an additional $1.7 million. The Navy has expended approximately $10.3 million and the Marine Corps approximately $1.2 million for construction of temporary lodging facilities. The initial increment of construction of 760 temporary lodging units at 18 Air Force installations cost approximately $9.1 million. Award of a second contract for construction of 241 temporary lodging units at six installations is anticipated shortly. This is estimated to cost an additional $3.6 million. Lists of individual projects are attached as enclosure 2.

Question: What are your short and long-range plans for additional expenditures to provide temporary housing for military guests?

Answer: Department of the Army reports that $1.8 million has been projected to become available for financing construction of new guest house facilities by December 31, 1974. Thereafter, construction of guest house facilities will be limited to those which can be financed from amortization of outstanding loans, estimated at $650,000 annually. Department of the Navy proposes to expend approximately $2 million annually for temporary lodging construction until the needs of the Navy for short-term housing are met. The Marine Corps has no plans at present for future funding of temporary lodging facilities. No additional construction of temporary lodging facilities is planned by the Department of the Air Force.

The Military Departments must seek the approval of the Office of the Secretary of Defense for any additional temporary lodging facilities as outlined in DoD Directive 4165.55.

PARAGRAPH 2

Question: What is the origin and amount of the money contained in the Army's nonappropriated revolving fund from which the $10 million was borrowed to finance guest house construction?

Answer: The $10 million of non-appropriated funds represents assets of the Army Central Welfare Fund derived primarily as the Army share of dividends paid from the earnings of Army and Air Force exchanges. A minor portion was similarly derived from earnings of Army and Air Force Motion Picture Theater operations, and from interest earned on investments of the funds.

Question: Do such funds exist for the Navy and Air Force, and, if so, what are their respective origins and amounts?

Answer: Yes, funds exist for both Navy and Air Force. For Navy, the Bureau of Personnel Central Recreation Fund account which advanced funds for the construction of Navy temporary lodging accommodations is maintained through a pro rata distribution of Navy Exchange System profits and interest on short-term investment of funds. Current assets totalled $35 million on March 15, 1973. In contrast to the Army guest house program, the Air Force did not use a revolving fund to finance construction of their TLFs. A total of $12,995,000 was committed from the Air Force Central Welfare Fund, which has as its primary source of dollars the dividends it receives from the Army and Air Force Exchange Service.

Question: Are these funds to be repaid? Over how long a term? If the money is loaned, at what interest rate

Answer: Department of the Army funds are on a 15 year loan to be repaid at 3% per annum, simple interest on the unpaid balance. The monies being made available to Navy from the Bureau of Personnel Central Recreation Funds for Navy lodge construction are provided as an interest-free loan. The anticipated revenues from charges should make it possible to amortize the Bureau of Personnel investment in 14 years. The Marine Corps project at Camp Lejeune was funded by the activity's existing nonappropriated fund account. No funds were borrowed. There were no loans in the Air Force program; the funds were granted by the Air Force Central Welfare Fund.

PARAGRAPH 3

Question: To what extent are appropriated funds used for the direct or indirect support of these facilities, both initially and after construction?

Answer: All construction costs for temporary lodging facilities are non-appropriated funded. Appropriated funds have indirectly supported the construction of temporary lodging facilities insofar as programming, administration, and surveillance of the projects have generally been performed by appropriated fund employees. Service charges by occupants insure that the operation will be self-supporting in terms of; salaries for management, supervision, housekeeping, and grounds maintenance; daily operating expenses, such as laundry and cleaning; equipment replacement; and renovation. As with other morale, welfare, and recreation facilities, appropriated fund support is limited to providing utilities, preventive maintenance, and common services such as fire and security protection, trash removal, pest control, sewage disposal; snow removal, and medical inspection.

Question: Are guest houses built on government property?

Answer: All temporary lodging facilities constructed and those pending award of contract are sited on government property.

PARAGRAPH 4

Question: By what statutory authority are appropriated and non-appropriated funds used to construct guest houses?

Answer: For appropriated funds, the construction of guest houses may be accomplished when specifically authorized in a Military Construction Authorization Act with funds provided for in a Military Construction Appropriation Act. With respect to non-appropriated funds, there is no requirement for statutory authority in order to fund and accomplish construction of guest houses.

Question: Do there exist any statutory or non-statutory controls over the use of this money?

Answer: Statutory controls applicable to the use of all appropriated funds, such as the Anti Deficiency Act, are applicable to the use of Military Construction appropriations. In addition, the provisions contained in the Military Construction Appropriation and Authorization Acts would be applicable to any guest House construction authorized or funded by those Acts.

There is no statutory authority governing the generation and use of non-appropriated funds within the Department of Defense. These matters are controlled by regulations of the Military Departments under the broad policy guidance of the Office of the Secretary of Defense. At the present time, this guidance is contained in DoD Directives or Instructions developed by Assistant Secretary of Defense (Comptroller) relating to audits; Assistant Secretary of Defense (Installations and Logistics) relating to construction criteria, construction reports and temporary lodging facilities; and, by Assistant Secretary of Defense (Manpower and Reserve Affairs) relating to the funding of morale, welfare and recreation facilities. The funding guidance contained in DoD Directives 1330.2 identifies the circumstances in which appropriated funds may be used in support of non-appropriated fund activities. The provisions of this directive constitute limited controls on the use of appropriated funds and the supplemental use of non-appropriated funds in connection with the construction, maintenance and operation of morale, welfare and recreation facilities.

A non-appropriated Fund Study Group organized at the direction of the Deputy Secretary of Defense is currently involved in a study designed to determine what additional controls are necessary in the overall management of non-appropriated fund activities and to develop action documents implementing required corrections. It is anticipated that this action will result in a clearer delineation of controls on the use of both appropriated and non-appropriated funds in support of morale, welfare and recreation facilities, including temporary lodging facilities.

Question: Are there any specific restrictions concerning housing construction?

Answer: The policy, procedures and restrictions concerning the construction of guest houses are contained in DoD Directives 4165.55, subject: "Temporary Lodging Facilities (TLFs)," dated December 1, 1972.

PARAGRAPH 5

Question: Who is eligible to stay in military guest houses? Is eligibility restricted to permanent change of station families? To military personnel? What is the priority of use for each service, by rank and status (i.e. permanent change of station families, temporary duty station families, DoD civilians, retired military personnel, etc.)?

Answer: Priority of occupancy of Army guest houses is as follows:

1. Active duty military personnel of all grades with or without dependents, departing or arriving on permanent change of station orders, while clearing quarters or awaiting occupancy of quarters either on-post or off-post.

2. Visiting relatives and guests of patients in military hospitals.

3. Active and retired military personnel receiving outpatient medical treatment who are required to stay overnight near the medical facility.

4. Guests visiting service personnel stationed at the installation.

5. Military and civilian personnel on temporary duty may occupy guest house facilities on a space-available basis if transient bachelor quarters are fully occupied.

6. Transient military personnel in a leave status and transient retired military personnel may occupy guest house facilities on a space-available basis.

For Department of the Navy the eligibility for utilization of temporary lodging facilities other than those located at naval hospitals is as follows:

1. Navy personnel accompanied by their dependents and Marine Corps personnel assigned to the regular personnel allowance of Navy ships, stations and staffs, accompanied by their dependents, arriving or departing area under PCS orders.

2. Wives and dependents of active duty Navy and Marine Corps personnel as defined above who are in the area for the specific purpose of locating a permanent residence in connection with a PCS move.

3. Wives and dependents of prisoners of war and personnel missing in action.

4. Marine Corps personnel not assigned to the regular personnel allowance of Navy ships, stations and staffs, accompanied by their dependents, arriving or departing area under PCS orders, or wives of these personnel who are in the area for the specific purpose of locating a permanent residence in connection with a PCS move.

5. Other personnel—

(a) Other active duty military personnel and their dependents.

(b) Retired military personnel and their dependents.

(c) Unremarried widows and dependents of military personnel who died while on active duty or while on the retired list with pay.

(d) DoD civilian employees assigned to overseas areas and their dependents.

(e) Official guests and visitors of the command as set forth below.

(1) contract surgeons (when under contract with the armed services).

(2) American Red Cross paid professional personnel (assigned to duty within naval activity).

(3) Foreign military personnel (when on duty with U.S. armed services) and their dependents.

(4) United services organizations (overseas only, and when recognized by DoD).

(5) 100% disabled veterans and their dependents.

(f) Visiting relatives and guests of assigned military personnel in overseas areas and at the Naval Air Station, Lemoore, California.

The priority established for use of temporary lodging facilities at naval hospitals is as follows:

1. Members of the immediate family of seriously or critically ill patients.

2. Members of the immediate family of Vietnam returnee patients.

3. Sponsors of children who are undergoing/convalescing from serious surgery.

4. Navy personnel with dependents and Marine Corps personnel with dependents assigned to the hospital staff arriving or departing the area under PCS orders.

5. Individuals not receiving per diem payments, being treated on an outpatient basis and treatment involves early morning appointments/tests or extensive therapy over a period of several days.

6. Members of the immediate family of patients who have been hospitalized for more than 30 days and who remain physically unable to depart on leave or liberty.

7. Other active duty military personnel and their dependents.

In the above answers we have been referring to temporary lodging facilities which are modern structures recently constructed. Additionally, the Air Force operates guest houses which generally are old barracks, officer quarters, or warehouses which have become excess to the needs of the base. The vast majority of the guest house units are one room without cooking facilities and occupants must utilize either a shared bath or community bath and latrine facilities. They are generally in such poor structural condition that it is not economically feasible to repair them. The only reason these guest houses remain in operation is because there are no other suitable facilities to be used. Air Force policy establishes first priority in guest houses for friends and relatives of patients in Air Force hospitals. In addition, friends and relatives of assigned military members are authorized to occupy these accommodations as well as military personnel and their families incident to permanent change of station. These latter members are accorded higher priority in oversea areas in order to save appropriated funds (temporary lodging allowance). Non-duty personnel such as retirees, members on leave, delay en route are authorized to occupy guest houses. Personnel on temporary duty may utilize guest houses but occupancy is very infrequent since most of these facilities are not suitable for these members.

The following is the Air Force priority for occupancy in Temporary Lodging Facilities:

Priority I. Air Force military members and their dependents incident to permanent change of station, inbound and outbound. Bachelor or unaccompanied Air Force military members incident to permanent change of station will also be authorized to occupy TLFs when normal transient quarters are fully utilized and when permanent party government quarters are not available for assignment to the member. Only members in this category are permitted to make advanced reservations.

Priority II. (Priority indicated within this group on a space-available basis).

(a) POW/MIA wives and dependents.

(b) Military members and dependents on leave/delay en route.

(c) Military members on temporray duty (utilization authorized when designated government transient quarters are fully occupied).

(d) Retired military members and dependents. Civilians will not be permitted to occupy TLFs except for retirees and dependents of military members indicated above. Accommodations will be relinquished by personnel in Priority II when occupancy is requested by Priority I members.

Question: What are the daily rental charges and how are such rates fixed?

Answer: For Army occupancy rates for each guest house are established by the installation commander at levels required to insure solvency and financial stability of the guest house. Rates vary depending on location of the guest house and generally range from $6.00 to $12.00 per day per room. Rates must be set at amounts sufficient to cover operation and maintenance costs plus an amount programmed to recover the cost of construction within a period of 15 years.

For Navy the current charge for units recently constructed is $8.00 per unit, regardless of family size. This rate was determined with the intent of providing the lowest possible cost to the serviceman while offsetting the costs of operation and realizing a payback of funds utilized for construction in a reasonable period of time. It is recognized that inflation or other extenuating circumstances may require increases in the uniform

rental rate or period of amortization of the investment.

Air Force daily rates in guest houses vary from base to base since accommodations are dissimilar; these rates are based upon the type of accommodations and services provided. Daily rates in their new temporary lodging facilities are established as a maximum of $8.00 per unit. This service charge is established to maintain these facilities on a self-sustaining basis.

PARAGRAPH 6

Question: By what criteria is a particular post or base determined to require additional temporary accommodations?

Answer: The Army Guest House Replacement Program under the 10 Million Dollar non-appropriated revolving fund was initiated in 1967 to replace outmoded and obsolete guest house facilities which had been in operation since the World War II period, and most of which are located in temporary buildings constructed during World War II. Because the objective was to replace existing facilities and available funds for replacement were limited, major Army commanders were required to evaluate the urgency of their replacement needs and establish a priority therefor. The relative priorities of the major commands were subsequently weighed by the Army and the $10 million fund allocated to 14 installations. Subsequently the list was reduced to 12 installations. Factors considered include availability of suitable commercial facilities at rates which servicemen can afford, current and projected long-range personnel strength and condition and utilization of existing guest house facilities.

The following criteria are utilized to determine requirements for temporary lodging accommodations at a Naval installation: Average PCS moves in and out of the area, availability of adequate short-term community housing assets, shortage of permanent housing accommodations, and at naval hospitals, the projected number of families of seriously ill patients requiring short-term housing. The total projected number of persons eligible to participate in the program are not used as the basis for calculating requirements. Commercial hotel and motel availabilities within one-half hour commuting distance of the activity are surveyed and results submitted to OSD together with a statement as to why available or obtainable facilities cannot meet short-term family housing requirements for servicemen and their families.

The Air Force utilized the following criteria in determining where temporary lodging facilities would be built:

1. Actual permanent change of station family moves.
2. Availability of base transient quarters.
3. Availability of permanent housing—on and off base.
4. Motel/hotel costs and availability.
5. Tenure of installations and projected changes in missions.

Question: Is the projected number of permanent change of station families the sole criterion?

Answer: Except for temporary lodging facilities at military hospitals, all projects approved by the office of the Secretary of Defense have been justified solely on the need to temporarily house permanent change of station personnel.

Question: Is the total projected number of persons eligible to participate in the program used as the basis for this calculation?

Answer: No, only PCS families are used in the calculation.

Question: To what extent is the local capacity of private facilities examined?

Answer: A survey is made by personal contact with responsible managerial representatives of private hotel/motel facilities within one-half hour commuting time of the installation to determine the adequacy of accommodations including food service facilities, prevailing rates, and military discount rates that can be obtained. Also, the feasibility of use of private facilities by lease, service contract or other suitable arrangements as an alternative to on-post construction is explored.

Question: Are local motel or hotel owners required to commit rooms in the absence of guaranteed reservations or lease agreements?

Answer: There is no requirement that local motel or hotel owners commit rooms in the absence of guaranteed reservations or lease agreements for military personnel.

Question: Would a local owner be required to cancel the reservation or terminate the stay of a civilian guest in order to accommodate military personnel?

Answer: Only in case there is a firm and binding agreement under which the owner is obligated to accommodate the military personnel would an owner be requested to cancel a reservation or terminate the stay of a guest.

Question: What are the terms of arrangements reportedly proposed to private innkeepers in the vicinity of Fort Meade and Aberdeen Proving Ground in Maryland?

Answer: Surveys were made of motels within ten miles of each installation to determine if suitable facilities could be obtained by contract, lease, voluntary discount or other suitable agreement, to meet the Army's guest house needs in lieu of on-post construction. Contacts were made with the owners or responsible managerial personnel. The operators felt that the daily rates of $6.00 to $12.00 for a family of up to six people proposed by the Army was much too low. None of the operators would agree to provide suitable facilities at rates that can be afforded by servicemen, particularly those in the lower grades, whose circumstances require them to occupy temporary lodgings for extended periods of time while awaiting permanent quarters or clearing quarters.

Question: Are any agreements with private motel owners to provide temporary military guest housing currently in effect? If so, what are the terms?

Answer: The Army has an off-post guest house facility provided under a service contract on a year to year basis at Fort Carson, Colorado. The facility consists of 20 single and 20 double accommodations. Daily occupancy charges are $6.00 single and $8.00 double.

On March 1, 1973, a guaranteed rate agreement was negotiated by the Navy with Charter House Hotels, 6461 Edsall Road, Alexandria, Virginia, to provide temporary lodging units at $12.00 single/$14.00 for families, with a 25% reduction on food prices in the restaurant to military personnel and their families on permanent change of station or temporary additional duty orders.

The Air Force has entered into written agreements with private motel owners to provide temporary accommodations for their members. As an example, Headquarters Command, United States Air Force, located at Bolling Air Force Base, in the Washington, D.C. area, has signed a memorandum of agreement with the managing director, Presidential Gardens Motel Hotel, which provides that all families referred to this facility will be provided accommodations at the rates listed below, subject to available space. Accommodations and rates, excluding tax, will be guaranteed for at least ten days once the rooms are occupied. Rates are as follows: two persons—$10.00; three persons—persons—$16.00; seven persons—$17.00; eight persons—$16.00.

TEMPORARY LODGING FACILITY PROJECTS

Locations	Number of units	Cost
Department of the Army:		
Redstone Arsenal, Ala	27	$331,914
Fort Huachuca, Ariz	27	355,374
Fort Gordon, Ga	88	831,861
Fort Campbell, Ky	88	958,400
Fort Knox, Ky	88	899,778
Fort Meade, Md	54	[1] 6,500
Fort Ritchie, Md	21	409,049
Fort Dix, N.J	88	1,103,500
Fort Brage, N.C	88	875,000
Fort Hood, Tex	76	[2] 335,030
Fort Lewis, Wash	88	1,067,000
Army total	733	7,173,406
Department of the Navy:		
NAS Alameda, Calif	75	785,000
NAS Lemoore, Calif	50	646,000
NAS Miramar (San Diego), Calif	100	1,055,000
NAS North Island (San Diego), Calif	100	1,075,000
NS San Diego, Calif	50	585,000
NSB New London, Conn	75	844,000
NAS Pensacola, Fla	25	370,000
NNMC Bethesda, Md	25	345,000
MCB Camp Lejeune, N.C	90	1,200,000
NS Newport, R.I	125	1,425,000
NS Charleston, S.C	50	615,000
NAS Memphis, Tenn	25	325,000
NAB Little Creek, Va	100	1,093,000
NS Norfolk (Sewe l's Point), Va	100	1,155,000
Navy total	[2] 990	11,518,000
Department of the Air Force:		
Luke Air Force Base, Ariz	40	
Williams AFB, Ariz	40	
George AFB, Calif	40	
Mather AFB, Calif	40	
Norton AFB, Calif	40	
Travis AFB, Calif	40	
Lowry AFB, Colo	40	
Petersen Field, Colo	40	
Eglin Air Force Base, Fla	40	
Homestead AFB, Fla	40	
MacDill AFB, Fla	40	
Robins AFB, Ga	40	
Keesler AFB, Miss	40	
Malmstrom AFB, Mont	40	
Offutt AFB, Nebr	60	
Grand Forks AFB, N. Dak	40	
Minot AFB, N. Dak	40	
Lackland AFB, Tex	60	
Air Force total	[3] 760	[4] 9,050,000
Scott Air Force Base, Ill	36	
Andrews AFB, Md	60	
McGuire AFB, N.J	30	
Griffiss AFB, N.Y	35	
Wright-Patterson AFB, Ohio	40	
Langley AFB, Va	40	
Air Force total	[5] 241	[4] 3,620,000

[1] Under construction or programed. Total cost of these projects estimated at $1,700,000.
[2] Includes units or space for lobby, office, management and other services.
[3] Completed or under construction.
[4] Awarded as single contract; breakout of cost by location not available.
[5] Award of contract anticipated shortly.

THE 20TH ANNIVERSARY OF THE AMERICAN POLITICAL SCIENCE ASSOCIATION'S CONGRESSIONAL FELLOWSHIP PROGRAM

Mr. PERCY. Mr. President, I am very pleased with the colloquy that took place yesterday, July 25, on the occasion of the 20th anniversary of the American Political Science Association's Congressional Fellowship program. I would like to add my expression of strong support and encouragement for the highly successful program which APSA has under taken these past 20 years. The APSA program has particularly distinguished itself in the House and the Senate for the very high caliber of its participants

who are a cross-section of academic scholars, lawyers, journalists, upper-grade civil service employees, plus a handful of specialists from abroad who are selected by rigorous nationwide competition. I understand that some 571 highly qualified fellows have participated in the program since its inception in 1953, providing over 125 Senators and Senate committees with the skills and fresh currents of thought available in the academic and professional worlds.

Ten fellows have served with distinction in my office since I entered the Senate. Four of them, Don Tice, Ed Stock, Werner Brandt, George Humphrey, and Tony Freeman, came to me from the State Department and the AID agency and have contributed the benefit of their varied foreign service experiences to my work in the Senate Foreign Relations Committee. Three others, Wes Pippert, Tom Daffron, and Ken Lamke, brought with them the highly valuable skills of the journalism profession, and Tom Vecino and Vern Goetcheus came from the academic world. Two of the fellows, Tom Daffron and Vern Goetcheus, have stayed on as permanent members of my staff.

The fellows who have served with me this year have commented to me on the great value which they see in the APSA program's improving their understanding and appreciation of the legislative process, and I know that they will be returning to their professional pursuits, convinced of the need for Congress to reassert its constitutional prerogatives and play a more vigorous role in the formulation of public and foreign policy.

I believe that a special word of commendation and encouragement should be said for the private foundations which have helped to make this program a reality. These include: the Edgar Sterm Family Fund of New Orleans, the Ford Foundation, the Courier-Journal and Louisville Times Foundation, the New York Times Foundation, the Shinner Foundation, the Poynter Fund, the Revlon Foundation, the Helen Dwight Reid Foundation, the Asia Foundation, the Commonwealth Fund, the American Friends of the Middle East, the Bush Foundation, and the Joseph E. Davies Foundation. I also understand that the Robert Wood Johnson Foundation has recently joined the program and soon will be funding a number of young medical doctors to participate in a special health policy section. I strongly endorse the American Political Science Association's sponsorship of this fine program and unhesitantly underwrite its efforts to obtain expanded support from a growing number of new foundations and participating agencies.

CHARLES R. HOWELL

Mr. WILLIAMS. Mr. President, I was most saddened by the death of former Congressman Charles R. Howell. I had known Charlie Howell for many years and had always felt very close to him; he was a man who always adhered to the highest values in life, and I know that he provided me and many others with a great inspiration.

Charlie Howell spent a quarter of a century in public life, beginning in 1944 when he was elected State assemblyman from Mercer County, N.J. He served 6 years in the U.S. House of Representatives representing the counties of Mercer and Burlington and sought election to the U.S. Senate in 1954. That campaign was marked by spirited but dignified exchanges between Charlie Howell and the current senior Senator from New Jersey, which ended in one of the closest statewide votes in New Jersey history.

After that election, Charlie was appointed State banking and insurance commissioner, a post he served in with vigor, independence, and distinction. Among his accomplishments during his tenure was development of the first high risk plan for providing insurance in urban neighborhoods threatened with violent unrest.

In 1969 Charlie Howell was forced by illness to resign his post, and end his career in public office. It was a measure of the man that he remarked to a reporter at the time: "I shudder at the thought of doing nothing." It was this same illness that finally claimed Charlie's life on July 5, at the age of 69.

Mr. President, I know that those Members of Congress who were privileged to have known Charlie Howell join me in expressing our most heartfelt condolences to his widow, Inez.

THE PLIGHT OF SENIOR CITIZENS

Mr. GURNEY. Mr. President, today's Washingtin Star-News has an article on the front page that certainly says something about the problems facing this country today. The article, with a Miami Beach dateline, is entitled "Rising Costs Squeeze the Proud Elderly." It outlines the hardships facing many of our elderly in making ends meet during these days of inflation, and describe the fact that many of them are now turning to shoplifting in order to put food in their mouths.

Max Friedson, chairman of Florida's Congress of Senior Citizens, has long been a highly respected and very outspoken critic of the shortsighted way American treat their elderly, and more specifically, of the way Congress responds—or fails to respond—to the needs of our elderly.

Mr. President, I submit that Max Friedson, as quoted in the article, is absolutely correct. We should not force our elderly to "steal or starve" as we seem to be dong in Miami Beach, rich in hotels but heavily populated with poor senior citizens. We recently passed legislation here in the Congress which will increase social security benefit beginning next January. That is a step in the right direction, but what about civil service retirees? When will they receive a substantial increase in benefits? While we increased social security benfits by over 25 percent, civil service retirees have seen their equally meager pensions rise by a "whopping" 6 percent. Many retired teachers, who must rely on State legislatures to increase pensions, are receiving pensions of $50 and $60 a month. How can we expect an 80-year-old retiree, who must spend for medicine what many of us spend for food, to live on such a paltry amount?

I do not condone, in any way, the shoplifting mentioned in the article. I must admit, however, that I am not very impressed by the attitude held by many that "once you get old you aren't any good any more." We have seen recently, by virtue of a CBS special report, "You'll Get Yours When You're 65," the contrasting attitude of European nations toward their elderly. In Germany, for instance, senior citizens receive retirement benefits although they may continue to work full time. Why not in the United States? In other nations, prescription drugs are free, yet here, a provision to cover prescription drugs under medicare was deleted in conference last year. We have spent millions in the war on cancer and heart disease, and in developing cures to countless other diseases, but how much good does it do if all a person has to look forward to is a penny-pinching, meager existence, totally lacking in dignity, when he hits the magic age of 65?

Mr. President, I commend the 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:

[From the Washington Star-News, July 27, 1973]

RISING COSTS SQUEEZE THE PROUD ELDERLY

MIAMI BEACH, FLA.—Rising food prices have forced many retired people living on fixed incomes to eat fewer meals and some have even resorted to shoplifting food and vitamins, officials report.

Social workers and store officials said the situation is particularly acute in Miami Beach, where 61 percent of the population of 85,000 is aged 65 and over.

Max Friedson, 74, chairman of the Congress of Senior Citizens, which has 100,000 members in Florida, estimated that 500 to 1,000 elderly people in Miami Beach "simply cannot make ends meet" and are too proud to go on welfare.

"They get $80 to $90 a month in Social Security, they can't get on welfare and apartments cost between $110 and $150 a month," Friedson said. "They simply can't do it. For a couple, food costs about $100 a month. Some are existing on two meals a day."

In a one-mile-square area of south Miami Beach, Friedson said, 37,000 old people are living on fixed incomes, many of them union pensions.

For many the bright spot of the day is a 50-cent meal at a Methodist church in Miami.

Flora Sherman, 79, formerly of Nashville, Tenn.; Herman Hurt, 85, and Anna C. Mendez, 75, lunched there yesterday on baked chicken, string beans, potato salad and fresh tomatoes and talked about their problems.

"There's nowhere else you can get a meal like this," beamed Mrs. Sherman. "This is my big outing of the day," said Hurt, a former elevator company employe from Yonkers, N.Y.

For Mrs. Mendez, the wife of a retired postal service employe from the Bronx, New York City, the lunch program helps ease an already tight budget—$400 a month from a pension fund.

"I've been cutting down on meat. We've been eating less and I make the coffee weaker now," she said. "We hardly use any sugar anymore and get the newspaper three times a week instead of every day."

The couple lives in a small $120-a-month apartment, but the rent will be increased to $170 a month in September. "That's too much. We're going to have to move," she said.

Friedson said his organization has had to help with the legal defense of some elderly people who have been caught shoplifting. "This is terrible. We should set an example to the young. We should be elder statesmen. There should be other ways to make ends meet than shoplifting," he asked.

"Some of the older women put little packages of meat in their bras. They steal what they need at the time—vitamins, cans of tuna fish," said Frank Curcio, security chief for Grand Union stores.

Hugh Fitzpatrick, southern division security manager of the Food Fair supermarket chain, said 90 percent of the shoplifters caught are not professional thieves and many are elderly.

"Before, they might try to put an item under their clothing. Now, they're coming in with shopping bags. They take small, expensive items—cans of shrimp, salmon and tuna. Things where they can get a lot in one bag," Fitzpatrick said.

He added that if an old person is a first offender he might get off with a lecture.

"We treat them like you would mom or dad. Some feel because they gave the store their business in better days they are entitled to whatever they want to take," he said.

Miami Beach police said that in the year ending June 30, 89 people were arrested for shoplifting in the city and "the great, great majority are very elderly people."

Other police officials pointed out that the majority of people picked up in stores for shoplifting are not prosecuted.

Three miles across Biscayne Bay in neighboring Miami, police also reported an increase in the number of shoplifting cases involving the elderly.

"One downtown store in Miami frequented mainly by elderly people turns in about three or four old people for shoplifting every day," a police spokesman said.

PHASE IV AND THE CEILING ON BEEF

Mr. CLARK. Mr. President, I wish to call to the attention of this body to the extremely serious situation which exists today among beef producers and processors.

The result of the continuation of the ceiling on beef prices is that cattlemen are holding their animals back from market until the end of the freeze on September 12. This has caused the closing or the serious curtailment of beef processing operations. And this in turn will mean that in a very short time there will be serious shortages of beef in the supermarkets and grocery stores.

My office has been deluged in the past few days by phone calls, letters, and telegrams describing the dire distress and alarm which phase IV has occasioned among beef producers and processors. Mr. President, this is not just a short-term problem of supply in the next few weeks—it encompasses the disillusionment and loss of confidence among the livestock feeders upon whom our future meat supply depends. Cattlemen are tired of bearing the brunt of the administration's anti-inflationary policy—remember, beef prices have been frozen since March, while costs have continued to rise abruptly. They are caught in an economic squeeze, and consequently they are cutting back their operations or phasing out livestock feeding completely. The farmers who write to me are saying they are tired of fighting the government, the weather, the misunderstanding of consumers and inflation—and they would rather sell their grain and make more money than continue to feed cattle.

The point, Mr. President, is this—the continuation of the price freeze is going to lead not only to a short-term squeeze in supply but also to a very serious long-term problem of a decline in the number of animals which simply cannot be cured quickly.

The message which I have received from dozens of Iowans is that we must remove this discriminatory burden from the beef industry or face serious shortages and severe economic losses among processors. I disagree with Secretary Schultz that this problem is "exaggerated." It is very serious indeed, and will not help anyone—particularly not the consumer who will be forced to pay ever higher prices as a result of this misguided policy.

I ask unanimous consent that these representative letters and telegrams from Iowans engaged in various aspects of beef production and processing be printed in the RECORD.

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

FONTANELLE, IOWA, *July 2, 1973.*

Hon. DICK CLARK.

DEAR SIR: I am a 26 year old first year farmer (former Voc. Hg. teacher & ISU Graduate), who feels that the current price freeze on meat products is going to hurt future expansion.

In my own case, I'm not expanding as fast as I would if there was more profit potential in it. I just purchased 47 head of good choice 450 lbs. heifers for 50.50/cwt. or $233.00/head. I would like to buy more, as I have grass for 100 head or more, but not after using the Iowa State Cattle Feeding Worksheet. Using $1.70 corn, 15¢ for protein, 60 days of pasture, & 7 hrs of labor for 450 lb. of grain, I need $44.75 to cover my costs. The current February Futures price for choice 1100 lb. steers in Chicago is $48.60. This price will not give me but about $44.25 here at the farm for the good-choice 900 lb. heifers I will have.

This 50¢/100 lb. difference means that I will probably not get anything for my labor. How many men are willing to work for no pay?

As for the other cattle I have 16 fat steers & heifers, ready to sell, and 14 stock cows with calves. I would like to expand my cow herd, but question the economic value of buying $450–$500 replacement heifers & cows. My banker would like to see more profit potential or more signs that the current prices will hold steady for several years before expanding.

Sincerely,

J. G. MCCALL.

MAXWELL, IOWA,
July 1, 1973.

Senator DICK CLARK,
Washington, D.C.

DEAR SENATOR CLARK: This letter is in regard to what price freeze on meat, and not on the costs that go into a cattle feeding venture, is doing to the future supply of finished beef.

Buying 750 young yearlings at $52–$56 per hundred or calves at $60–$70 per hundred, with the price of corn at or near $2 a bushel and protein supplement at or near $400 per ton, and fat cattle frozen at present levels, just doesn't add up to any profit. It most likely will end up in a loss to the cattle feeder.

In the past I have been buying, in April or May, one or two loads of cattle to finish for the fall market. This summer my lots are empty. I haven't bought any cattle since last winter because of these factors.

I hope I can count on you to present the true facts to the right people.

Sincerely,

MELVIN KIMBERLEY.

SENATOR DICK CLARK: By way of introduction, our company, Flavorland Industries, Inc., Sioux City, Iowa (formerly Needham Packing Company, Inc.) feeds, slaughters, and processes beef only.

We are completely dumbfounded that no relief on increased beef costs can be passed on according to your release of July 18, 1973.

This is a tremendous injustice to plants slaughtering beef only; it is a tremendous injustice to companies that process beef only; it is also a tremendous injustice to livestock feeders who at this time of year must make commitments for feeder cattle and grain to be received in the months of September, October, and November. These feeders are in limbo so to speak not knowing what to do prior to or after September 12, 1973.

It is also an injustice to feeders, packers, and processors of beef products who must make financial commitments with their banks or other financial institutions since they do not know what to do at this time.

Last but not least it is an injustice to the American consumer who must eventually bear the results of the chaotic conditions which have prevailed in the food industry during the past few months and the unknown conditions which will prevail in the future.

Lifting the ceilings on pork, lamb, poultry, and similar meat items will no doubt cause the housewife to buy more beef since the beef ceilings have not been lifted at this time; therefore, beef will be relatively cheap as compared to other meat items. This increased emphasis will accelerate and cause a beef shortage which I predict will occur from September through the end of the year.

Your announcement that beef ceilings will be lifted after September 12, 1973, will in my opinion bring the sale and offerings of fat and feeder cattle to a complete standstill approximately fifteen to twenty days prior to September 12.

In my opinion the American people are not immature in economics that relate to agriculture. They fully realize the only way to reduce prices is to increase production. They also realize to increase production of a product there must be an incentive to make money on such product.

We must have higher prices to increase production before any relief can be seen regarding lower prices.

I also predict that unless you rescind your order of July 18, 1973, pertaining to beef ceilings that many feedlots, beef slaughterers and processors will close their doors. This company which has the capacity to slaughter 16,000 head per week and which is now currently slaughtering approximately 10,000 head per week, could very well be in this category unless immediate relief is forthcoming.

During the last several months we have reduced our total work force of approximately 900 people by approximately 250. In closing, I cannot emphasize too strongly the

need for immediate relief for the entire beef industry, I urgently implore your immediate consideration.

JAMES R. MCDONALD,
Chairman of the Board and President, Flavorland Industries, Inc. (formerly Needham Packing Co., Inc.).

SPENCER, IOWA,
Washington, D.C.

SENATOR CLARK: Spencer Foods, Inc., as a major slaughter and fabricator of beef cattle in Iowa and Nebraska, expresses shock and disappointment in the continuation of the ceiling on the beef prices through September 12, 1973.

The continuation of the freeze as outlined in phase IV will necessitate the curtailment of operations at our beef slaughter and fabricating facilities. This will involve the laying off of 325 employees at Spencer, Iowa, and 170 employees at Hartley, Iowa, and 340 employees at Schuyler, Nebraska. Weekly beef slaughter capacities at these plants are 7,000 in Spencer and 10,000 in Schuyler. This is necessitated due to substantial losses incurred and anticipated losses under the new program.

We would strongly encourage that action be taken to immediately remove this ceiling of beef as this program will result in shortages of supplies of beef to the consumer. We also feel strongly that the discriminatory action taken on the beef industry has and will create unrecoverable inequities.

SPENCER FOODS, INC.
JERRY P. KOZNEY.

MR. STEAK,
Coralville, Iowa, July 21, 1973.

Senator RICHARD CLARK,
Old Senate Office Bldg., Washington, D.C.

DEAR SENATOR CLARK: My Mr. Steak restaurant employs over 30 people and our suppliers many, many more. Continuation of the current beef price freeze from the packing house to the consumer will eliminate our beef supply and close our doors almost immediately. Unemployment is not the answer to our current economic mess.

Please help us and the American economy in getting this freeze order lifted immediately.

Thank you.

Sincerely yours,

ROBERT D. DOTSON,
Owner-manager.

SENATOR MUSKIE MAKES THE CASE FOR A LIMITED FEDERAL ROLE IN PROPERTY TAX REFORM

Mr. PERCY. Mr. President, I wish to call to the attention of my colleagues the remarks of Senator EDMUND MUSKIE before the International Association of Assessing Officers in Washington on July 19, in which my distinguished colleague eloquently expresses the case for a limited Federal effort to encourage local property tax relief and reform.

The need for reform of local property taxation is in my view indisputably clear. As Senator MUSKIE points out there is ample evidence showing that the property tax burden falls very heavily on the poor and particularly the elderly poor. Second, there is a long, demonstrated record of inequitable, inefficient property tax administration throughout the country; a sad problem which results in very heavy tax burdens for some, and scandalously light or nonexistent taxes for others. Third, the property tax is demonstrated to be the country's most unpopular tax, little understood, subject to political manipulation, in need of being brought into the full sunlight of open government.

Senator MUSKIE makes a compelling case for a Federal role in property tax reform and I am in complete agreement with it. He delineates precisely the respective roles of the Federal versus the State and local governments in the property tax field. Property taxes have been, and should remain, the province of local governments. Local property tax administration should under no circumstances be assumed by the Federal Government.

But there is a compelling, even urgent, case for creating Federal Government incentives to State and local reform. This point is hotly disputed. There are those who argue that, no matter how shoddy, how inept, how unfair local property tax administration in all too many States and counties and municipalities has been shown to be, the Federal Government has no reason or cause to intervene.

Senator MUSKIE disagrees, as do I, and makes the case for a limited Federal role with complete persuasiveness:

> Where heavy property tax burdens on the poor and elderly undercut Federal programs to guarantee all citizens a measure of economic security, there is a national interest in adjusting those burdens. Where improper administration of the tax results in discrimination against certain classes of property owners, there is a national interest in enforcing justice under the law. And where the tax works against coherent urban growth and sound land use, there is a national interest in coordinating fiscal programs with those of development.

Senator MUSKIE and I are the coauthors of the Federal Property Tax Relief and Reform Act of 1973. The Intergovernmental Relations Subcommittee, of which the gentleman from Maine is the distinguished chairman, has held hearings in Washington on the bill, and is planning field hearings, tentatively including Chicago. Our bill provides Federal incentive to property tax reform by providing Federal payments to State programs of property tax relief for poor homeowners and renters, if States undertake certain reforms. Senator MUSKIE's and my conviction that this is the proper Federal approach to the serious property tax problem is shared by 12 cosponsors of the bill in the Senate. All the sponsors of the bill can derive satisfaction from the policy statement of the Executive Management and Fiscal Affairs Committee of the 1973–74 National Governors' Conference, which endorses the approach in S. 1255 with the statement that—

> We . . . believe that federal incentives which would promote better assessment administration, or encourage the States to assume greater responsibility for property tax matters are desirable.

Mr. President, I ask unanimous consent that Senator MUSKIE's speech and the policy statement of the Governors' Conference, both referred to above, be printed in the RECORD.

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

REMARKS OF SENATOR EDMUND S. MUSKIE TO SEMINAR ON PROPERTY TAX REFORM, INTERNATIONAL ASSOCIATION OF ASSESSING OFFICERS, STATLER-HILTON HOTEL, WASHINGTON, D.C., JULY 19, 1973

The last time George Romney and I had a chance to debate the question of the Federal role in property tax relief and reform, George won. He had the votes.

Bob Merriam was the moderator on that occasion, too, as Chairman of the Advisory Commission on Intergovernmental Relations. It voted last December, as you know, to reaffirm the policy that states must carry the burden alone of reforming the administration of the tax and relieving its excessive burdens. I was in the minority.

It may be that this morning I am still in the minority. But in three days of Senate hearings in May on my proposals for a limited Federal program in the field, I found that the long and often angry discussion of property tax has taken a new turning. The question is no longer whether to remove the inequities and inefficiencies in property taxation but how and by whom.

My answer is that *all* levels of government must be involved in reforming practices which all of us agree must be changed. No one in this room, I am certain, will argue that the property tax is administered as efficiently and fairly as it should be.

In seeking to remedy that situation, the Federal Government has a limited but essential role to play. Where heavy property tax burdens on the poor and the elderly undercut Federal programs to guarantee all citizens a measure of economic security, there is a national interest in adjusting those burdens. Where improper administration of the tax results in discrimination against certain classes of property owners, there is a national interest in enforcing justice under the law. And where the tax works against coherent urban growth and sound land use, there is a national interest in coordinating fiscal programs with those of development.

The program I advocate, however, would rely on the states to be the instruments of relief and reform. They would receive support—if they want it—from the Federal Treasury for measures which relieve excessive tax burdens. They would receive financial aid—if they want it—for efforts to improve and professionalize the quality of local assessment. They would receive encouragement—in the form of outside expertise and information—for programs of equal and uniform assessment and for projects to link land use planning to tax policy.

States which received help for relief plans would have to meet only two fundamental requirements. They would have to show convincing progress toward the difficult goal of equal and uniform assessment. And they would have to insure that their citizens could understand the workings of the tax and contest inequities where they arose.

The reasons for bringing the Federal Government into this field—one of traditionally local concern—are many. Let me present the ones I view as significant.

In the first place, there is substantial evidence to indicate that the property tax burden falls most heavily on those who are least able to pay it—the poor and the elderly. Statistics compiled by the ACIR demonstrate that in all regions of the country, persons at the low end of the income ladder pay a higher percentage of their income in property taxes than those at the upper income levels.

In the case of millions of taxpayers, this burden is not merely regressive, but confiscatory.

For example, there are approximately 1.3 million elderly homeowners with incomes under $2000 a year who pay an average of 15.8 percent of their support to property

taxes. Every week, my office receives numerous letters from such persons who are finding that they simply cannot afford to live in their own homes any longer.

An elderly couple from Bethel Park, Pennsylvania, living on a total yearly income of $6000, is now paying 12.5 percent of that income in property taxes. Another elderly couple, from Lewisboro, New York, writes that property taxes consume 29 percent of their yearly income of just over $6000. And a widow from West Bridgewater, Massachusetts, living on a combined Social Security and pension income of $3100, pays a shocking 34 percent of her income in property taxes.

For the poor in general, the tax bite is even more painful. Over 400,000 Americans under the age of 65 and living on incomes of less than $2000 a year see property taxes consume nearly 19 percent of their meager subsistence.

It is true that a number of states—21 at last count—have acted to provide circuit-breaker relief for elderly homeowners. But the pattern of progress has been uneven, and these scattered initiatives are small consolation to the millions of nonelderly homeowners and renters who still face property tax payments far in excess of their ability to pay.

The problem is not an isolated local one, to be solved through piecemeal response. It involves the commitment of government at all levels, including the Federal Government, to the poor and the elderly, and so demands a response from all of us. Where states have not acted to deal with the situation, the Federal Government has an obligation to encourage them to do so. Where states have begun to come to grips with this form of inequity, the Federal Government has an interest in hurrying them along.

A second major reason for Federal involvement in the property tax field is that the states themselves have done so little to bring about effective reform of property tax administration. As long ago as 1963, the states received thoroughgoing, professional recommendations for assessment reform from the ACIR. Yet today, ten years later, the response to these recommendations has been most disappointing.

Last winter, my Subcommittee on Intergovernmental Relations conducted a survey of the states to determine the degree to which administrative reforms had been achieved.

We found that although the property tax is the single largest source of local tax revenue, states—on the average—spend only one-tenth of one percent of those revenues to supervise administration of the tax.

We found that only a handful of states have established any professional qualifications for persons holding the office of assessor or appraiser, with only five states providing bonuses to assessors who receive special training.

We found that by far the majority of the states continue to rely upon the exemption mechanism as a means of providing tax relief to various groups and individual interests, and that well over half the states make no attempt to determine the value of any revenue lost from such exempt property.

And finally, we found that very few states insure that taxpayers get the statistical information from which they can judge the fairness and quality of assessment practices.

At the same time, the Federal Government, through general revenue sharing, is shifting major spending decisions once taken at the Federal level to state and local officials. The quality of those decisions is certain to depend in large part on the degree to which state fiscal policies are uniform, integrated and professionalized. As long as administration of such a major revenue source as the property tax is slack, we cannot expect that our revenue sharing funds will be used for the maximum benefit of either the government or the taxpayer.

Further, a study recently released by the Arthur D. Little Company, based on property tax administration policies in ten of the nation's largest cities, provides substantial evidence that outmoded property tax structures are working at cross-purposes to Federal efforts to deal with the problems of our inner cities. The study concludes that poor property tax administration is an obstacle to the upgrading of poor quality housing, that it is a contributing factor to urban blight, and that in a number of the cities studied, existing property tax appeal structures do not offer any real remedy to the average taxpayer for inadequate assessment practices. In five of the ten cities studied, the median effective tax rate in blighted neighborhoods is many times higher than that in stable or upward transitional neighborhoods.

Finally, the neglect of property tax reform has resulted in the tax being both the least liked and least understood of all taxes. Fairly or not, it has come to be regarded as a symbol of the inflexibility and remoteness of government.

These consequences cannot be ignored for ever. Americans have developed a widespread mistrust of government—at all levels. They are profoundly cynical about government's ability to respond to their concerns. The polls tell us that public confidence in elected officials is at an all time low.

All of us have a stake in reversing that attitude. Tax reform is crucial to the process of restoring confidence. Without it, both taxpayers and government will suffer.

All of us stand to benefit from positive action. The taxpayer will have greater confidence that he is being taxed fairly in relation to his peers. The assessor will benefit from increased public understanding of his job and from greater technical and administrative assistance from the state level. And government at all levels will be strengthened by a more fair and workable revenue-raising structure.

Having outlined the reasons for a Federal role in property tax relief and reform, let me discuss what that role should and should not be.

Starting with the negative, I am convinced that the Administration proposal for a direct Federal circuit-breaker is a serious mistake. Such an intrusion of Federal power would actually work against the twin interests of relief and reform. While it might have some short-term political attraction, a direct Federal relief program would undercut local control and accountability, both of them necessary for a smoothly functioning revenue system.

And the Federal relief would work only as a shot of morphine for a patient with a serious and painful illness. Relief might kill the pain for a time, but it would in no way help to cure the disease which caused the pain to begin with.

My prescription is based on the conviction that relief and reform are inseparable goals of a sound Federal policy. First and foremost, it is necessary that the states—and not the Federal Government—serve as the agents for relief and reform. The property tax is the principal source of revenue for most units of local government, and local officials must remain accountable to those who pay the tax.

The role of the Federal Government should be one of encouraging and aiding the states—not coercing them—to undertake what is a very difficult task.

The Property Tax Relief and Reform Act of 1973, which I have introduced, is, first of all, a program for limited Federal involvement, but a plan that turns words of encouragement into tangible assistance. It is directed toward the goal of relieving both the inequities and the most severe burdens of existing property tax systems.

First, under its provisions, the states would remain the agents of relief and reform; and second, it would promote cooperative effort between Federal and state governments. No state would be compelled to participate if it did not choose to do so.

Under the relief provisions of the bill, the Federal Government would contribute to state programs compensating the poor and elderly, homeowners and renters, for that portion of their property tax payments which exceeds a reasonable level of their income.

Those states which qualify for Federal funding of their relief programs would be required to show progress toward reform of their property tax administration. But all states, whether or not they enact relief mechanisms, would be eligible to receive Federal assistance to modernize their tax-collecting machinery.

The reform provisions of the bill are directed at speeding those reforms which the ACIR agreed ten years ago were needed to strengthen the states' own financial structures. They are intended to assure taxpayers easy access to a system whose complexity alone now generates distrust, and to streamline and professionalize the information-gathering process.

I see this reform program as a finite task to which the Federal Government must contribute the initial financial impetus if reform is ever to get off the ground.

With this push from the Federal Government, states can at last begin the job of revising inefficient, unfair and unduly secretive systems of property taxation. Where the cost of reform is an obstacle to its achievement, the Federal contribution can help the states achieve sound administration and make it self-sustaining. And where the burden of the tax falls too heavily on those least able to pay. Federal assistance can help states meet the national goal of economic security.

We would not be engaged in this debate if we did not recognize that American taxpayers must have a fair, orderly and understandable system of property taxation. We will not profit from this debate if we do not recognize that both relief and administrative reform are tasks that can no longer be deferred. For the health of our Federal system, we must move now from debate to action.

NATIONAL GOVERNORS' CONFERENCE, 1973–74: POLICY STATEMENT OF EXECUTIVE MANAGEMENT AND FISCAL AFFAIRS COMMITTEE

PROPERTY TAX RELIEF AND REFORM

In 1963 the Advisory Commission on Intergovernmental Relations completed a major report on the status of property tax administration at state and local levels. The report included twenty-nine recommendations aimed at clearly identifying state responsibilities in the property tax field and providing a basis for improved state and local performance in administering this important tax.

Since August 1971, when the California Supreme Court rendered its landmark decision in *Serrano vs. Priest*, the propety tax as used to finance public education has been the subject of increasing attention and analysis. While the Serrano and Rodriquez school finance cases did not deal directly with the constitutionality of the property tax, they gave rise to increasing scrutiny of state and local administration of the tax.

During 1972 and 1973 major studies of the property tax have been carried out by the Advisory Commission on Intergovernmental Relations, the Education Commission of the States, and the Sub-Committee on Intergovernmental Relations of the U.S. Senate. All three reports deal with two major components of the tax—the manner in which it is administered, and relief from excessive burden created by the tax on certain categories of low income property owners.

The ACIR study was undertaken upon request of the President, and examined issues aimed at defining the appropriate federal role

in achieving property tax relief, reform of property tax administration, and relieving intra-state fiscal disparities in financing education. The Commission concluded that federal role in any of the three areas was neither necessary nor desirable.

In reaching its conclusions, the Commission underscored its belief that these areas are state responsibilities and that federal entry into the field would be detrimental to the federal system. In evaluating the advisability of a federal role, two rigorous criteria were applied:

(1) The problem that precipitated the demand for federal intervention stems from a head-on conflict—a serious under cutting of a major federal program objective by policies of most states; and

(2) The intergovernmental conflict can be resolved only by Federal government action.

ACIR explicitly rejected proposals for even modest federal programs to assist States in providing limited property tax relief for low-income home owners and renters, and to encourage improved administration of the property tax.

The study carried out by the Education Commission of the States did not deal with the federal role, but did conclude that provisions for relief from excessive burden and current administrative practices are in need of major attention by the States.

Finally, a report prepared for the Senate Sub-Committee on Intergovernmental Relations found a need for major improvement in both assessment practices and relief mechanisms. The report, based upon a survey questionnaire mailed to each Governor, has resulted in the introduction of federal legislation which would offer assistance to States which make major strides in reforming their property tax systems.

The National Governors' Conference does not have policy in this important and controversial area. In view of increasing interest and debate surrounding the property tax, it is appropriate that the Conference consider the adoption of a new policy statement on property tax reform and relief.

PROPOSED POLICY POSITION

The National Governors' Conference notes increasing interest in the issue of property tax reform and relief. Studies and recommendations of the Advisory Commission on Intergovernmental Relations, the Education Commission of the States and the Sub-Committee of Intergovernmental Relations of the U.S. Senate underscore the importance of action aimed at strengthening and at the same time improving public acceptance of this important revenue device.

The Conference believes that the administration of the property tax is and should remain the responsibility of the States and their local governments.

However, the Conference recognizes the federal interest in limiting the adverse impact of the property tax on certain classes of excessively burdened taxpayers. But we believe that a federal effort in this area should avoid requirements for arbitrary national uniformity in use, impact and/or administration since such requirements would be an undesirable federal intrusion.

We further believe that federal incentives which would promote better assessment administration, or encourage the States to assume greater responsibility for property tax matters are desirable.

Therefore, the Conference supports a federal program to assist States in alleviating the regressivity of their property tax systems, and calls upon Congress to explore means by which the States may be encouraged to assume greater responsibility with respect to more equitable administration of property tax assessments and appeals.

The Conference further calls upon all States to review the policies and procedures which guide use of the property tax by all taxing jurisdictions within each State. Such a review should focus at a minimum upon:

(1) policies, practices, and standards of assessment and general administration.

(2) devices used to provide relief to certain classes of property taxpayers.

(3) identification of state and local programs financed by the property tax which would more equitably be financed by other sources of revenue.

(4) identification and measurement of the property tax base that has been eroded by exemption.

(5) alternate remedies for appealing assessments and adjustment of excessive assessments. Improvements in state and local policies and procedures surround use of the property tax are critical if administration of the tax is to be fair, equitable, and effective.

Improvements in state and local policies and procedures surrounding use of the property tax are critical if administration of the tax is to be fair, equitable, and effective.

DOES EDUCATION FOR ALL LEAD TO MEDIOCRITY?

Mr. CRANSTON. Mr. President, the July 25 edition of the Wall Street Journal carried an article of great importance to American education, entitled "Does Education for All Lead to Mediocrity?", by Grace Hechinger.

Ms. Hechinger reports on an international study just completed by the International Association for the Evaluation of Educational Achievement—IEA. It is the first such study of worldwide scope, and it puts the public schools of our country in a new perspective. The study says that universal education is not incompatible with quality education, and those countries with selective enrollment practices suffer more "lost talent and social dislocation" than do American schools.

I commend the article to the attention of every Member of Congress, and ask that it be printed in the RECORD.

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

DOES EDUCATION FOR ALL LEAD TO MEDIOCRITY?

(By Grace Hechinger)

America as the land of opportunity has long been synonymous with its faith in universal education. Does such open access to school, without any prior sorting out of either the materially or intellectually less privileged youngsters, penalize the gifted? Does the American commitment to mass education in fact mean that the talented few are sacrificed to the concern of the mediocre many? As an old Tory expression puts it, does more mean worse?

American egalitarian ideology has always said no to these questions—largely on faith. But now this idealistic view has been confirmed, not by populist do-gooders, but by the conclusions of the most extensive worldwide survey of educational accomplishments ever undertaken. The recently released findings of the International Association for the Evaluation of Educational Achievement (IEA) provide unprecedented proof that the critics of the open door to learning are wrong in their insistence that universal education is incompatible with quality education.

The study is based on data from 9,700 schools in 19 countries. They include Australia, Belgium (the French-speaking and Flemish-speaking sectors were considered separately), Chile, England, Finland, France, Hungary, India, Iran, Israel, Italy, Japan, the Netherlands, New Zealand, Scotland, Sweden, Thailand, the U.S. and West Germany. The $5 million cost of the survey was met by a number of private foundations and governmental agencies from many of the countries involved.

One of the study's key findings shows that in reading comprehension, the top group of American high school seniors—the upper 9% or 10% in academic achievement—actually comes out ahead of all other nations, including the educationally highly restrictive ones. In science, the comparable American groups finished in seventh place, still a respectable showing.

Professor Torsten Husen of the University of Stockholm, director of the IEA study, said in answer to the educational elitists: "It is actually the selective system that pays a price in lost talent and social dislocation."

To underscore that claim, he offered statistics that show West Germany, which siphons off "nonacademic" children at age 10, suffers from the highest degree of "social bias," the major indicator of a stratified society. This means that the highest ranking students come almost exclusively from the most privileged social and economic classes. By age 18, only 1% of the lower class children, defined as coming from unskilled or semiskilled workers' families, were still attending school. As a result, only 1% of that group show up in the academic elite. In American schools, 14% of those who graduate from high school come from lower socioeconomic groups. This means a steady influx of "lower class" children into the potential leadership sector.

It is only when all American high school seniors are tested that the American performance slipped severely—to 12th place in reading comprehension. However, the U.S. keeps 75% of its young people in high school through graduation—the highest proportion of any country in the survey. In all the other participating countries great numbers of young people have by that time already dropped out or been pushed into nonacademic activities. Thus the low ranking of the American high school senior class on the international scale is not the sign of depressed academic quality that American critics see in it, particularly since it does not lower the achievements of the intellectually gifted. On the contrary, it is reasonable to support Professor Husen's conclusion that the American plan for keeping virtually everyone in school until high school graduation gives the U.S. a greater pool of educated citizens from which to draw its leaders. And it clearly aids the American people's social and economic mobility.

The relationship between children's education achievements and their adult careers and status is a subject of continuing controversy here and abroad. For instance, the Stockholm report challenges head-on the widely publicized study by a Harvard research team headed by Christopher Jencks, which claims that schools fail to reduce social and economic inequality. The IEA survey did not directly concern itself with pupils' future income; but by proving that open access is a significant factor in allowing children from disadvantaged homes to rise to the level of the academic elite; it offers persuasive evidence that education does improve chances for economic success, and has done so more effectively in the U.S. than anywhere else.

The study does uphold the claim, first published by sociologist James Coleman in 1966, that home background is more important to a child's scholastic success than anything the schools have so far been able to offer. But the Stockholm findings point more strongly than did the Coleman report to the fact that schools, nevertheless, make a substantial difference—a fact that has increasingly been denied by the New Left anti-school ideologists.

The debate over the effectiveness of public education in the United States thus will have to take account of these findings:

Hard work in school plus open access to count. "Get them and stretch them" is the way a member of Professor Husen's research team summarized the need for a combination of mass education and tough study requirements.

Women's Lib is right in charging that girls have traditionally been short-changed. They have lagged behind boys in interest and performance in science and the gap grows larger the longer girls attend all-girls' schools, where they are not being challenged. Significantly, the gap does narrow in coeducational schools.

An analysis of the schools' greater success in teaching science—called a "school-oriented subject" by the study—than in teaching reading—labeled "home-oriented"—suggests a puzzling discrepancy in the schools' relative skills and efforts. "The schools appear to do little to mobilize their resources for the improvement of reading beyond the early years," the report said—a serious indictment of neglect in so crucial an area.

The study itself, however, is not without its limitations. The basic problem with a survey of so many nations' schools is that educational systems do not exist in a social and historical vacuum. The way a nation interprets its educational responsibilities cannot be discussed independently from its political, social and economic priorities. There is no common denominator which can readily be extracted from such a study. To be valid, comparisons between countries cannot be made without great caution and qualifying explanations of cultural and socio-political differences.

Moreover, the process of statistical averaging dulls the sharp edges of the data and thereby tends to reduce the usefulness of such research for specific pedagogical reform planning. For example, the study concluded that class size makes little difference in the pupils' success. Yet that conclusion becomes of limited usefulness when the differences, which are typically between 30 and 35 pupils, are averaged out. What such statistics fail to provide is information on a real difference—between a class, say, of 10 and another of 30 students.

Moreover, in the science study, only the hours of science teaching are measured. This is of little help to potential policy makers in individual countries who are left in the dark about the relative value of laboratory work vs. classroom lectures in science.

In spite of these limitations, the international scope of the study does offer some much-needed perspectives and insights for a more rational approach to the American debate of the problems of public education. The increasingly vocal critics of our schools, in keeping with the current mood of American self-criticism, have assumed an isolationist or at least a provincial tone. It is, of course, true that American schools have discriminated against the poor and against minority groups. American education policy has not always made the climb up the ladder of success as easy or as equal as envisioned by the American dream. But a look at the schools of Germany, England and France, where stratification is still far more rigid puts the American achievement in a much brighter light, clearly at the head of the international parade.

The virtue of the IEA studies is precisely that they shatter the parochialism of both the conservative and radical critics who over-analyze and undervalue American education. Charles W. Eliot, president of Harvard at the end of the 19th Century and one of the leading public school reformers of his time, wrote almost 100 years ago that, in order to keep society fluid, "it is a supremely important function of the teacher throughout the entire school system to discover, recognize and give ample chance to the remarkable child." And he emphasized persistently that he saw no contradiction in the establishment of quality controls and the open democratic approach.

The message from Stockholm confirms President Eliot's earlier faith. The IEA findings, despite their limitations, are persuasive on two points central to forward-looking American public school doctrine: Schools *do* matter in keeping society fluid, and more *can* be better.

THE NADER PENSION REFORM PROPOSAL—IS IT IN THE PUBLIC INTEREST?

Mr. JAVITS. Mr. President, following a press conference on Saturday, the Senator from Michigan (Mr. HART) introduced on Monday a bill (S. 2235) to reform the Nation's private pension plans—a bill which I understand to be the product of Ralph Nader, Karen Ferguson, an attorney for the Public Interest Research Group, and the Yale Legislative Services. The concepts of that bill have been publicized by Mr. Nader for over the last year—most recently in the Nader and Blackwell book entitled "You and Your Pension."

As the Senator from Michigan himself states, his bill comes too late to have an immediate bearing on the type of pension reform legislation likely to be enacted by the Congress. Rather, it is his view that the Williams-Javits bill (S. 4) or its finance counterpart, is the beginning of pension reform but not the end. While the Senator from Michigan is a cosponsor of S. 4, he believes that the legislation presented by Mr. Nader and his associates may offer a more lasting and definitive solution to private pension problems, and he offers Mr. Nader's proposal to generate discussion as to the future course of private pension fund regulation.

I commend the Senator from Michigan for his interest on the subject and I also commend Mr. Nader and his associates for their devotion and effort in tackling this subject. They have raised certain aspects of private pension plans and public policy which deserve the fullest discussion—but without standing in the way of pension reform under S. 4 and the Finance Committee bill. Accordingly, I wish to take this opportunity to state briefly my own views concerning the bill Senator HART has introduced and why I feel it is not the solution to the future regulation of private pension funds.

The Nader bill would establish a large number of Government-insured investment funds, licensed and regulated by the Securities and Exchange Commission, to which employers and employees would make tax-deductible contributions. Pension benefits would be based on the amount of contributions and the share of fund earnings credited to the participant's account. The Nader bill would provide for immediate vesting; hence it would discourage the establishment of private pension plans by eliminating the inducement to the employee of a better pension if he stays on one job for more than 5 years and to the employer to establish such plans to induce more stable employment and higher morale.

Under the Nader proposal, the worker would have the right to move his account from one licensed fund to another if he became dissatisfied with the investment performance of any particular fund. Participating employees would elect fund directors and determine the investment policy of the fund. However, Nader would permit money managers and others with expertise to be licensed by the SEC for purposes of managing the funds.

All private pension plans would have to comply with this format, but existing plans would be provided with a transitional period of 30 years to phase out their nonconforming features.

The alleged purpose of the uprooting of private plans is twofold: First, to provide immediate 100-percent vesting for workers—which not even the Federal Civil Service retirement system provides; and second, to break up what is termed the concentration of pension fund moneys in "four New York banks."

As to the first, there is serious doubt that requiring across-the-board immediate vesting is necessary or desirable. For one it will discourage—not encourage—private pension plans. While I have been in the forefront of efforts to direct public attention to the increased labor mobility in our society—and to the failure of many pension plans to take adequate account of this development through earlier vesting provisions—the kind of job changing that takes place at the beginning of a worker's career is ordinarily not of a character that he requires such a drastic form of pension protection as Nader proposes. Such a worker will have ample opportunity under the Williams-Javits proposal to earn substantial pension credit as he settles in his career.

The price of such immediate vesting to the plans, however, is inordinately high. While the individual worker derives little in benefit amount from a few years of vested service, to pay the cumulative costs of such workers—of whom more than 90 percent "turnover"—the employer would need to divert funds earmarked to provide adequate pensions for his longer service workers. To avoid this problem, Nader is compelled to propose a singular benefit arrangement in which the amount of benefits is geared exclusively to the amount of contributions made by the employer and the employee, plus the beneficiary's share of the investment return. The employer can then cut his costs by making smaller contributions, and hopefully according to Nader, the investment experience of the funds will augment the contributions to provide an adequate pension benefit.

No doubt, in a stable economy over a span of 30- or 40-year working career, if there was always an effective investment return, the risk involved in such a scheme would be minimal. But experience shows that the economy will fluctuate, and how many workers would wish to assume this risk when under the Williams-Javits bill greater benefits for most of them would be guaranteed and the

inducement to the employer is some stability of employment?

There are plans which incorporate elements similar to the Nader approach but they tend to reflect special occupational circumstances. To safeguard the average industrial worker, most progressive plans—including many of those which are negotiated—have turned away from the Nader-type formula to the fixed or defined-benefit formula. Indeed, in a recent article in Pension & Welfare News, the noted actuary Paul Jackson commented:

When Nader suggests that blue-collar workers would be better off with money-purchase programs and with full vesting, he is trying to change the focus of private pensions from their present concentration on the benefits provided for today's retirees over to the potential benefits that the young people will get decades in the future. Only defined benefit plans can be changed to meet new conditions, and accumulation of past contributions can't.

Mr. Nader would have us guarantee the inadequacy of current benefits in exchange for greater certainty of collection of a future benefit that may or may not prove sufficient. The money-purchase fully vested arrangement has been available for 50 plus years but its performance has been every bit as unsatisfactory as the old Series E savings bonds, which for $18.75 returned $25 having the purchasing power of $15 after a 10-year wait.

Mr. Nader also professes concern over the concentration of pension funds in certain New York banks. This happens to be a concern shared by a good number of people who fear that individual investors are put at a severe disadvantage by this financial concentration and that many firms are adversely affected in their ability to obtain needed capital. In fact, Senator BENTSEN of the Finance Committee has been holding hearings on this very subject July 24, 25, and 26.

There is no doubt that this is a legitimate area of inquiry and concern. What is in doubt is whether it is desirable to subject private pension plan design to a complete upheaval in order to diminish whatever adverse consequences flow from the concentration of investment authority in pension funds. There is no correlation whatsoever—and I emphasize this—between the large concentration of funds in four New York banks and whether the plan provides fixed benefits with early vesting or whether it provides money-purchase benefits with immediate vesting—which is what Mr. Nader advocates. If, as matter of public policy, it is found desirable to subject the private investment institutions to investment and performance criteria—and this may well be the case—there is no reason these guidelines must be contingent on private pension funds following a monolithic pattern of providing benefits.

If Mr. Nader wants to restrict every bank in the country from managing more than a stated percentage of pension fund money, why does not he come out and advocate it? We do not have to disembowel 90,000 pension plans covering over 35 million workers in order to accomplish that. Moreover, if this problem is of such great magnitude, then why wait 30 years to accomplish it—which is what the Nader bill proposes.

Another purpose of the Nader proposal is to assure employee participation in the control and management of pension funds. It is urged that only by transforming private pension funds into the models proposed by Mr. Nader can there be a restoration of democratic individual decisionmaking and diversification of control over pension funds. Here again the objective is laudable, but the question is whether the Nader model is the way to achieve that goal. I do not believe it is necessary to make every private pension plan into a fixed contribution, money-purchase type arrangement in order to give employees a greater voice in the management and investment of these funds. Nor do I believe that the Nader model is the model which would lead to a greater diversification of pension fund control.

In short, it seems to me that the biggest question mark in Senator HART's bill is the assumption that all private pension plans must be poured into a particular mold—and no other mold—in order to achieve certain additional reforms. I would prefer to maintain the organic characteristics of a diversified private pension system which I believe is the fundamental basis for its future growth and development.

Mr. President, we are on the road to substantial private pension reform in the Senate and that road is the Williams-Javits bill. After 3 years of prodigious efforts, backed by my original initiative over 7 years ago—when I introduced the first comprehensive private pension reform proposal—the Senate Committee on Labor and Public Welfare, under the leadership of its chairman, the Senator from New Jersey (Mr. WILLIAMS), has brought to the Senate a remarkably well-constructed bill whose basic principles have apparently withstood also the searching test of the Finance Committee.

I hope we shall have the opportunity to act on it soon and that any remaining committee problems are resolved intelligently and with a scrupulous regard for the true interests of American workers as they have been expressed in many hearings before the Labor Committee. The proximity of this legislation being enacted has brought about an irresistible urge on the part of some to "up the ante" but I hope we can resist these impulses and pass the fundamental reforms that the workers really need and want.

TWENTIETH ANNIVERSARY OF THE CONGRESSIONAL FELLOWSHIP PROGRAM

Mr. WILLIAMS. Mr. President, I would like to join my colleagues in recognizing the 20th anniversary of the congressional fellowship program of the American Political Science Association. Since 1953, this program has brought political scientists, reporters, law professors and executive agency personnel to work for individual members of the House and Senate providing them with the opportunity to gain actual and in-depth knowledge of the way in which Congress works.

Perhaps the most unique part of this fellowship program is the forum it provides for the intermeshing of individual backgrounds and interests between the legislator and the fellow who is in one way or another a student of the Congress. Obviously, the perspectives are different, and the opportunity this diversity of background and approach provides to the legislator and the fellow is an experience which I believe to be unequaled by any other fellowship program. I believe that it is an extremely important educational experience on both sides, and one which greatly benefits public policy and the educational process.

CONFERENCE COMMITTEE DISAGREEMENT—LIMOUSINES MORE IMPORTANT TO FACELESS BUREAUCRATS THAN THE SUBSTANCE OF THEIR PROGRAMS

Mr. PROXMIRE. Mr. President, I am unhappy to report that in the conference committee meeting over the HUD, Space, Science, Veterans' Appropriations bill, the conference came to a disagreement over whether or not the heads of nine agencies were to lose their limousines. The Senate bill, which I am proud to have managed, tried to bring some sense to the issue of the excessive number of limousines, heavy and medium sedans which flood the streets of Washington.

FRENZIED LOBBYING

But the House conferees saw it differently. After some of the most extensive frenzied lobbying by the heads of these agencies, the House conferees voted to allow the bureaucrats to keep their big cars and are taking the issue back to the House in disagreement for a vote next week.

May I say that the Administrators and Directors seem to be far more concerned with keeping their limousines than they are in the substance of their programs. Their prequisites come first.

IRONIC SITUATION

And what an ironic situation this is. Here we have a $19 billion appropriation bill. Yet the major issue over which the Administrators, and unfortunately the House conferees, want to fight and die is whether or not the big shots can keep their high powered, chauffeur driven automobiles.

WHAT ARE THE FACTS?

Members of the House and Senate driving to work each day, pass Government limousine after Government limousine with a chauffeured driver and the occupant perusing his newspaper.

OFFICIALS BREAKING THE LAW

The fact is that this is illegal.

There is a law on the books, now, which forbids this. The Administrative Expenses Act of 1946 provides that no funds can be expended for any Government-owned vehicle except for use for "official purposes."

And that law states that—

Official purposes shall not include the transportation of officers and employees between their domiciles and places of employment.

It is presently illegal to use these cars to transport most officials to and from their homes. There are two exceptions in the law, one dealing with Government doctors on outpatient duty, and the second dealing with those who are serving in remote areas hundreds of miles away from their agency offices, or on what is termed "field service."

HEARINGS DEVELOPED FACTS

During the hearings over this bill we developed certain facts. We determined the number of these big cars now used by the nine agencies under the bill, and we developed facts about their costs.

EXCESSIVE CHAUFFEUR SALARIES

One of the most startling items we found was the annual amounts paid to chauffeurs. Routinely, including overtime, they earned between $14,000 and $17,000 a year. In the case of the VA Administrator's chauffeur, we determined that he in fact had been paid for 60 hours of overtime while his boss was out of town. He earned $16,687 last year.

EXCUSES, EXCUSES

When we challenged each agency head on why he continued to break the law, we got excuse after excuse.

The VA head said that he needed his car to take him to and from home on grounds that he might be needed in an emergency. He said that—and I am quoting him—he had to be "available in the case of an earthquake."

The head of the FCC claimed he had to be driven to and from home because he too might be needed in a national emergency. We suggested that the phone in his limousine might be put in his private car instead and that he could then operate like the television star detective Cannon who drives while talking on the phone. That was objected to on grounds that he did not own a personal car. Of course virtually every other citizen in the country has to have a car to drive to work, but in the case of the head of the FCC, the taxpayers are, in his view, supposed to provide one for him.

FIELD WORK EXCUSE

The Administrator of NASA justified the use of his limousine and the $13,500 paid to his chauffeur to drive him to and from home on grounds that he was engaged in "field work."

It is, of course, a tortured reading of the exception for field work to claim that the trip from McLean, Va., or Potomac, Md., into headquarters in the District of Columbia means that the man is on "field work."

The NASA Administrator claimed, also, that this use was justified on grounds that he was "following the procedures of my predecessors."

The theme seemed to be throughout that if one man broke the law it was quite proper for others to break the law.

WHAT THE SENATE BILL DOES

In the Senate bill we did two things.

First, we wrote into the bill a provision which substitutes the GSA regular pool cars for the limousines and heavy and medium sedans now used by the heads of most agencies. However, we allowed Mr. Lynn to keep his limousines on grounds that limiting them to the Secretaries of the great departments—provided they could be limited in that way—would cut back on the proliferation of limousines.

We cut out about 16 limousines and substituted the smaller cars.

Second, we provided specifically in the bill the same language that is found in the 1946 act, namely, that the cars cannot be used to drive the heads of these agencies to and from their homes, except for outpatient duties of Government doctors and for those in very remote areas. Obviously, neither of these exceptions apply to the heads of the nine agencies covered in the bill.

All this second provision does is to make certain that the law already on the books gets carried out.

SCREAMS AND HOWLS

Then came the screams and howls. The head of the FCC addressed a letter to the chairman of the Senate Appropriations Committee complaining of the action. His argument was that we should not take his car away from him unless we did it for everyone in the Government.

THE PERFECT BECOMES THE ENEMY OF THE GOOD

To follow that line is to agree that the perfect is the enemy of the good and that we cannot do anything unless we do everything.

And since there is no opportunity to do everything—we cannot even get a definitive list from the OMB of who has limousines in the Government—because funds are appropriated bill by bill and agency by agency, there is no reason why we should not act on the limousines for the nine agencies in the bill.

In their routine inquiries, day by day, on what was happening to the bill or when it was going to happen, the legislative agents of HUD routinely inquired about the limousines amendment. In fact, it was the item most discussed and most inquired about of all the items in the bill.

That too shows the sense of priorities which bureaucrats have.

OTHER REASONS WHY LIMOUSINES SHOULD BE CUT

There are a host of reasons why what the Senate did is right. Congress is not itself entirely blameless. But if we did what the executive branch does, we would provide a limousine and chauffeur not only for every Member of the House and Senate but for our administrative assistants as well. That is how ridiculous it has become.

BUDGET CRISIS

We have a budget crisis in the Government, HUD has put a moratorium on more than a dozen programs. The Space Agency is crying for funds and has cut back on their scientific activities. The VA is having trouble from the OMB in getting funds to air-condition its hospitals in some of the hottest places in the country.

But the bureaucrats will fight for their limousines before they will fight for housing, VA hospitals, or scientific advancement.

ENERGY CRISIS

We have an energy crisis. These big cars guzzle gas. Their chauffeurs keep the motors running and the air-conditioning on, which wastes gas, while waiting for their superiors. The Government should set an example. These men should drive small cars and save gas. We are implored to do that every day by some of the same officials who are being driven around in big cars.

LEGAL CRISIS

And there is a crisis of law and order in the Government. Yet the heads of these agencies, day in and day out, are using these cars in violation of the law.

VOTE IT UP OR DOWN

I am pleased that this issue will be voted up or down in the other body and perhaps it will have to be voted in squarely in the Senate as well.

Let us have a vote on letting the $40,000 to $60,000 salaried officials keep their limousines while we find it difficult to get the funds for housing, health, schools, and other needs.

Let us have a vote on it during the energy crisis and during the credibility crisis over law and order.

For one, I intend to stand firm on this issue. If we can cut out or cut back in those frills at HUD, NASA, the VA, the National Science Foundation, Selective Service, the Home Loan Bank Board, the FCC, the SEC, and the Renegotiation Board, we may just start a movement to return Government to its senses and to start putting first things first in the bureaucracy.

CAMBODIA BOMBINGS

Mr. PELL. Mr. President, Watergate revelations are fast making the incredible seem commonplace. But the claim by the former Secretary of Defense, the former chairman of the Joint Chiefs of Staff, and the President's top national security adviser that they were unaware of the falsification of the record to cover up the Cambodian bombings, taxes even my overworked credulity and heightens the fears I recently expressed during the debate on the war powers bill—CONGRESSIONAL RECORD, July 20, page 25118.

In those remarks, I voiced my deep concern over where the unbridled Presidential exercise of war powers, abetted by an arrogant Pentagon, could lead the people of this country. The latest Cambodian disclosures chillingly compound those fears.

Into what a perilous state we have fallen when the Presidency can launch a secret war against a neutral state, when the record is deliberately falsified to hide this war from the people and their elected Representatives by the order of high authorities, and then when those authorities in turn profess ignorance of any such orders. Even if such ignorance is to be believed, how alarming it is that official misinformation on a scale and arrogance to boggle the imagination should have escaped the attention of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the national security adviser, and pre-

sumably the President of the United States.

I share in the indignation and the sense of insult my colleagues of the Armed Services Committee are experiencing for having been the recipients of highly classified false information calculated to thwart their congressional responsibility to monitor military activities and policies. I join in the public outcry that such a state of affairs could exist in the United States, even though I realize that we are only a few years from 1984. And I wonder if I am alone in fearing to accept at face value whatever statements the administration may make as to its compliance with the forthcoming cutoff date of August 15. The chief purpose, however, of this statement is to urge final passage of the war powers bill with minimum delay and its signature by the President. Surely, restoration of a proper balance in the exercise of war powers by the U.S. Government is of such vital concern as to demand unity of action if the national interest is to be served.

SOLAR ENERGY

Mr. McGOVERN. Mr. President, 40 years ago, America taught itself a cruel lesson in extravagance. For many years prior to the Depression we had imposed enormous burdens on the productivity of our farmland. We planted, harvested, and planted again the same crops on the same soil until we almost exhausted the finite capacity of the land to feed the Nation. In the process we turned the land to dust, the air to talcum, and very nearly turned the American promise into a wasted example of a country too obsessed with the need for immediate production and too indifferent to the needs of the future. We had lost our sense of balance.

Now, four decades later, we are reeducating ourselves to those same truths of the Earth. We are beset by an energy crisis stemming from our habit of overworking too few sources of fuel without regard to the needs of the future. Again, we appear to have lost our sense of balance.

We are confronted with a ravenous demand for energy. We need more oil, more gasoline, more coal, more of everything necessary to fire the engines that sustain our standard of living. But, in the process, we have discovered two more painful truths.

First, the extraction and consumption of these fossil fuels has dramatically altered our environment and made the struggle to improve our living standards as much a matter of preserving the Earth as it is a question of bettering our lives.

Second, we have discovered that our world supplies of fossil fuels are not infinite. A United Nations panel recently reported that in the year 2000, at current rates of utilization, we will have exhausted over 87 percent of the world's oil reserves and over 73 percent of its natural gas reserves. The same report indicates that over the same period, we will use only 2 percent of the world's coal reserves.

As a consequence of that fact, there is great movement in the direction of coal as the answer to our pressing energy needs. A dramatic illustration of the shift in energy attention is occurring in my own Great Plains area. Until 1964, leasing activities in North Dakota, Wyoming, and Montana were relatively dormant. But this region contains 40 percent of the Nation's coal reserves and 95 percent of its low sulfur coal. So in recent years leasing operations have shown a marked increase. Through May 18 of this year the following applications have been filed: 62 leases, 36 preference-right lease applications, 52 prospecting permits, 23 competitive lease applications, and 110 prospecting permit applications—5,000,000 acres.

The Interior Department reports that in this same region there are 29,000,000 acres of livestock forage, valued at $35 million annually and involving 1,960 ranching operations. In addition, the area provides 350,000 hunter days per year and 210,000 fishing days per year. The stage appears to be set for another of those historic showdowns between industry and environment. And the recent environmental carnage of the four corners area of the American Southwest suggests that we be concerned anew about our sense of balance.

The Federal Power Commission has reported that in 1969, in terms of fossil fuels used by steam electric generating plants, gas provided 28.4 percent of the energy and only 2.5 percent of the pollutant emissions to the atmosphere. Oil provided 13.1 percent of the energy and 7.7 percent of the pollutant emissions. But coal, while it supplied 58.5 percent of the thermal energy, accounted for 89.8 percent—almost 90 percent—of the emissions.

These figures demonstrate the obvious problems involved in developing those coal reserves. I am convinced that those obstacles can be surmounted and that we will achieve clean burning processes for coal. Research is underway; a great deal more is needed urgently.

Nevertheless, if we become so preoccupied with coal in the way we went overboard on atomic power, that we neglect any other potential energy resource we will be doing the country a great disservice. And I am concerned that we appear to be overlooking the richest source of energy in the world: the sun.

In Australia, Burma, Canada, Ceylon, Chile, China—both Nationalist and the People's Republic—Egypt, Germany, India, Italy, Lebanon, Spain, and Switzerland experiments in the uses of solar energy have ranged from refrigeration and solar-powered clocks to space heating and electrical power generation. The National Aeronautics and Space Administration has long been aware of the value of solar energy and they have used the sun's power to operate vehicles from the Navy's Vanguard in March of 1958 to the most recent Skylab. In World War II, the Navy used solar energy to desalinate sea water in small plastic stills as part of their survival kits.

Even here in the Washington, D.C., area Dr. Henry Thomason has built three solar heated and cooled homes. According to a publication of the Conservation Foundation, his first Washington winter in a three-bedroom solar-heated house built 12 years ago brought temperatures near zero and 25 inches of snow, yet he used only $4.65 worth of supplemental fuel to stay warm. The solar heating-cooling system costs about $2,500 to install, or about $1,000 more than conventionally fueled units. Since his fuel bill has been negligible since, one may guess that the system has proved its worth.

In the July 16 issue of Newsweek it was reported that some 900 scientists had recently attended a meeting sponsored by UNESCO in Paris to discuss the Sun's potential as an energy source. The article stated that, according to the French physicist Ivan Peyches:

> The speed at which solar energy will be put to use is a direct function of the world's fear of running out of conventional energy sources.

In recent testimony before the Subcommittee on Energy of the Committee on Science and Astronautics of the U.S. House of Representatives, George Lof, director of the solar energy application laboratory at Colorado State University, made an observation with particular relevance to our current situation. He noted that:

> Virtually all of our knowledge of solar heating and cooling has resulted from the work of a few forward looking, persistent university faculty members; ample support of their continuing research should receive high priority in order that the data needed by potential manufacturers can be available.

Although many voices in this country are advocating balanced energy planning, we have, as Dr. Lof suggests, shortchanged the solar energy field. Despite the fact that as far back as 1959 Senator BIBLE introduced a measure setting up a solar energy research fund, U.S. Government funding for solar energy study during the current fiscal year is still only $13 million.

Our neglect of this valuable energy source is especially sad when we consider some basic data. We know, for example, that with the sun straight over head only 1 acre of land is the recipient of more than 4,000 horsepower from the sun. On that basis, the earth in 3 days time theoretically collects energy equivalent to all the estimated fossil fuels on earth. This is, of course, an optimum description. But it serves to illustrate that we are seriously neglecting a source of awesome energy. We might also remind ourselves that, aside from nuclear materials, all the fossil fuel we have is really the energy of the sun collected and stored in our oil, our gas, and our coal.

In December of 1972, a booklet was prepared by the NSF/NASA Solar Energy Panel entitled, "An Assessment of Solar Energy as a National Energy Resource." It is a fascinating compendium of solar energy projects, and I recommend it to my colleagues and ask unanimous consent to have excerpts from it printed in the RECORD.

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

RENEWABLE CLEAN FUEL SOURCES

The natural conversion of solar energy into plant materials by photosynthesis and the further conversion of this stored energy into more concentrated forms such as natural gas, petroleum and coal is the basis of the world's fossil fuel supply.

Because these fossil fuel reserves are being depleted rapidly, it is essential that consideration be given to means for providing large additional supplies of high quality, concentrated fuels by using forces similar to those which produced our fossil fuels. The managed production of plant tissue (e.g., trees, grasses, water plants, fresh water and marine algae) with more efficient use of solar energy and required nutrients carried out on suitable land and water areas could provide starting organic materials.

The plant materials which constitute the product of photosynthesis have a comparatively low heat content per unit weight. The conversion of this plant material into higher heat content fuels (gases, oils, solids) similar to those making up the fossil fuel reserves is therefore essential for effective storage and efficient use as clean, contemporary fuels.

This section considers methods for production of various forms of stored energy via photosynthesis and also considers a number of promising methods for conversion of organic materials produced by photosynthesis into commonly used fuels.

PHOTOSYNTHETIC PRODUCTION OF ORGANIC MATERIALS AND HYDROGEN: INTRODUCTION

The successful utilization of a moderate portion of the area (land and water) under the control of the United States for conversion of solar energy into stored chemical energy via photosynthesis could provide the entire electrical energy needs of the country.

The large scale photosynthetic production of plant material at solar energy conversion efficiencies, e.g., 3–5%, greater than usually observed in ordinary agricultural operations, 0.1%, would supply materials that could serve directly as fuels for production of part of man's energy needs or that could be subsequently converted into other forms of higher quality fuels. Concepts to be considered here are directed toward production of large amounts of land-grown products, e.g., trees or grasses, and also large amounts of water-grown products, e.g., algae or water plants. Because the ultimate purpose of growing the plant material is to provide a source of material that can be converted to heat energy by combustion or to enriched fuels by application of appropriate conversion processes, other available organic materials that can be converted in the above ways will also be examined. These latter materials comprise the large amounts of solid wastes—agricultural, animal, industrial, and urban—which are presently creating grave environmental problems and which actually represent a rich energy resource.

LAND PLANTS

In natural ecosystems, land plants such as trees and grasses show a net productivity ranging from about 4 to 26 tons of dry plant material per acre per year. Under intense cultivation the yields of certain crops have been reported to be about 40 tons of dry material per acre per year. Assuming an average yearly isolation of about 2.4×10^{10} BTU per acre per year and an average heat of combustion of the dried plant materials of 16×10^6 BTU/ton, the efficiency of solar energy conversion ranges between about 0.3% and 3.0%.

If, through advanced management practices including exploitation of modern developments in plant genetics, plantations were operated to produce continuous crops at greater than 3% solar energy conversion, less than 3% of the land area of the U.S. would produce stored solar energy equivalent to the anticipated U.S. electric energy requirements for 1985.

WATER PLANTS

The fixation of solar energy in the form of plant tissue grown in, or on the surface of, bodies of water can supply large amounts of organic material. Algae may be grown in shallow ponds and with management and some addition of nutrients to the water can produce large quantities of organic materials. Floating plants can be cultivated in a similar fashion.

If high levels of nutrients in the form of animal wastes are added to ponds containing appropriate bacterial populations, algae and floating water plants can produce heavy yields of plant tissue. In the process of growth, the plants remove soluble nutrients from the water. Removal of the plants by harvesting therefore requires continued addition of waste materials to the ponds.

STATUS—PRODUCTS OF PHOTOSYNTHESIS

Tree Farming

All aspects of tree farming in the sense of planting, cultivating, and harvesting trees on a large scale and as a continuing crop, are presently practiced for such industries as lumber and paper. Therefore, no new technology is needed to demonstrate the technical feasibility of that part of the concept. Tree farming for energy may be somewhat different because it will be total plant farming. The objectives will be to maximize the total pounds per acre produced, including trunks, limbs, and roots.

Grasses

The intensive farming of grasses, which have been reported to produce in the range of 13–15 tons per acre per year, would be expected to be similar in all respects to the cultivation and harvesting of hay.

Algae culture

Extensive studies have been carried out over many years relating to the culture of specific algae strains as a potential high protein food source. The growth of algae for the purpose of removing nutrients in sewage oxidation ponds is a common procedure. Recent reports have indicated continuing yields of 20–30 tons of dry material per acre per year with peak production at the rate of about 50 tons per acre per year.

The harvesting of this material is commonly carried out using flocculation and centrifugation procedures. Using these processes of harvesting, the reported costs of a dried product are about $.05/pound. A small scale pilot plant system has been operated at the University of California, Berkely, since 1959. Larger systems are operating in Asia.

Water plants

Floating water plants, such as water hyacinth, presently are pest plants in many rivers and lakes in tropical and semitropical areas. The rate of growth is rapid and in nutrient-rich ponds net productivity of up to 85 tons of dry product per acre per year has been reported. Present methods of harvesting these plants do not appear to be sophisticated but interest in the plants as a cattle feed is developing and improvements may be forthcoming.

ORGANIC WASTES

Agricultural plant wastes

The principal wastes in this category are the crop residues left in the field at the time of harvest. The main problem relating to utilization of most crop residues is that of material collection and transportation. Although it has been estimated that the annual amount of wasted straw is sufficient to satisfy all of the annual U.S. cellulose demand, it is not utilized for economic reasons.

Animal wastes

On the basis of 118×10^6 head of cattle in the U.S., the expected dry organic waste would amount to about 13×10^7 tons per year. Much of this waste is found on open range and is not recoverable. If it is assumed that 10–20% of the cattle are maintained in restricted area feed lots, the total waste from which energy recovery can be considered amounts to 13×10^6 to 26×10^6 tons of dry organic material per year.

Lesser amounts of wastes are also available from other types of animals raised in confined areas. It is therefore estimated that about 2×10^7 tons of dry waste per year would be available for use. Since local concentrations of these wastes may be very large, the cost as a raw material could be the cost of transportation to a processing site less some credit for accepting the waste.

Urban solid wastes

Urban waste generation may be assumed to approximate 5 pounds per person per day. Of this approximately one-half is dry organic material obtained from waste paper, kitchen wastes, and garden or lawn wastes. Although this amounts to about 10^8 tons of dry organics per year over the entire population, the portion generated in cities where severe disposal problems exist approximates 2 to 4×10^7 tons per year. As with the animal wastes the cost of this material as an energy source could be the transportation charges to the conversion site less a credit for accepting the waste.

Summary

It is considered that the total animal and urban solid wastes available under conditions not involving potentially prohibitive collection costs may amount to 4 to 6×10^7 tons of dry organic material per year. The average heat content of this material may be 16×10^6 BTU per ton. Therefore, an annual energy supply amounting to 0.6 to 1.0×10^{15} BTU is available. This represents approximately 6% of present energy requirements for electrical generating plants.

LIMITING FACTORS AND RECOMMENDED APPROACHES: PRODUCTS OF PHOTOSYNTHESIS

Tree farming

Considering a tree crop as a source of raw material for conversion to energy or to an upgraded fuel, the technical problems fall primarily in the area of cost reduction. At the present time, the cost of wood chips produced from lumbering wastes is reported to be about $20 a ton at a production site. Assuming a similar cost at the "forest plantation" site, an additional cost for transportation of the chips to the point of use must be considered.

If utilization of the tree crop is envisioned as fuel for a 1,000 MW power plant, the required fuel supply is assumed to be obtained from an area of 400–500 square miles and would require transportation over distances of 10 to 15 miles. Handling of the fuel during drying operations incurs additional costs. These processing charges suggest fuel costs at the power plant in the range of $1.50 to $2.00/$10^6$ BTU.

There appear to be no significant social problems associated with this concept. Environmental problems would involve particulate emissions and low-level sulphur dioxide emissions. These would be handled by adequate controls on the combustion unit.

In this concept, the main problems are to find cheap land, increase the solar conversion efficiency, and develop low cost methods of harvesting, processing, and transporting the material. Specifically the cost of dried wood fuel delivered to the power plant site must be competitive with alternate fuels at the time the plant goes on line. To accomplish this goal innovative procedures for harvesting, size reduction, drying, and transporting of the fuel may be required to develop commercial feasibility.

Similar costs of the wood chips would be associated with their conversion to fuels with higher energy content. The resulting fuel would obviously have a still higher cost.

Grasses

Reduction of costs attached to cultivation, harvesting and transportation appear to be the primary problem areas. There may also be significant problems connected with plant pests. No estimates of costs for this crop are immediately available but costs for hay should provide a guide.

Algae Culture

Some technical problems which have been recognized include development of unwanted algae predators and pathogens in algae cultures, accumulation of non-algae turbidity, and algae separation. Some problems of an economic nature are large land use and associated costs, cost of pond construction and maintenance, and harvesting costs. Estimates using present technologies indicate costs of of $0.05 a pound for dry algae mass. New harvesting techniques are needed to bring about large decreases in costs.

Water Plants

Technical problems associated with growth and harvesting of floating water plants include those of predation by animals; elimination of nuisance insects; and development of innovative harvesting procedures to minimize expenditure of energy for harvesting and transporting them.

Studies are required which will lead to improvements in the efficiency of conversion of solar energy to stored chemical energy in plant tissue for each of the several classes of plants considered suitable for use as fuels or as sources of new supplies of high quality fuels.

System studies are required to establish firmly the step or steps in the plant growth and harvesting which make the largest contributions to the total cost. Harvesting presently appears to be the highest cost item and primary effort should be directed towards innovative developments in this area.

Studies of optimum transportation methods for candidate plant materials should be carried out.

Organic wastes

Technical problems related to use of organic waste materials as energy sources are largely due to the variable composition and tendency toward degradation of the wastes. These properties make themselves apparent during storage and transport.

GOALS AND PROJECTED IMPACTS

The goals and R&D requirements for processes involving the production of organic materials by photosynthesis to serve as energy sources or as raw materials for enriched fuels production are described in Table 8. The potential impact of these materials on the energy supply system is presented in Table 9.

RECOMMENDATIONS FOR R. & D.

Continued improvements are needed in solar energy conversion to plant material and in harvesting and transportation processes.

Emphasis should be directed toward possible large scale utilization of marine areas for photosynthesis of new plant material and for conversion of plant material to high quality fuels. The funding level estimated for the entire 10 year program is $30 million.

Solar generation of electricity for use on earth holds the promise of an abundant clean source of power. Solar energy systems can be designed so that they have a minimal effect on the local heat balance.

Even though most of the present power generation plants cause a very significant amount of pollution, it is technologically possible, but costly, to reduce air and water pollution to acceptable levels. The question of utilizing solar radiation for central power generation thus becomes primarily a question of establishing its economy in comparison with conventional power systems considering future trends in fuel cost, energy conversion and the cost of environmental protection.

A variety of approaches have been suggested for the use of solar radiation in central power generation. Each approach involves clearly identifiable steps in a chain leading from solar radiation to power delivered to the consumer. Certain steps in different concepts correspond to the same generic function even though the specific implementations may be different.

At the start, a distinction is made between "natural" collection and "technological" collection of solar energy. Natural collection occurs in the atmosphere, giving rise to wind and rain, and on the earth's surface, resulting in the growing of plants, and the creation of temperature differences in the ocean.

In technological energy collection man-made structures collect the incoming solar radiation. The solar radiation may then be converted through the photovoltaic effect directly into electricity, or the heat generated by solar radiation, as one possibility, might be used directly to "fuel" a conventional power plant. In both cases there is power only while the sun shines.

In an alternate approach, an energy storage facility may be used from which heat is withdrawn at a constant rate, or on demand, for the operation of a power plant or from which electrical energy can be directly withdrawn. In a third possibility, the energy might be used to generate a chemical fuel such as hydrogen and oxygen.

Electric power which is only available while the sun shines could be used to generate chemical fuel, for example, hydrogen, by the electrolysis of water. Chemical fuel could be shipped as such and could be converted to electrical power deliverable to a consumer either through a conventional power plant or through a fuel cell.

If one provides energy storage then electric power can be available on demand from a power source which delivers power only while the sun shines. After transmission, this power is deliverable to the consumer.

Solar power plants are capital intensive, while the "fuel" is free. This implies that all electricity that the power plant can generate should be used. Particularly if the power has to be transmitted over a considerable distance, the electrical output should be constant throughout a 24-hour cycle to minimize transmission cost. In order to equalize the diurnal variation in solar energy input, energy storage systems will be required in most cases.

In terms of today's cost, a large central solar powered plant with energy storage that is capable of delivering electricity at a constant rate, or on demand, must compete with other sources of electricity costing about 9 mills per kWh. Smaller plants, located close to an end user may compete with power worth up to three times the value indicated, due to savings in distribution cost and the higher fuel cost of conventional "intermediate load" plants.

In special cases, solar power generation without storage might be used for "peaking" applications. In general, however, such power if delivered directly into a network requires conventional standby capacity of equal magnitude. Energy provided in this manner would be worth the cost of fuel saved in the conventional plant.

Typically its value would be a factor of two or three lower than energy produced in a plant with energy storage. Other possible uses of such interruptible power include delivery to other energy storage facilities, the production of chemical fuel (another method of energy storage), or the use in certain manufacturing facilities such as aluminum plants. In all cases solar power without storage must compete with "dump" power such as excess energy from a plant which normally is not fully utilized around the clock.

Clearly if low cost methods of storing electricity become available, the power generated by all types of power systems can be made available on demand and will have the same nominal value. A potentially important energy storage and transmission system involves the use of hydrogen which can be generated by electrolysis and can be converted back to electricity at the demand point by use of fuel cell technology. This system can not only provide storage but also permits very low energy transmission costs over long distances.

SOLAR THERMAL CONVERSION: CONCEPT DESCRIPTION

Thermal conversion systems consist of solar collectors and thermal storage devices delivering thermal energy to a turbine power plant. Through the use of high temperature selective solar absorber coatings recently developed for the space program, temperature in the range of standard steam turbogenerators can be achieved with relatively low solar concentration—on the order of 10. This makes possible the use of relatively low precision optics for concentrating the solar radiation.

One of the current concepts consists of five major elements: (1) a solar concentrator to concentrate the sun's energy; (2) a receiver to absorb the concentrated energy; (3) means to transfer the heat to the thermal storage facility or to the turbogenerator; (4) a thermal storage element to store thermal energy for use at night and on cloudy days; and (5) a turbo-generator to produce electrical energy.

Several variations of this basic approach have been proposed, and some are under active study. The most promising systems employ "linear" heat absorbers, e.g., absorbers extending primarily in one dimension thus permitting heat transfer through a pipe and concentrators with cylindrical symmetry. Estimates of conversion efficiencies (direct solar isolation to electrical power) in the range of 20 to 30% have been made. In the southwestern part of the U.S. approximately 10 square miles are needed for a 1,000 megawatt power plant capable of operating on the average at 70% of capacity.

STATUS

There are no technical limitations that would prevent a solar thermal power station from being built today. The question is whether it would be economically competitive with other methods of power generation. It is this question which has to be answered to make the approach a practical reality.

Early systems, remarkably similar to the linear absorber system, were considered long ago. The most notable was a steam driven water pump built in Meadi, Egypt, in 1913–1914. With a parabolic trough reflector with cylindrical symmetry and a pipe receiver in its focal line sufficient steam was generated to operate a 50 hp steam engine.

Major new developments in civilian and military aerospace and in nuclear technologies, when applied to the basic thermal conversion approach, make the systems look far more attractive. For example, long life and low cost parabolic trough reflectors may result from recently developed durable reflective nickel coatings on plastic substrates. A variety of reflector coatings were developed for the space program as well as high precision parabolic antennas made of fiberglass and reinforced plastic. Fresnel lenses represent today viable alternatives to reflectors.

The receiver located at the focus of the Fresnel lens or parabolic reflector is to be coated with selective solar absorber coatings which efficiently absorb solar energy and have low emissivity at longer wavelengths. Such coatings have been developed under government funding. With these coatings the design of efficient linear solar collectors with low precision optics operating at temperatures up to 1,000° F can be contemplated.

Considerable heat transfer technology has evolved as part of the reactor development and the space effort. Vast data exist on liquid

metal heat transfer. Heat pipes* which can operate efficiently at steam turbo-generator temperatures have been developed and some of these heat pipes have been operated for over ten years.

Satisfactory schemes for storing thermal energy have been proposed, ranging from heat storage in large volumes of solids or liquids to heat of fusion of salts and salt mixtures. Liquid metal and molten salts containment techniques have been developed and heat storage using fused salts have been used in satellites. There is however a question of the applicability of the specific techniques from an economic point of view.

The present funding level of R&D directed specifically at solar thermal systems is approximately $500,000 per year.

LIMITING FACTORS AND RECOMMENDED APPROACH

The key problem in central electric power generation via solar thermal conversion is to find an engineering solution that is economically viable and that assures long-life operation with a minimum of maintenance. Specifically, the optical components, e.g., concentrator and absorber surfaces, have to maintain their performance for many years while exposed to the elements.

It is recommended that all promising alternatives of component elements be studied under various environmental and simulated operating conditions. Subassemblies should be prepared and tested for feasibility demonstrations.

All available data on direct (nondiffuse) solar insolation for various parts of the country should be compiled. Measurements should be made to supplement any missing data needed for system trade offs. Continued systems analysis should be carried out in parallel with the component studies to evaluate the potential performance and cost competitiveness of the subsystems under investigation. In addition, methods for best interfacing the solar-generated power with the existing electrical power grid should be studied.

When economic viability is indicated, a pilot plant of 10 to 25 megawatts should be constructed and operated. Based on the data from the pilot plant a size optimization study should be made and a full-scale demonstration plant should be considered. The size of the demonstration plant might be 100 to 1,000 MW as indicated by the optimization study.

A first attempt at estimating the cost of such a facility has been made, based on mass produced components. This pre-supposes a considerable amount of engineering and a successful solution to several unresolved problems. For the solar collection part including energy storage, a cost of $600/kw has been obtained. The turbine generator unit and other power plant peripherals add about $150/kw. Due to the summer-winter variation in average solar insolation such a plant can be expected to operate at a capacity factor of 70 percent. This gives an estimate of energy cost of about 20 mills/kWh assuming 15.5% cost of capital and 1 mill/kWh for operation and maintenance.

Although this number has a considerable amount of uncertainty it is sufficiently close to today's costs that a detailed evaluation leading to commercial readiness is warranted, since it is quite probable that this approach will be a viable alternative to electric power generation as fuel costs rise and environmental controls increase the capital cost of power plants.

GOALS AND PROJECTED IMPACT: GOALS

The first major goal of the solar thermal conversion program is to establish technical feasibility for a low cost design. This should be achieved within about five years. If the cost or cost trends indicate that the system may be cost competitive in the future, a pilot plant followed by a full-scale demonstration plant should be built and operated. The program should be designed to permit commercial availability by 1990.

IMPACT

If at the date of commercial availability the approach proves economical, maximum impact on our nation's electrical needs is expected to be limited to about ¼ of the new power plant starts after the year 2000 since the siting of such plants is restricted to areas with high direct (nondiffuse) solar radiation. Therefore, at best, about 15–20% of the total U.S. generating capacity in the year 2020 can be solar thermal. A more realistic estimate might be that 10% of the new starts after the year 2000 will be solar plants leading to 5% of the Nation's generating capacity in the year 2020.

No adverse environmental impact is expected except for the cooling problems similar to those of conventional power plants. Solar power plants will be principally located in remote areas where the effects of appearance will be minimal.

SHORT-RANGE R&D

The recommended short-range research and development program (18) is geared to satisfying the first program goal of establishing cost competitiveness within about five years. The expected total effort planned over a 7-year period is estimated to cost $25 million. A key feature of the program is to continue environmental life tests of the exposed optical elements and a system and heat storage analysis.

LONG-RANGE R&D

The recommended long-range research and development program (19) consists of a pilot plant and demonstration plant design, construction and operation. The estimated program costs for these plants are $100 million and as much as $1,000 million, respectively. Industry may share the cost of the demonstration plant. The overall R&D program is laid out to meet the second program goal of making the solar thermal conversion power plant commercially available by 1990.

PHASED PROGRAM PLAN

The long and short ranged R&D plans are phased into three phases as shown in Table 20. Milestones are indicated where information will be available for making key decisions before the next larger and most costly tasks are initiated. The estimated funding for the total 15 year program is $1130 million.

ELECTRIC POWER FROM SPACE: CONCEPT DESCRIPTION

A satellite in synchronous orbit around the earth's equator receives solar energy for 24 hours a day, except for brief periods around the equinoxes. In this orbit, a satellite receives six to ten times the amount of solar energy available in suitable terrestrial locations in the U.S. As illustrated in Figure 16 the dc power generated in space by such a satellite would be beamed via microwaves to the ground and there reconverted to high voltage dc or ac power to meet base or demand load needs. In addition such satellites could serve as communications or observation bases.

The use of microwaves at a frequency near 3GHz for power transmission from the satellite to earth provides minimum loss in the ionosphere and troposphere. This loss has been estimated to average 6 percent and to remain moderate even in severe rainstorms. To obtain adequate beam definition at this frequency, a transmitting antenna of approximately 1 km diameter is needed. The transmission efficiency is expected to be in the 55 to 75 percent range from dc in space to dc on earth.

The transmitting antenna diameter determines the economical system size, which ranges from 4,000 to 15,000 MW power output on earth. The system as initially conceived utilizes 2 mil thick silicon solar cells to form two solar collectors capable of providing about 10,000 Megawatts on earth. For economy, lightweight mirrors would reflect solar energy onto the solar cells to achieve a concentration ratio of approximately 3. The 25,000 ton station would be transported in parts to low earth orbit by 300 to 1,100 flights of a second generation space shuttle, and from there to synchronous orbit by ion propulsion.

STATUS

Since 1963, over 50 satellites of the U.S. have been placed in synchronous orbit. They have been powered by silicon solar cells, with a combined capacity of approximately 7 kW, and the power systems of some have functioned for more than 5 years. Through them, a considerable amount of information on photovoltaic power system performance and on attitude control in synchronous orbit is available. The Air Force has successfully flown a 1.5 kW rollout array of 22W/lb. [58], while designs of a 100 kW capacity system for the NASA Manned Space Station are being prepared. Present prices for space flight qualified solar arrays range from $1,000 to $8,000 per ft.^{2}.

A partially reusable space shuttle is under development, designed to provide transportation to low earth orbit for $100 per pound. Solar powered ion propulsion has been demonstrated in space through the NASA SERT program. Both of these systems can form the technology basis for the space power station transportation system.

Microwave generators with more than 5 kW output and 76 percent efficiency have been demonstrated. Highly directional, self-steering (retro-directive) antenna arrays have been developed by the Air Force for radar and communications purposes. For the receiving antenna system, rectifier diodes with 75 percent efficiency are available.

For the space power station system which will be 100,000 times larger than the Manned Space Station, only preliminary concept studies have been carried out.

LIMITATIONS AND KEY PROBLEMS

Demonstration of commercial readiness assumes availability of the presently planned space shuttle. Installation of the operational system would require a second generation shuttle, with an estimated development cost of $10 billion, which would be capable of providing transportation to low earth orbit at a cost of $50/lb. At an annual average introduction rate of 3.5 stations, up to 11 shuttle starts per day may be required, excluding flights for servicing. With a 2 to 3 day turn-around time, approximately 30 shuttles ($100 million each) would be needed with adequate service and launch facilities and noise buffer zone.

Chemic l pollution could be minimized through use of hydrogen-oxygen fueled shuttles, but the influence of the additional water in the upper troposphere requires study. The microwave safety and radio frequency allocation/interference questions require answers, which are expected to be found in a planned Office of Telecommunications Policy Program.

At a projected cost for the commercial system of $20 billion per station ($2,000/kW), including transportation and ground station costs, the cost of the generated electric power would be near 38 mills/kWh. With 52 percent of the projected station cost attributable to the solar arrays, achievement of a solar array cost reduction to $32/ft.^{2} or less assumes special importance. Special engineering problems to be solved include the large weight reduction for the solar arrays of low weight, combined with the requirement for orientation and attitude control. The interaction of large flexible systems with the attitude control operation requires special investigation. Methods for assembly of large,

* A high efficiency, isothermal heat transfer device.

flexible systems, composed of many parts, by automated or man assisted methods in space would need to be developed, as well as low cost transportation to synchronous orbit. The microwave transmission system requires engineering development based on existing technology. This task is expected to be eased through repetitive use of few component types in benign operating modes. Demonstration of commercial readiness of the system would require a major national commitment, comparable to the "Peaceful Uses of Atomic Energy" and "Man on the Moon" programs. However, such a commitment is not required during the first 10 years of the project, during which technology development of general usefulness would be carried out.

Development of the system depends on successful completion of most of these tasks. It would therefore be difficult to assign, at this time, a success probability higher than low to the entire system. Through component and subsystem technology development and systems studies in the first phase of the proposed program, this uncertainty would be stepwise decreased in the early years and should be essentially removed before a decision on commencing the second phase is made, which includes the major national commitment.

Mr. McGOVERN. Mr. President, at first reading these proposals might seem somewhat far fetched. Most of us are unfamiliar with the real potential of the Sun, so we might be skeptical.

But it is time we began to appreciate the possibilities of solar energy. We must never again make the mistake of placing too narrow a reliance on any single source of power. And we must not overlook or dismiss a power supply with such enormous potential.

We are now entering the aftermath of our longest foreign war. For many years I have been an advocate of responsible conversion of our resources from war time to peace time production without disrupting the growth of our economy. It is my view that with the end of this war we can now apply some of our finest technological talent to the task of developing effective uses of the Sun's energy. I hope that we will be able to broaden our understanding of solar power to develop ways of harnessing it for needs of our people now and in the years to come.

Mr. President, it is alleged that the fictional Russian philosopher, Kuzma Prukov, once remarked that the Moon was more useful than the Sun because the Moon gives light during the dark hours while the Sun shines only during the day when there is light anyway. Over the last decade of lunar adventure, it would seem that many of our best technical minds and most thoughtful policymakers have been victims of the same kind of thinking. Certainly, it is now time to turn our attentions to the needs of the Earth and to the promise of the Sun. It is time to prepare an agenda in which solar energy will assume a significant role in our planning for balanced energy needs.

THE GENOCIDE CONVENTION AND OUR ROLE IN THE INTERNATIONAL COMMUNITY

Mr. PROXMIRE. Mr. President, article I of the Genocide Convention states:

The Contracting Parties confirm that genocide, whether committed in time of peace or in time of war, is a crime under international law which they undertake to prevent and to punish.

If the United States were to become the 76th signatory of this treaty, it would mean that we, too, would pledge ourselves to the prevention and punishment of the crime of genocide.

This would be an important commitment, and yet there are those who feel that such a commitment is a dangerous one to make. These people believe that our experience in Vietnam have taught us to stay free and clear of involvement in affairs not within our borders. Mr. President, I feel that this is the wrong lesson to be learned from Viet Nam.

The United States should not suddenly become introverted and withdraw herself from world affairs. Rather, she should be selective and choose those involvements that are both fair and in our national interest. The Genocide Convention, in my opinion, is such an involvement.

By ratifying this treaty, we are committing ourselves to two things. First, we would commit ourselves to pass legislation which would make genocide a crime within the United States. And second, our commitment to prevent genocide abroad is spelled out in article VIII:

Any Contracting Party may call upon the competent organs of the United Nations to take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide.

What this means, then, is that ratification of the convention does not make the United States unilaterally responsible for preventing genocide the world over. It means that we would join with other United Nations members in acting against genocide. And this is as it should be.

Therefore, Mr. President, I strongly recommend that the Senate move to ratify the Genocide Convention immediately.

RETIREMENT OF KEN BELIEU

Mr. JACKSON. Mr. President, Kenneth E. BeLieu, one of the Nation's foremost champions of a strong national defense, resigned as Under Secretary of the Army and retired from public service with full military honors on June 29. With characteristic humility, Ken remarked on that day:

I can think of no higher honor than to have it said of me—"he was a soldier."

Ken was indeed a soldier, a brave and highly competent soldier. It was my high privilege to also know Ken as a skillful and devoted public servant. For nearly 33 years, as a soldier and in successive positions of high trust in both the legislative and executive branches of Government, Ken BeLieu devoted himself indefatigably to the welfare of America.

Born and raised in the Pacific Northwest, Ken attended Roosevelt High School—1933—in Portland, Oreg., where he was an excellent athlete and a standout on the football team. He attended the University of Oregon—1937—where he continued to participate in a variety of student activities; for example, he represented the school at the National Rifle Matches at Camp Perry, Ohio.

Ken volunteered for active duty as a second lieutenant of infantry in 1940. During World War II, he attained a brilliant combat record across the beaches of Normandy through the agony of the Bulge and in campaigns in Germany and Czechoslovakia. Again in Korea, Ken saw active combat until November 1950 when he lost his left leg below the knee as a result of wounds received in action. Ken's last years of service before he retired as a colonel in 1955 were spent as executive to two Secretaries of the Army. For valor in combat and for his exceptional record of service, Ken was awarded the Silver Star, Legion of Merit, Bronze Star, Purple Heart with cluster, and Croix de Guerre. Yes, Ken BeLieu was a soldier, one of the finest.

Fifteen years active duty, two wars, and a disabling wound would seem enough public service for any man. But Ken BeLieu is not any man and his is not an average dedication. Leaving the Army he had served so magnificently, Ken redirected his career first into the legislative, then the executive branch of Government. Ken became a professional staff member in the Senate and later was appointed staff director of two Senate committees. It was my privilege to know and to be associated with Ken both officially and personally when he was staff director for the Preparedness Investigating Subcommittee of the Senate Armed Services Committee. Seldom before or since that time in my nearly a third of a century in the Congress have I seen a more dedicated or capable public servant. Ken drew praise for his labors and his wise counsel from both sides of the aisle. His actions were of inestimable assistance to those of us involved with key decisions concerning the need for modernization of our Armed Forces. Many of the actions taken then laid the groundwork for stronger, more effective Armed Forces in the decade of the 1960's and beyond.

When Ken moved on to become Assistant Secretary of the Navy for Installations and Logistics in 1961, he implemented needed and timely innovations in Navy logistics programs. Named Under Secretary of the Navy in 1965, Ken continued to work successfully for programs to better man, equip, and train our Navy.

Along with my Senate colleagues 21 months ago, I wholeheartedly supported the President's appointment of Ken as Under Secretary of the Army. I was pleased because I knew the country would have in Ken BeLieu a man of integrity who was knowledgeable of the urgent needs of the Army and also a man who was preeminently qualified for this vital role of civilian leadership during a critical period in our Army's history. Ken's performance as Under Secretary has proven that assessment. Ken's vast experience together with his service from 1969 to 1971 as the Deputy Assistant to the President for Congressional Relations were invaluable to the Army during its rapid and necessary rearrangement of vital programs.

Ken's abiding concern for the well-being and morale of the individual soldier was instrumental in inspiring this concern in others. His top priority was to insist that above all the systems, the weapons, and technological advances, the Army is and always will be an organization of people and thus should always be people oriented. So concerned was he with this fundamental belief that he had an M-16 rifle with fixed bayonet mounted on the wall behind his desk with the inscription, "Our raison d'etre—to support the man who carries this rifle." Such emphasis and leadership was of inestimable benefit to the soldier and his family and hence the Army. Yet at the same time, Ken's long and diversified experience in government made him aware that the concerns of national defense affect not only the soldier and the military but the Congress and the American public as well. This sensitivity to all aspects of a strong national defense added a dimension rarely seen in public office. Ken was also well aware of the need for mutual respect between our Army and the society it was created to defend. He diligently sought to improve this respect by personal example and by talks with civilian leadership in the private sector of our Nation. His remarks at his honors review attest to his strong concern in this area:

If our Army is to have its rightful place of trust and esteem, we must regain and keep public understanding and support. We cannot attract the high quality soldier America needs without it. The single greatest contribution all of us can make is to act as visible, vocal, and affirmative spokesmen for all ranks. The Army and all of our military forces have enough critics. They need more consistent advocates. They need men and women who are informed; who take obvious pride in what the Army has been, is, and ever will be. They need men and women who seize every opportunity to affirm this to soldiers and especially to the public.

Most of us are not called on to shoulder a rifle, but we can shoulder the responsibility of supporting the man who does. Those of us who have had the opportunity to pass through their ranks, along with every American citizen, must take up the soldier's banner, evangelize his virtues, and support his cause. I emphasize the need for affirming the Army's quality and essentiality in positive rather than defensive terms. Like all segments of American society we have had and will have our share of those who choose the easier wrong rather than the harder right. But judged in perspective, the Army's record of competence and integrity compares most favorably with that of the society from which it is drawn. And it is axiomatic that soldiers must do their jobs under unique handicaps, pressures, and dangers. Our actions and our words should reflect this.

We lose credibility if we are not candid as to our problems and our faults. But I think it is also equally axiomatic that we lose even more credibility, internally and externally, and do a great disservice to our nation if in an effort to be candid, we overstress shortcomings and fail to put them in context. Thus, the only honest and effective platform on which our spokesmen can stand is one which admits the problems and shortcomings but puts them in the context of a large organization which historically has been made up of dedicated Americans.

To those who wear the Army green, I say we cannot wait for everybody to tell us. We must daily renew our own sense of purpose, pride, and confidence. We must always, as those who have gone before us, earn our country's respect. As a minimum, the result will be a retreat from emotional bias and stereotyped cheap shots at the military and inevitably a welling of support from those who want to have faith and pride in our military and are longing for strong, affirmative spokesmen.

The Army and our Nation will benefit for many years to come from Ken BeLieu's superb leadership. America has been the true beneficiary of Ken's selfless devotion to the cause of freedom and a strong national defense. His commitment to excellence and his selfless dedication serve as high standards for others in public office to emulate.

At the conclusion of the hearings on Ken's nomination to be Under Secretary of the Army, my distinguished colleagues on the Armed Services Committee noted how unusual it was that they could unanimously move a nomination approval in open session. Ken BeLieu is a remarkable man. His rare experience in all facets of government made his performance as Under Secretary of the Army so highly effective. I can only hope that his retirement is temporary and that at some time in the near future, our Government and our Nation will once again have the benefit of his magnificent talent.

I join with the Members of the Senate in extending to Ken BeLieu, his wife Marhy, and their family best wishes for good health and continuing success.

DEATH OF JOSEPH JEPTHA NORTON III

Mr. THURMOND. Mr. President, I was very sorry to learn recently of the death of a good and dear friend, Joseph Jeptha Norton III, of Gaffney, S.C. Joe Norton's death has ended a life which was completely devoted to helping his fellow man. His many friends and associates will certainly miss him.

If one were to draw a mental picture of the qualities necessary for success and excellence, Joe Norton would come to mind. He was president and treasurer of Pacolet Industries, director of Citizens and Southern National Bank of South Carolina, director of Liberty Mutual Insurance Co. and director of Southern Bank and Trust Co. of Walhalla. He was also associated with Deering Milliken Co. for 25 years.

His success in the business world was made possible by the same qualities and attributes which were responsible for his being loved and admired by his many friends. He was energetic, honest, forthright, and selfless. He maintained a set of principles and never hesitated to stand up for them. You could always count on him to do the right thing.

Even though Joe Norton is no longer with us, his influence is personified in countless young men and women through his work with the Thornwell Orphanage and Boy Scouts. He worked endlessly with young people, instilling in them the same wholesome ideals which distinguished his life.

Joe Norton was also a fine family man. He and his lovely wife, Virginia, enjoyed a happy and fulfilling life together. Their daughters, Martha and Sally, and their son, Joe, have inherited a great legacy from their parents.

It was perhaps symbolic of Joe Norton's life that he died on Sunday morning in the Limestone Presbyterian Church, the church he loved so dearly. He centered his life around the teachings of Jesus Christ and these principles were with him throughout his entire life.

Cherokee County will miss Joe Norton. But the grief we now feel in our hearts is made lighter by the promise of eternal life for those who serve the Lord.

Mr. President, I ask unanimous consent that an editorial entitled "Joseph Jeptha Norton III," and an article entitled "Local Leader J. J. Norton Dies Sunday," which appeared in the Gaffney Ledger of Gaffney, S.C., July 16, 1973, be printed in the RECORD.

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

JOSEPH JEPTHA NORTON III

Joseph Jeptha Norton III—Christian, family man, industrialist and community leader died Sunday morning while serving His Lord in the House of the Lord, Limestone Presbyterian Church.

Joe Norton had just excused himself from the Men's Bible Class and entered the pastor's study to greet the visiting minister of the morning when in the flickering of an eye, he had a heart attack.

How do you measure a man's life? This cannot be done for it is not meant that we judge. However, the fine attributes and contribution of Joe Norton are many! Some will remember him for his leadership at the Gaffney Manufacturing Company during the severe labor dispute. For many months he worked untiringly to put that industry back in operation without the union. His stand and his leadership during that most difficult time was responsible for a higher standard of living and a better community.

How do you measure a man's life? Don't try! It is not for man to do! Joe Norton put first things first and to those who knew him this was the order: 1) His God; 2) His family; 3) His community and his fellowman. He knew those who worked on various shifts by name and in going through the mill greeted the people employed by name. His quiet manner had an overwhelming influence. He touched so many people in many varied ways.

When a man such as Joseph Jeptha Norton III passes from this earth in the flickering of an eye, don't try to measure his life. Just be thankful that he touched yours. Tell his wife, Virginia, his two daughters Martha and Sally, and his son, Joe, that they were blessed to have had him and Cherokee County was blessed because of his leadership.

LOCAL LEADER J. J. NORTON DIES SUNDAY

Joseph Jeptha Norton III, noted Gaffney business leader and manufacturer, died unexpectedly Sunday morning in Limestone Presbyterian Church at 10:50.

A native Georgian, he was born August 26, 1904, in Menlo and had spent the past 28 years in Cherokee County. He was a son of the late Joseph Jeptha II and Willie Lawrence Norton and a 1925 graduate of Clemson College.

Mr. Norton was a member of Limestone Presbyterian Church where he served as elder. He was twice moderator of Enoree Presbytery and trustee of Thornwell Orphanage; former president and treasurer of Pacolet Industries. Mr. Norton was associated with Deering Milliken Co. for 25 years; re-

tired member of the Chairman of the Board of Pacolet Industries; he was director of Citizens and Southern National Bank of South Carolina, director of Liberty Mutual Insurance Co., and director of Southern Bank and Trust Co. of Walhalla; he worked with Boy Scout troop district level, council level and served as vice president of the Palmetto Council; he was a recipient of the Silver Beaver Award.

Surviving are his wife, Mrs. Virginia Isabel Norton; two daughters, Mrs. Eugene (Martha) Caldwell of Atlanta, Ga., and Mrs. Frank (Sallie) Wooten of Charlotte, N.C.; one son, Joseph Jeptha Norton IV of Atlanta, Ga.; two granddaughters, Mary Beth Wooten and Sallie Vee Wooten, both of Charlotte, N.C.; one grandson, Orman Norton Caldwell of Atlanta, Ga.; one brother, W. Lawrence Norton of Walhalla; stepmother, Mrs. Joseph Jeptha Norton II of Seneca.

Services will be held Tuesday at 11 a.m. at Limestone Presbyterian Church conducted by Revs. Charles Sides and Robert Blumer with burial in Oconee Memorial Park near Seneca.

Body will remain at Shuford-Hatcher Funeral Home. Family is at the home, 604 College Drive.

In lieu of flowers donations may be made to Thornwell Orphanage in Clinton.

CONGRESSIONAL SALARIES

Mr. BIDEN. Mr. President, on Wednesday of this week I made some impromptu remarks during a discussion in this Chamber on the subject of congressional salaries.

In the course of the discussion, as reported in the CONGRESSIONAL RECORD for July 25, 1973, I said on page 25964:

> I do not know about others, but I am worth a lot more than my salary of $42,500 a year in this body.

And, at another point, I said:

> It seems to me that we should flat out tell the American people we are worth our salt.

The newspapers and press associations reported this in their dispatches that were printed throughout the country.

I do wish, however, that the newspapers had published what else I said toward the conclusion of my remarks:

> First, by way of summary (of my remarks, that is), I do not think a raise is appropriate now for us, because we are telling the rest of the American people they cannot have a raise. I agree with that 100 percent.

If this had been reported, the full import of my remarks would have been clear and unmistakable: First, I think each of us deserve every penny we are paid—and more; second, but I oppose a pay increase at this time, because we in the Congress, 535 of us, should be subject to the same 5.5 percent pay increase guideline ceiling that the rest of working America is subject to.

However, I am obliged to refer to salaries drawn by other executives in the Federal Government. A Secretary of a department of the executive branch, such as the Secretary of Housing and Urban Development, draws a salary of $60,000 a year. A Justice of the Supreme Court receives an annual salary of $60,000, while the Chief Justice of the United States receives $2,500 more a year, or $62,500. A four-star general can receive a straight salary of $36,000 a year, not counting numerous housing and other allowances. And the President of the United States, $200,000 a year.

Moreover, Mr. President, I wish the press had reported another passage in my speech:

> Why do we really not want to talk about salaries and say, "Fine, we're going to raise our salaries to a particular amount but then make it a matter of law that we can make no outside income whatsoever"? Then, I would like to see those who are millionaires, those who have significant income from other areas, whether it be trust funds or whether it be from speaking engagements or whatever—stand right next to us, who have no money, and say, "You're right. We don't need it. We should cut our salary. We're a bunch of gluttonous people up here. We agree with the press that we have too much to begin with."

I have said repeatedly, Mr. President, that all "outside" income of Members of Congress should, as the situation now stands, be fully disclosed, detail by detail. But that eventually, congressional salaries would get to the point wherein all outside income could be fairly prohibited, such as income from practicing law or from farming.

These are my views, because, beyond the immediate dollars-and-cents of congressional salaries, there is a larger and more important issue—that of the entire financial climate in which a Member of Congress operates. And it is more constructive for the press to concern itself with this, than with specific dollar-amounts received by Members of Congress.

Crucial to this larger issue, I refer to, is that of campaign financing, as evidenced by the bill, S. 372, before us this week. There is a need to purge the system of campaign financing of its vulnerabilities to corruption. My preference is that we radically restructure the system by adopting public-financing of Federal elections.

Second, I repeat what I have said publicly in my State of Delaware. I believe that we should strive to reach the point where Members of Congress give up the right to all income but their annual salaries, and we can come to that point only when our annual salaries fully reflect the magnitude of our duties and responsibilities.

If they are given the facts, I don't believe the American people will fail to acknowledge the need for Congressional salaries commensurate with these duties and responsibilities.

JUVENILE DELINQUENCY AND CRIME

Mr. MATHIAS. Mr. President, the conference report on H.R. 8152, amending the Omnibus Crime Control and Safe Streets Act of 1968, has now been filed in the Senate.

I regret that the conferees did not retain the amendment offered by Senators BAYH, COOK, and myself and adopted by the Senate which would have established a floor on the percentage of LEAA funds that a State must spend on juvenile justice programs. It is my firm belief that we must concentrate more of our attention on the problems of juvenile delinquency if we are going to be successful in combating crime. Statistics show that today's juvenile offender has a high probability of becoming tomorrow's adult offender, with serious consequences to society.

I am pleased that the conferees, even while rejecting the juvenile justice amendment, gave recognition to the need for more effort to deal with juvenile delinquency. Noting that a State plan, in order to be comprehensive, must take into account a juvenile justice program and noting that LEAA must give greater scrutiny to State plans, the conference report states:

> It is expected that greater emphasis will be given to the problems of juvenile justice in the future.

I intend to vote for the adoption of the conference report in the hope that the continued flexibility of State planning which the report preserves will result in improvements in the area of juvenile justice. If they are not forthcoming in the near future, I would hope that the Congress will adopt the provisions of the Bayh-Cook-Mathias amendment to mandate the improvements anticipated by the conference report.

I would also like to address myself to one other aspect of the conference report. The conference report retains an amendment added to the bill in the Senate which provides that criminal history records founded by LEAA and maintained by State and local governments contain not only arrests but, to the maximum extent feasible, data on the disposition of those arrests. The Senate amendments also provide that an individual shall have access to his or her own records.

I urge the Attorney General to issue regulations implementing these provisions at the earliest possible date. As was noted at the time that the amendment was adopted by the Senate, the words "maximum extent feasible" were intended to be strictly construed and rigidly enforced. In addition to spelling out the procedures by which information on dispositions will be included, such regulations might specify a time beyond which arrest information will no longer be available and can no longer be disseminated. By this method, an incentive to keep such records current can be added to the expressed mandate of the Congress that this be done.

I am also anxious that regulations be issued to implement the provisions for individuals to obtain their own records. Such regulations must make this a meaningful right. At the current time, information in the overall criminal history network is considered the property of the local agency which stores it. I believe that an individual should be able to tap the information at any place within the system to obtain his entire record. The test should be—Can the individual obtain all of the same information about himself that a law enforcement officer can obtain? If not, his right of access is not complete. To the extent that this problem can be dealt with at this time by regulations, I believe we should do so. To the extent it cannot, it points up the need for further legislation.

The conference report notes that the provisions of H.R. 8152 on criminal information are only interim measures and "not dispositive of unsettled and sensitive issues of the right of privacy." The conference report contemplates more comprehensive legislation in the future. This reflects, in my judgment, not only an understanding of the significance of the issues involved but a further measure of the growing support in the Congress for a thorough study and sound solution to the preservation of individual rights in the face of technological change.

PAYING FOR ARAB OIL WITH INDUSTRY

Mr. McCLURE. Mr. President, yesterday the Senate Committee on Interior and Insular Affairs heard testimony from Governor John Love, the new Director of the President's Energy Policy Office, regarding the issue of oil imports and national security. Governor Love confirmed previous estimates concerning the need for increased oil imports from the member nations of the Organization of Petroleum Exporting Countries, particularly those of the Near East.

Projections for U.S. petroleum supply show that imports from the Near East will rise to 2,325,000 barrels per day in 1975—compared to 185,000 barrels per day in 1970—growing to 4,610,000 barrels per day in 1980, and 7,354,000 in 1985. Even taking into consideration the inherent uncertainties of such long-range estimates, it is obvious that the United States should continue to improve relations and understandings with these trading partners, especially Saudi Arabia. Saudi Arabia is today the third ranking producer of crude oil in the world—after the United States and the U.S.S.R.

It is the future, however, that dramatically illustrates the role of Saudi Arabia in the world economy. With reserves of 138 billion barrels, Saudi Arabia outranks the United States by almost 4 to 1—including Alaskan North Slope—and the U.S.S.R. by almost 2 to 1. Future energy policy decisions by our government require careful, thorough examination of the plans and aspirations of Arab leaders, particularly Saudi Arabian and other OPEC members.

A recent interview with Dr. Abderrahman Khene, Secretary General of OPEC, is of definite value in this regard. Dr. Khene's forthright, specific answers to questions involving possible courses of action for OPEC should be read, I believe, in order to gain a necessary understanding for future decisions involving energy and economic policy. With regard to OPEC investment in oil-consuming nations, Dr. Khene states:

> Personally, and as I have already mentioned, on principle I do not believe in investments of developing countries in Western industry.

As the Secretary General explains:

> Such investments could bring about criticism leading to economic and political abuse.

Dr. Khene also provided us with the rationale behind his conclusion, namely:

> I do not believe that . . . these investments will continue to enjoy security . . . due to the fact that such industrialized nations are continually in a process of evolution and "stockholding states" will not be regarded favorably, particularly if they have not at that time, power for *protecting their assets* (emphasis added).

Dr. Khene's statements do, however, provide us with a key to the problem of how the United States can purchase large quantities of OPEC oil without suffering unacceptable deficits in our balance-of-payments. As he stated, with regard to the future role that the OPEC nations might assume in international trade:

> A third way to undertake investment would be for these countries themselves to become "industrials," managing their revenues for the discovery of new oil reserves in their own territories as well as elsewhere, thereby taking their place among the traditional international oil companies. A good opportunity for such investment would also be in the field of petrochemicals, which appears to give assured access to high-level technology and a continuous income for the future.

I believe that U.S. technology would have a major advantage in providing this type of modern industrialization for developing OPEC nations.

Mr. President, so that this extremely interesting and worthwhile interview may receive wider recognition, I ask unanimous consent that it be printed in the RECORD.

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

OPEC—DR. ABDERRAHMAN KHENE, SECRETARY GENERAL, INTERVIEWED THE ENERGY CRISIS, DISPOSITION OF OIL REVENUES, ARABS AND ISRAEL

In recent months, against a background of oil and gas shortage in the United States, the increasing power of the Organization of Petroleum Exporting Countries—OPEC—has achieved an importance in western political and financial thinking as enormous as the oil revenues which are beginning to pour into the OPEC states. OPEC reaction to the United States fuel shortage, its plans to dispose of its vast oil revenues and OPEC thinking on world energy are of major international importance. In this interview with the new secretary general of OPEC, Dr. Abderrahman Khene of Algeria, these topics are explored.

Under Dr. Khene's secretaryship OPEC will undoubtedly devote itself to participation and production just as events led the secretaryship of his predecessor, Dr. Nadim Pachachi, to deal continuously and successfully with the vexed question of price. OPEC is now a major international force. Wherever the oil industry is, OPEC power will be felt.

Question. Would OPEC consider the line of thought recently advanced by prominent advisers of Western governments as intervention in the political and economic development of sovereign nations?

Answer. During the past months many people have been talking about the so-called "energy crisis" some denying its reality while at the same time blaming OPEC for the shortage of supply of oil, and others calling for a new crusade against the oil-exporting countries, most of which are Arab states.

I consider that by inciting people and trying to offset governments one against the other, is the worst way possible to try to solve a situation which could become very serious for the world. To adopt such a way can only be accredited to obsolete thinking concerning the developing countries and the subsequent colonialistic and imperialistic behaviour towards them.

The New World is different to that of the past and the best way in which to achieve a common goal is by means of cooperation and not of antagonization. It is, perhaps, the first time that the developing countries have been in such an advantageous position whereby they are able to share, to some extent, the well being of modern civilization with the developed world.

One thing is certain, it is an ideal opportunity for competent experts to set out on the road towards achieving the aimed for objectives, not only, as it would appear, in oil matters but in other spheres as well. We would like to believe that there is no other sentimental reason at stake, and by this I am referring to the Arab-Israeli dispute, behind such hostile attitudes and the ever-present press campaign surrounding this world problem. If, however, this should prove to be the case, we will not hesitate in denouncing the dangers of such irresponsibility, even if those persons involved are reputable experts or competent teachers from well-known universities.

Question. Would the foundation of an Organization of Oil Consuming Countries be considered by OPEC as intent to counteract OPEC policies?

Answer. I fail to see what can be added to the prevailing situation by the creation of such an organization. I would recall that until now a great deal of OPEC oil is directly handled by Western oil companies. Furthermore, I would also recall, in relation to government taxes—and, as you know, elsewhere government taxes are levied by decision of sovereignty, even in oilfields—OPEC has been negotiating with the oil companies regarding adjustments to compensation for losses due to the recent devaluation and I would stress that this level of taxation is still below that of 1958, i.e., before the irresponsible cut-off in oil posted prices by the oil companies, an act which led to the creation of OPEC. In such circumstances, the significance of a counter OPEC organization is clear and can be considered relevant to the mentality adopted by the more developed and powerful countries, namely that of despoiling the feeble and developing nations.

Question. Suggestions to counteract OPEC are motivated by the intended growth of oil demand needed for the further economic expansion of industrialized countries. Would OPEC consider the envisaged growth of demand as excessive in relation to OPEC oil reserves, and which volume of oil exports would be considered as compatible with the level of oil reserves?

Answer. I had the opportunity of stressing recently that the consumption of petroleum and gas, as sources of energy, is really fantastic and unacceptable in relation to proved oil and gas reserves, as well as to the uncertainty of the time factor for shifting to new sources of energy. This would eventually bring the world to a deadlock if adequate measures are not taken in time. I also stressed that in such a situation, the producing countries have to consider their interests in relation to the forthcoming generations, considering that oil is a depletable resource and that nobody has the right to waste it. With this in mind, each country is not biding by a definite policy of OPEC, but is conducting its policy as best suited to its interests. Personally, I believe it would be wise to stick closely to the reserves in order to assure at any time a production for at least some 75 to 100 years ahead.

Question. There is the fear that an increase in oil imports at rising prices will drain the monetary reserves of importing countries. Which alternatives would OPEC suggest to avoid payment complications, import or export restrictions and eventual energy shortages?

Answer. This question is really very com-

plicated. In the first instance, however, the problem is not solely an OPEC problem. However, it can be seen that many OPEC countries, committed to development plans within their own territories, need every cent they can secure.

A few OPEC countries could not, even if they wished to do so, spend their revenue from oil in their own countries. One way in which they can invest their money, however, is to aid in the development of other OPEC countries, or in the development of the Third World.

Another method for investment is in the downstream operations of the oil industry, i.e., in the oil industry of the developed countries. However, I do not personally believe that when the energy crisis will be over, these investments will continue to enjoy security and rentability due to the fact that such industrialized nations are continually in a process of evolution and "stockholding states" will not be regarded favourably, particularly if they have not at that time, power for protecting their assets.

A third way to undertake investment would be for these countries themselves to become "industrials," managing their revenues for the discovery of new oil reserves in their own territories as well as elsewhere, thereby taking their place among the traditional international oil companies. A good opportunity for such investment would also be in the field of petrochemicals, which appears to give assured access to high-level technology and a continuous income for the future.

In the view of these different possibilities I can see nothing else unless it be that the consuming countries agree to reduce their oil consumption; this would be the best way for each one of the producing countries to keep, for a longer time, their oil reserves and likewise the consuming countries their reserves of money. However, if it is really the intention of the countries of the world to cooperate, then it means that inter-dependence is more or less a necessity.

Question. Oil revenues in many cases already exceed possible internal investments and are channelled back into Western bank deposits. Could you indicate OPEC policy on the future utilization of excess monetary reserves?

Answer. This question has already been answered by my previous reply. However, I would like to add that even now many voices are accusing OPEC Member Countries of disrupting the World Monetary System by means of speculation, knowing full well that the multi-national companies have at their disposal liquid financial reserves several times greater than those of some OPEC Member Countries. It is a well-known fact that it is these multi-national companies which are chiefly responsible for the monetary disturbances. Added to this, the U.S.A. has literally flooded the whole world with its dollars. You could reply, of course, that these very dollars have served the world to good purpose. This might well be, but may I be allowed to comment that they have certainly not gone towards serving such a purpose in the welfare of the developing countries, among which are the oil-exporting countries.

Question. Prominent Western economists are advocating restrictions for OPEC investments in Western key industries for fear of enhanced dependence. These opinions are the same as those of developing countries about Western investments and their political or economic abuse. Which ways would OPEC suggest to alleviate investment problems?

Answer. For the time being at least, I think that this is more a problem of the Western countries than those countries of OPEC. Personally, and as I have already mentioned, on principle I do not believe in investments of developing countries in Western industry. As you, yourself, have already pointed out, such investments could bring about criticism leading to economic and political abuse. In any case, such ideas deserve further consideration before they are either accepted or rejected.

Question. Closer ties of OPEC Members to the U.S.A. could make them dependent on the U.S.-energy market and U.S. policies. This could lead to a prevalent role of U.S. interests within OPEC, possibly to the detriment of other importing countries, or perhaps also oil-exporting countries. By which means would OPEC prevent such issues?

Answer. In view of the prevailing forecast, the problem of energy, namely that of oil and gas shortages, is not purely confined to the United States. Due to this, it seems to me that there is no particular reason for regarding the U.S. oil market as the sole existing market. Moreover, and as recently expressed in a statement made by the Saudi Minister of Oil, H. E. Yamani, the U.S.A. could not reckon with Middle East oil, if, at the same time and for political reasons, it continues to support and vigorously aid the foe of Arab countries.

Everyone understands indeed that no one can be expected to trade with the friends of his enemy—especially in such a strategic commodity—without jeopardizing his own position because of failing in his fundamental duty.

Question. If OPEC would be abolished or broken up, which would be the consequences for producing countries and for importing countries?

Answer. There is no reason to abolish or disband this organization. If certain people nurture such a secret hope that this might happen, then they will assuredly be disappointed.

Question. Another military conflict with Israel would eventually become the lever to replace governments by others more amenable to the world powers and their oil demand, a partition of zones of interest between the West and the Soviet Union not excluded. Would OPEC be in a position to forestall, avoid or prevent such an extreme but already discussed eventuality?

Answer. The world of today is not that of yesterday and the problem of energy is not purely the concern of the United States and USSR. In any case, OPEC countries are peaceful nations and are working at this time for a world cooperation in order to contribute towards reducing the gap between the developing and developed countries. In my opinion, the problem for the developed nations is not to have "amenable" governments in producing countries, but rather to have a just position vis-a-vis developing peoples.

(Petroleum Times, London, June 29, 1973)

PUBLIC AFFAIRS COUNCIL SUPPORTS CAMPAIGN REFORMS

Mr. MATHIAS. Mr. President, the Senate is now engaged in an effort to try to improve the way we conduct Federal election campaigns. This is a difficult, trying task, and we need the advice and support of a broad spectrum of thoughtful Americans. For this reason, I am extremely pleased to have received a copy of a statement by the Public Affairs Council which outlines and endorses a comprehensive program designed to limit abuses of our political processes.

The Public Affairs Council represents officers of more than 200 major corporations. It attempts to bring its impressive resources to bear on the major problems which face our country and to work with those of us in public life in solving the issues which hold the key to the future of the Nation. For this reason, I am especially pleased that the council has turned its attention to our Federal elections processes, and that the council has endorsed a wide ranging series of reform proposals. I believe these proposals merit our attention as we continue the important effort in which we find ourselves today.

I ask unanimous consent that the statement of the Public Affairs Council be printed in the RECORD for the benefit of my colleagues.

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

A STATEMENT BY THE BOARD OF DIRECTORS OF THE PUBLIC AFFAIRS COUNCIL

The Public Affairs Council, national professional organization of public affairs officers of more than 200 major corporations, today issued the following statement:

Integrity, openness and public confidence in this nation's election processes are fundamental to the success of our government and country. In enacting the disclosure and other segments of the Federal Election Campaign Act of 1971, the Congress recognized this funadmental requirement. But subsequent events and recent federal and congressional investigations of them have demonstrated the need for further legislative improvements, including the need for new mechanisms to insure vigorous and even-handed enforcement of the election laws.

The Board of Directors of the Public Affairs Council has addressed itself to these needs, studied the assortment of reform proposals now pending in Congress, and resolved to endorse a comprehensive program designed to limit abuses of our political processes.

In doing so, the Board fully recognizes the dangers inherent in what is commonly referred to as reform. First, many proposals add to the already significant advantages of incumbency. Second, efforts to regulate campaigns and campaign finance raise some thorny constitutional problems. Finally, the history of reform demonstrates that there are no simple answers to such problems, and that the risk is that one set of problems may be traded for another. But the status quo is not satisfactory; and change itself may help to restore confidence in the system.

Members of the Council's Board are professional participants in the nation's political and legislative processes. Neither they, the corporations they represent, nor any responsible segment of society have a stake in a secret system or one that the unscrupulous can corrupt. Their dedication is to working within a system that is open, honest and deserving of the confidence and respect of the American people.

The Council's Board of Directors has therefore resolved to support campaign and campaign finance reform measures which would:

1. CREATE A SINGLE, STRONG AND INDEPENDENT FEDERAL ELECTIONS COMMISSION WITH ENFORCEMENT POWERS

The enforcement powers under the 1971 Federal Elections Campaign Act are presently shared by the Clerk of the House, Secretary of the Senate, the General Accounting Office, and the Justice Department, a division of responsibility which militates against uniform administration and complicates both reporting and meaningful disclosure. A number of bills have been introduced to create a Federal Elections Commission. These bills vary most significantly in whether they would empower that body to initiate and prosecute court actions.

We strongly support the creation of a Federal Elections Commission to centralize all reporting and enforcement activities, such commission to have the power of subpoena

and authority to initiate actions against alleged violators.

2. LIMIT USE OF CASH IN ELECTION CAMPAIGNS

The utilization and accounting of campaign finance should measure up to the highest standards of accepted business practice and propriety. Abolishing large cash contributions—which evoke suspicion in the public's mind—would be one useful step in restoring credibility to campaign politics.

We strongly associate ourselves with efforts to legislate a ceiling of cash contributions. We are prepared to support a ceiling of $100, the figure often mentioned, or even a lower limit, provided it is not so restrictive as to prohibit small, out-of-pocket contributions by interested citizens. In addition, cash disbursements by and for candidates—perhaps all those over $100—should be fully reported as to source and purpose.

3. REQUIRE FEDERAL CANDIDATES TO ESTABLISH A SINGLE CENTRAL COMMITTEE FOR REPORTING OF ALL CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

For a variety of tax, legal and political reasons, a profusion of committees to collect and disburse political funds has been a traditional part of many congressional, senatorial and presidential campaigns. Multiple committees *per se* are not objectionable, but the usual practice of separate reports by each committee on its contributions and/or expenditures, complicates one key objective in campaign finance reform—full, clear, readily available information.

Each candidate for federal office should be required by law to designate a single "official" committee which would be held accountable for rendering full and complete disclosure of all contributions in support of, and expenditures by, committees supporting a single candidate.

4. LIMIT CONTRIBUTIONS WHICH ANY INDIVIDUAL IS PERMITTED TO MAKE TO A SINGLE CANDIDATE

While many large contributors to a single campaign give for entirely selfless reasons, large contributions are subject to misinterpretation, and our political process will be best served by the broadest possible base of small private contributions.

We, therefore, support efforts to impose a reasonable dollar limit on the amount any person can contribute to or expend on behalf of any federal candidate. These limits should be lower for a candidate for U.S. Representative or Senator than for a candidate for President or Vice President.

5. RAISE EXISTING LIMITS ON TAX DEDUCTION OR TAX CREDIT WHICH TAXPAYERS WHO MAKE POLITICAL CONTRIBUTIONS MAY CLAIM

The present law provides that individuals may claim a federal tax deduction of up to $50 ($100 in the case of a joint return), or a tax credit of up to $12.50 ($25 for a joint return) against their political contributions. In the interest of encouraging a broad base of giving, these provisions should be liberalized.

We recommend that the allowable tax deductions be increased to $100 ($200 for joint returns), and the tax credit be raised to $50 ($100 for joint returns).

6. CONSIDER MEASURES TO ESTABLISH LIMITS ON CAMPAIGN EXPENDITURES

Although some believe the aggregate expenditures for political campaigning are modest (an estimated 400 million dollars or less than four one-hundredths of one percent of our Gross National Product, for *all* campaigns in the U.S. in 1972), questions have been raised regarding the large amounts expended in a number of congressional, senatorial, and particularly the presidential campaigns in 1972. Some have called for ceilings on campaign expenditures by candidates for federal office, and the 1971 Federal Election Campaign Act did, in fact, impose limitations on expenditures for the use of communications media in federal elections.

The imposition of ceilings on total campaign expenditures, however, raises many practical—and constitutional—problems. Because it is important to re-establish the credibility and openness of our political system and to broaden the access to public office by restricting the financial burden of campaigning, we support the principle of reasonable limitations on amounts which candidates for federal office may expend in any primary, special or general election campaign, provided that such limitations: (a) do not restrict candidates' right to free speech; (b) do not assure incumbent office holders of permanent advantages over challengers; and (c) are structured to offer a reasonable certainty that the controls can be enforced.

7. LIMIT THE LENGTH OF POLITICAL CAMPAIGNS

Politician and citizen alike concede public concern about the length of our political campaigns. A number of other democracies have imposed time limitations on political campaigns without apparent violence to the chief object of campaigns—to inform the public. Yet any time limitation could work to the advantage of incumbents, raise constitutional issues and present difficult questions of interpretation.

While recognizing that no legislative remedy proposed to date would entirely resolve such dilemmas, we nevertheless urge that means be sought to impose reasonable time limitations on the allowable period for both primary and general election campaigning.

8. CLARIFY CONTRADICTORY SECTIONS IN THE 1971 FEDERAL ELECTION CAMPAIGN ACT

Section 610 of the 1971 Act authorizes unions and corporations to establish "separate segregated funds" supported by individual contributions. In an apparent oversight, the Congress contradicted this provision in Section 611 by outlawing "government contractors"—which includes many corporations—from direct or indirect political actions, including the establishment of such funds.

Since a careful reading of the floor debate when 611 was enacted makes it clear that it was the intent of Congress to permit separate segregated funds, and since the present law obviously discriminates against some unions and corporations, we urge Congressional action to clarify the contradiction and thus to provide equal opportunity for all unions and corporations. We believe these funds to be an excellent and fully accountable means of broadening individual participation in the electoral process.

In this connection, in that we have recommended specific limitations on contributions to a candidate by an individual, it should also be stated that we favor a limitation on contributions to a candidate by any separate segregated fund. The maximum amounts could be higher than those specified for individuals, but there shoud be a considered relationship between the two. Also, restraints would be necessary to prevent either a company or a union from avoiding the ceilings by establishing multiple separate segregated funds. No change is recommended in the long-standing prohibition on the contribution or corporate or union funds to candidates for federal office.

9. REPEAL "EQUAL TIME" PROVISIONS OF SECTION 315 OF THE COMMUNICATIONS ACT AS IT APPLIES TO CANDIDATES FOR THE OFFICE OF PRESIDENT AND VICE PRESIDENT

The "equal time" section obliges broadcasters to provide equal time for all presidential and vice presidential candidates, no matter how spurious. Therefore, broadcasters have been inhibited in offering substantial amounts of free time to significant candidates.

Free access to radio and television by significant presidential and vice presidential candidates is in the public interest: we support repeal of the equal opportunity requirements of Section 315 with respect to candidates for the office of President and Vice President.

10. SUPPORT BROAD-BASED PRIVATE FINANCING OF POLITICAL CAMPAIGNS, BUT ACCEPT ADDITIONAL STUDY OF PUBLIC SUBSIDIES

It is our present judgment that the public interest will best be served if political campaigns continue to be financed primarily by private individual contributions, rather than from government sources. We believe the impact of the Federal Election Campaign Act of 1971, plus the adoption of proposals along the lines of those embodied in previous sections of this statement, can remedy a majority of the problems existing in political finance. We believe the system can be strengthened further by expanded efforts to encourage more people to participate in selecting candidates and financing political campaigns.

We recognize there are many serious proponents and proposals for some sort of public financial support of political campaigns and that the one dollar tax checkoff for presidential campaign financing—a form of public subsidy—is already in effect. Although we encourage additional study of the pro's and con's of some degree of public financial support, we are presently convinced that a system based on private contributions is preferable.

NAVY F-14 JET FIGHTER-BOMBER FUNDS REDUCED BY 70 PERCENT

Mr. JAVITS. Mr. President, yesterday the Senate Armed Services Committee voted to slash money for the Navy's F-14 jet fighter-bomber by 70 percent and to cut $20 million for the development of the A-10 close-air-support plane.

These two planes are produced by New York firms of the highest proven technical capability, the Grumman Corp. and Fairchild Industries. These planes were designed to respond to very real military needs and in fact, the Department of Defense has certified the urgent need for them as well as the excellent performance of both the F-14 and the developmental stage A-10.

Mr. President, the action so far taken by the Armed Services Committee raises serious questions in my own mind as to whether all the factors which Senator BUCKLEY and I raised in a letter to the acting chairman of the Senate Armed Services Committee have been given sufficient consideration. When our own military advisers say that they need these planes to continue our forward progress in modernizing our military equipment, I feel their recommendations should be well-heeded.

Our letter emphasized the importance of full funding of these programs to our Nation and to Long Island. As Senator BUCKLEY and I advised Senator SYMINGTON, we believe that to force major cutbacks in these well advanced programs at this time would work a severe hardship on the workers and companies in Long Island, N.Y. In addition, these cutbacks raise the very real threat of destroying the retinue of skilled aerospace technical teams based in Long Island which must inevitably weaken our Nation's aerospace capability. I hope that upon review of our letter, my remarks today and other data which the committee has at its disposal, the Armed Services Committee will review its decision

on this matter. I ask unanimous consent that our letter be printed at this point in my remarks.

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

U.S. SENATE,
Washington, D.C., July 25, 1973.

Hon. STUART SYMINGTON,
Armed Services Committee, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR SYMINGTON: It has come to our attention that the Tactical Air Power Subcommittee of the Senate Armed Services Committee has recommended substantial cutbacks in two major aircraft programs which could have an adverse impact on the prospects for the early modernization of our Navy and Air Force tactical aircraft inventory as well as on New York State.

The recommended reductions in the U.S. Air Force A-10 Close Air Support aircraft and the U.S. Navy's F-14 Tomcat could have a severe effect on employment in New York State. The reduction in procurement of the aircraft and long-lead-time items would directly affect the operations of Grumman Aerospace Corporation and Fairchild Industries whose labor force comes almost entirely from one county. This county, Suffolk, has experienced extraordinarily high unemployment during a period of time when the rest of the nation experienced a period of prosperity. To force major cutbacks in these well-advanced programs at this time would work a severe hardship on the workers and companies of Long Island, New York. Moreover, in a period of inflation such as we are now experiencing, stretch-outs of procurement activities invariably increase costs later on in the procurement cycle.

The planes involved are produced by companies which have virtually unparalleled experience in the field and a reputation for exceptional technical excellence.

We strongly urge that the recommendations of the Tactical Air Power Subcommittee be reconsidered, and full funding be restored to the A-10 and F-14 programs.

Sincerely,

JACOB K. JAVITS,
JAMES L. BUCKLEY.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ORDER FOR ADJOURNMENT FROM SATURDAY TO MONDAY, JULY 30, AT 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until the hour of 10 a.m. on Monday next.

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

ORDER FOR VOTE ON H.R. 8760, DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, AT 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the passage of the bill making appropriations for the Department of Transportation tomorrow, H.R. 8760, occur at 11 a.m., and that rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered. Rule XII will be waived.

ORDER TO RESUME CONSIDERATION OF UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume consideration of the unfinished business following the close of the debate on the transportation appropriation bill tomorrow.

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

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, am I correct in stating that the pending question at the time the Senate resumes debate on the campaign reform bill will be on amendment No. 443 by Mr. STEVENSON and Mr. MATHIAS?

The PRESIDING OFFICER. The Senator is correct.

ORDER THAT NO VOTES OCCUR PRIOR TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I also ask unanimous consent that if debate is finalized on that amendment or any other amendment prior to the hour of 11 a.m. tomorrow—amendments to the unfinished business or amendments to the appropriation bill—no yea-and-nay vote occur prior to the hour of 11 a.m. tomorrow.

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

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, let me understand clearly what the situation will be. If there should be amendments to the appropriation bill tomorrow on which the yeas and nays were ordered, any such vote would not begin until the hour of 11 o'clock a.m. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. And the vote on final passage of the appropriation bill, the final vote insofar as anything having to do with the appropriation bill is concerned, would follow the votes on those amendments, and consequently would come sometime after the hour of 11 a.m.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Am I also correct in stating that if any yea-and-nay votes should be reached on the unfinished business, S. 372, prior to 11 a.m., those votes would not occur until after final passage of the transportation appropriation bill, which itself could not come before 11 a.m.?

The PRESIDING OFFICER. The Senator is correct.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, am I correct in stating that there is no provision for routine morning business in the morning?

The PRESIDING OFFICER. The Senator is correct.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I shall state the program for tomorrow:

The Senate will convene at 9 a.m. After the two leaders or their designees have been recognized under the standing order, the Senate will proceed to the consideration of H.R. 8760, a bill making appropriations for the Department of Transportation for the fiscal year 1974. There is a time limitation on that bill of 30 minutes, with a time limitation on any amendment, debatable motion, or appeal, of 10 minutes; and if a yea-and-nay vote is reached prior to 11 a.m., that vote will be delayed until 11 a.m. The yeas and nays have already been ordered on the Department of Transportation appropriation bill.

If the closure of debate on the appropriation bill should occur prior to 11 a.m., the Senate will immediately resume consideration of the unfinished business, S. 372, the so-called campaign reform bill. The pending question when the Senate resumes its consideration of the unfinished business tomorrow will be on adoption of Amendment No. 433, the authors of which are Mr. STEVENSON and Mr. MATHIAS. The yeas and nays have been ordered on that amendment. Upon the disposition of that amendment, other amendments will be in order.

As the distinguished majority leader has already stated, we may expect a busy day on tomorrow. Several amendments are expected to be called up and voted on, and it is anticipated that the Senate will likely be in session tomorrow until 4:30 or 5 p.m. So, it is not likely to be a short Saturday session.

Hopefully, action on the campaign reform bill may be completed tomorrow.

ADJOURNMENT TO 9 A.M.

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 that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 5:40 p.m., the Senate adjourned until tomorrow, Saturday, July 28, 1973, at 9 a.m.

NOMINATION

Executive nomination received by the Senate July 27, 1973:

IN THE MARINE CORPS

Maj. John V. Brennan, U.S. Marine Corps, for permanent promotion to the grade of lieutenant colonel in the U.S. Marine Corps, in accordance with article II, section 2, clause 2, of the Constitution.

CONFIRMATION

Executive nomination confirmed by the Senate July 27, 1973:

U.S. AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be general

Gen. John D. Ryan, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

EXTENSIONS OF REMARKS

AMERICA: IT IS NOT SICK, JUST BEWILDERED

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Daily Californian of July 6, 1973:

AMERICA: IT'S NOT SICK, JUST BEWILDERED

(By Arpad Kadarkay)

(EDITOR'S NOTE.—The fireworks have been lit, the Fourth of July speeches given, the picnic baskets emptied, but what was it that we celebrated? The following article, written by Prof. Arpad Kadarkay, a Hungarian immigrant who teaches political science at Occidental College, gives one American's view of this country's meaning. It is reprinted with permission of the author and the Los Angeles Times.)

In his inaugural address, President Nixon noted that the time has come for all Americans to "renew our faith in ourselves, and in America." As a naturalized citizen, such renewal of faith is a privilege for me.

I am American, not by birth, but by heart, by choice. I am in debt to America. To repay my debt, partly in small coin, I would like to speak to those who find so very much wrong with America and so very little that is right.

Of late, America, Europe's child—her Cinderella brought to bloom by a kindly magic—has been declared ugly. The pathology of American society fills the pens of our best writers with paradox, irony, pathos, even poetry. They find the American illness so great that the most high-minded doctors have been called to diagnose and write the death certificate.

I want to speak on behalf of Cinderella.

Her mourners say that America is dead, her dream a patchwork of racial-urban strife, poisoned by self-interest, rotted by surfeit and indifference, maimed by violence. I am told that the great aspiration is spent; America is only another crowded nation, not even able to maintain order. America is only a power, not a society, not a culture. We have gone, I am advised, from primitiveness, from childhood and innocence, to decadence—a far poorer record than that of Rome.

These gloomy soothsayers are as old as the nation. They thundered in Jefferson's time, in Lincoln's time, in Roosevelt's time, in Truman's time. Every society has its share of doomsday prophets who convince themselves that they sit at the edge of Babylon and thus must cry that judgment day is at hand.

Well, this is not it. Not yet. Rather, this country is a vast experimental laboratory of human relations for the 20th century. We are, in a sense, defining and creating the 20th century for much of the world.

Unless seen in this light, America cannot be understood at all. It is not a sick society, but merely a bewildered society. And rightly so. For we are the first mass society where three revolutions have converged simultaneously, the industrial-scientific revolution, jamming us together and thus increasing the tension of daily living; the communication revolution bringing us face-to-face contact; and an educational revolution, raising our level of expectations and demand for freedom and mobility.

Just consider the impact of these revolutions. For generations Europe had sharpened its appreciation of beautiful things and trained itself to reflect on the meaning of human existence. The result? A thin layer of Europeans achieved a cultured leisure—the Old World "douceur de vivre." The American way is different.

We are not becoming less democratic, but more democratic. Perhaps there are too many people—too many untrained cooks in the kitchen. Yet Americans are the most natural workers-together in the world. We claim to live by the system of private enterprise, while in fact we are the supreme cooperative society. The Communist countries, founded on cooperation, have to coerce their people to work.

Our standards of expectancy have risen. But since Americans are perfectionists, dissatisfaction will continue, as well it should. We have lifted the massive center of ordinary people. Mass society, so often abused, and widespread affluence, so often mocked, are living examples of this. Yet no one pretends to be fully satisfied—a sure sign of health.

Our common health hinges on the complex chemistry of individual freedom. I am unable to understand the thrust of the sufferings and strivings of Western man over the last centuries save in terms of this kind of achievement. We have not managed to journey all this way for nearly three centuries—across oceans and continents and, more recently, through space—because we are made of sugar candy.

I am a teacher. Loudly and persistently I am told that American education is in crisis. What a compliment! To me this is the unique character of free education—not in the money sense but in the real sense. It enables us to measure progress by enumerating shortcomings and by drawing critical attention to failures.

Its very purpose and subject matter are crisis-prone. This is part of the creative process. Crisis in education is an unbroken Western tradition—the root of its strength. Since creativity proceeds from the known to the unknown, education will always be in crisis until the well runs dry.

Some say that America has pursued a tragic course, having tried in vain to realize the dream of a free society. But in so vast an undertaking, success cannot be measured in absolutes. We are only mortal, not gods.

As mortals, we are always shackled by our own failures. One glaring mistake has been Vietnam, but it was not typical of America—and now we have gotten out from under its yoke. Another failure has been racism—much more difficult to overcome. But I believe it will be, for the simple reason that whereas most of the older generation regarded racial equality as only logical, the younger one considers it perfectly natural.

The criticism of America, though loud enough at home, is even louder from abroad. One reason is that millions the world over judge America by different standards—higher standards—than they do other countries. They do not shout advice to Russia and China, whatever their misdeeds, for the same reason that the crowd in the bullring shouts advice to the bullfighter but not to the bull.

Here on my desk I have some weighty books by learned authors proving that America is like the Roman Empire—ripe with decline and fall. Perhaps. But Rome had lasted a thousand years.

OIL AND WATER MAY NOT MIX, BUT OIL AND PROFITS CERTAINLY DO

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. OBEY. Mr. Speaker, evidence continues to mount, says a Wall Street Journal story today, "that the June quarter was the most profitable ever for the oil industry."

The story continues:

Operating at capacity levels, 15 of the bigger oil companies have reported earnings gains for the period, many of them spectacular.

Among the latest to report, with earnings increasing 24% to 174%, were Standard Oil Co. (Indiana), Standard Oil Co. of California, Atlantic Richfield Co., Continental Oil Co., Phillips Petroleum Co., Marathon Oil Co., Ashland Oil Inc. and Commonwealth Oil Refining Co.

Mr. Speaker, I insert the entire story at this point, as well as a number of items from the Journal's digest of company earnings reports:

MORE OIL FIRMS LIST JUNE QUARTER SPURTS IN NET, SIGNALING RECORD PERIOD IN INDUSTRY

Evidence mounted that the June quarter was the most profitable ever for the oil industry.

Operating at capacity levels, 15 of the bigger oil companies have reported earnings gains for the period, many of them spectacular.

Among the latest to report, with earnings increasing 24% to 174%, were Standard Oil Co. (Indiana), Standard Oil Co. of California, Atlantic Richfield Co., Continental Oil Co., Phillips Petroleum Co., Marathon Oil Co., Ashland Oil Inc. and Commonwealth Oil Refining Co.

Indiana Standard's second quarter earnings spurted 37% to $121.3 million, or $1.74 a share, on an 11% gain in revenue to $1.53 billion.

For the six months, Indiana Standard's net rose 29% to $242.5 million, or $3.48 a share. Revenue gained 11% to nearly $3 billion.

Improved prices and increased sales volume for refined products, higher world-wide chemical sales and increased production of crude oil and natural gas liquids were chiefly responsible for the gains, John E. Swearingen, chairman, said. "Everything we have is running virtually at maximum levels, with all

operations at record first half levels," he said.

Atlantic Richfield's earnings soared 50% to $68.4 million, or $1.20 a share, in the second quarter. Operating revenue rose 14% to $1.07 billion.

Its first half net was up 51% to $118.7 million, or $2.09 a share, on a 9.4% gain in revenue to $2.07 billion.

STRONGER PRICES, HIGHER SALES

Robert O. Anderson, Atlantic Richfield chairman also cited stronger product prices and higher sales volumes, which offset higher costs and increased taxes he said. First half net was the equivalent of about 1.5 cents per gallon of products sold, Mr. Anderson said. He said Atlantic Richfield expects continued improvement in the second half, but the rate of gain isn't expected to match the first six months.

Continental Oil's June quarter net increased nearly 24% to $51.7 million or $1.03 a share, on a 17% gain in revenue to $1.03 billion, Continental's six-month earnings rose nearly 18% to $99.2 million or $1.7 a share, while revenue gained 13% to $1.69 billion.

"The second quarter earnings gain was due to improved performances from the company's world-wide petroleum and chemicals activities" John G. McLean, Continental chairman said. "These improvements were partially offset, however by reduced earnings from coal operations, currency translation adjustments and higher interest charges."

Phillips Petroleum's second quarter earnings climbed 25% to $46.4 million, or 61 cents a share, and revenue rose more than 8% to $694.8 million. First half net was up nearly 24% to $89.8 million or $1.19 a share, while revenue increased 8% to $1.37 billion.

MARATHON LISTS RESULTS

Marathon's net June period earnings surged more than 65% to $27.6 million or 92 cents a share, while revenue rose more than 23% to $363 million. First half net jumped nearly 58% to $51.7 million or $1.73 a share, and revenue rose 20% to $717.9 million.

J. C. Donnell II Marathon's chairman, said the second half earnings improvement "cannot be expected to be as great," although the full-year's results should be "substantially improved" from 1972.

Ashland Oil's earnings for the fiscal third quarter, ended June 30 increased nearly 36% to $22.3 million, or 89 cents a share on a revenue rise of 16% to $517.6 million. For the nine months, Ashland's earnings rose more than 28% to $60.8 million or $2.40 a share, on a 12% increase in revenue to $1.44 billion.

Commonwealth Oil's second quarter net increased 174% to $7.1 million or 50 cents a share, on a 34% sales gain to $99.2 million. Its six-month earnings were up 95% to $9.9 million or 67 cents a share, on a 36% rise in revenue to $190.3 million. But Norman C. Keith, president, called Puerto Rico's new price controls on gasoline "discriminatory and confiscatory," and said they will substantially affect the company's profits if continued in their present form.

ATLANTIC RICHFIELD CO. (N)

Quarter June 30	1973	1972
Share earns	$1.20	$0.81
Sales and revenue	1,069,760,000	940,291,000
Net income	68,401,000	45,674,000
6 month share	2.09	1.39
Sales and revenue	2,067,319,000	1,891,246,000
Net income	118,704,000	78,716,000

CLARK OIL & REFINING (N)

Share earns	$1.19	$0.14
Sales	96,369,000	68,445,000
Net income	8,413,000	964,000
6 month share	1.87	.25
Sales	180,243,000	138,513,000
Net income	13,259,000	1,769,000

COMMONWEALTH OIL (N)

Quarter June 30	1973	1972
Share earns	$0.05	[1] $0.16
Sales	99,154,492	[1] 73,844,275
Net income	7,062,725	[1] 2,576,264
6 month share	.67	[1] .31
Sales	190,270,888	[1] 139,665,584
Net income	9,868,775	[1] 5,050,584

CONTINENTAL OIL CO. (N)

Share earns	$1.03	$0.83
Revenue	1,029,877,000	883,485,000
Net income	51,703,000	41,799,000
6 month share	1.97	1.68
Revenue	1,961,080,000	1,737,355,000
Net income	99,180,000	84,388,000

MARATHON OIL CO. (N)

Share earns	$0.92	$0.56
Revenues	362,981,000	293,694,000
Net income	27,557,000	16,644,000
Average shares	29,905,790	29,930,014
6 months share	1.73	1.10
Revenues	717,857,000	595,961,000
Net income	51,722,000	32,796,000

PHILLIPS PETROLEUM (N)

Share earns	$0.61	$0.49
Revenues	694,802,000	641,453,000
Net income	46,372,000	37,105,000
Average shares	75,495,024	75,017,252
6 months share	1.19	.97
Revenues	1,374,610,000	1,277,345,000
Net income	89,820,000	72,700,000
Average shares	75,453,930	74,922,103

STANDARD OIL CO. CALIF (N)

Share earns	$2.14	$1.51
Sales and revenue	2,001,846,000	1,603,543,000
Net income	181,700,000	128,321,000
6 months share	3.94	2.96
Sales and revenue	3,776,463,000	3,114,856,000
Net income	334,500,000	251,310,000

STANDARD OIL CO. IND. (N)[2]

Share earns	$1.74	$1.26
Revenues	1,527,242,000	1,379,774,000
Net income	121,349,000	88,273,000
Average shares	69,733,521	9,910,263
6 months share	3.48	2.70
Revenues	2,997,000,000	2,700,000,000
Net income	242,500,000	188,000,000
Average shares	69,747,696	69,582,144

[1] Adjusted for a 2 percent stock dividend in February 1973.
[2] On a fully diluted basis, per-share earnings in the 6 months were $3.36 in 1973 and $2.62 in 1972.

Note: (N) New York Stock Exchange (A) American Exchange (O) Over-the-Counter (Pa) Pacific (M) Midwest (P) PBW (Na) National (B) Boston (D) Detroit (T) Toronto (Mo) Montreal (F) Foreign.

A "p" or "b" following exchange designation indicates company has only preferred shares, or bonds or debentures in public hands.

STALLED FIRE FIGHT

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. SYMMS. Mr. Speaker, the environmental radicals are at it again. Recently, a fire destroyed over 1,000 acres of grazing land in Oregon because bureaucratic regulations prevented the local ranchers from using the necessary equipment to stop the fire. The following article appeared in the Idaho Statesman:

OREGON RANCHER COMPLAINS BLM RESTRICTION STALLED FIRE FIGHT

(By Betty Hopper)

DANNER, OREG.—Restrictions on the use of equipment in a fire which burned more than 1,000 acres of grazing land in the Danner area last weekend stirred a protest Tuesday.

The fire was west of Jordan Valley near Antelope Reservoir.

Oran (Shorty) Raburn complained Bureau of Land Management officials refused to let ranchers use equipment on the federal land to make trails to stop the fire.

He said the fire was first noted at about 6 p.m. Friday on his place. "We notified BLM and they arrived with a pumper at about the same time we arrived with our cats (Three, including neighbors).

"The fire boss said no cats would be allowed to fight this fire," Raburn said, "but on my own property I went ahead and with a neighbor, we put the fire out on the west side. Another cat was sent to the other side to make a trail to put it out over there.

"After this side was out, we stayed guard for awhile, but were wondering why the fire seemed to be growing on the other side. When we went over there, the cat and the pumper truck were parked in the roadway—the fire boss had prevented the cat from going in."

Raburn said more than 1,000 acres, (he estimated 1,500) were burned, but "if they had let us go ahead, only 200 or 300 acres at the most would have been burned."

George Gurr, manager of the Vale District of the BLM, said 1,050 acres were burned, including 419 deeded acres, 620 acres of federal land and one acre of state land.

He defended the BLM's position on fighting fires. "Our men have the authority to make the final decision on how a fire will be fought in federal lands. If he feels he cannot use certain equipment, he makes that decision. He is trained to know how and what to do."

Raburn said he objected to "environmentalists" saying the trails to prevent fires from spreading cannot be made. "Those trails grow right back into grass the next year," he said.

He said, "The big problem now is what do we do about the next fire? Everything here is bone dry and there will be more fires. We'd been better off this time if we hadn't called BLM. Some decisions will have to be reached shortly on how we are going to save the land when fire strikes."

He said his feed will be scarce this year because there is such a small amount of irrigation water that he will have only one cutting of hay and with the tinder dry land, the "cheatgrass will go."

He said the Malheur County Cattlemen's Association, Oregon Cattlemen's Association, Cattlefax and Rep. Al Ullman have been notified of the problem of fire fighting and are now investigating it.

"None of it makes sense," he said, "to stand by and let the grass burn when you have the equipment there to put it out, but are ordered not to use it. Nothing else can stop these fires except dozers and blades and they won't let us use them."

Gurr said that BLM contracts with ranchers prior to the fire season for rental of their equipment in case of fire. "If it has not been rented, we can't be responsible for equipment or the man in case of trouble."

He said in the fire last weekend, "the man in charge apparently felt there was a better way to fight the fire than to make more roads in the county nobody wants."

He said the issue in this instance is not the quality of the land (Raburn had said the grass was knee high) nor the amount of land, "but the fact that we are responsible on federal lands. We want cooperation from the ranchers. We do not say that cats can't be put into operation, but we do say they must

be used under our direction and in this case other alternatives were selected."

Raburn said he had been on fire guard for many years and had lots of experience in fighting fires. Pumpers aren't any use unless they have a road to follow, he said.

Raburn who runs about 750 cows, said he was the loser in this fire although two neighbors lost 20 or 30 acres of grazing land, "but we don't know when or where the next one will be. The next fire is the problem now."

Mr. Speaker, the BLM and their allies in the Environmental Protection Agency have gone too far.

The EPA is destroying our environment, not protecting it. How many more acres of forest and grazing land will be destroyed by fire because Federal regulations are protecting it from the local residents. This kind of nonsense must stop; it is a perfect example of Government gone wild, fueled by environmental emotionalism.

CONYERS OPPOSES PHASE IV GUIDELINES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. CONYERS. Mr. Speaker, the administration's recently announced phase IV guidelines will work a serious hardship on the service station owners of Michigan. Because of special circumstances in Michigan, the phase IV freeze on retail gasoline prices will be particularly inequitable and will force many service station owners to close their businesses. The price freeze plus the already limited supply of gasoline will constitute a severe inconvenience to the motorists of Michigan, a State which relies heavily on its automobile industry for its economic well-being. In recognition of the inequities imposed by the phase IV guidelines, the entire congressional delegation from Michigan has addressed a letter to the Director of the Cost of Living Council urging that the Council favorably consider a request from the Service Station Dealers Association of Michigan to enable owners to exercise a pricing option which would more accurately reflect market conditions. This is an important request which will benefit both service station owners and motorists in Michigan, and because of its importance I would like to enter our letter to the Cost of Living Council in the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 23, 1973.

Dr. JOHN T. DUNLOP,
Director, Cost of Living Council,
Washington, D.C.

DEAR DR. DUNLOP: It has come to our attention that the Phase IV guidelines for the retail price of gasoline will cause a great economic hardship on the service station owners of Michigan. Prices will be frozen at August acquisition costs plus the average profit per gallon based on sales of January 10, 1973.

A temporary price war among Michigan service station owners drove January 10th profits down to 5.6 cents per gallon. This compares to an August 14, 1971 per gallon profit of 8.24 cents. In addition, due to the fuel shortage, gas allocations to dealers are limited to eighty percent of previous sales further reducing profits. Under these conditions, many service station owners will be forced to close which will only cause additional inconvenience to Michigan motorists.

It is our understanding that when price controls were first imposed under Phase I, those retailers engaged in price wars were granted an option date to compute Phase I prices which accurately reflected market conditions. We also understand that the Service Station Dealers Association of Michigan has petitioned for such an option date based on June 1 to June 12, 1973.

In view of these circumstances and the obvious hardships which would result from Phases IV controls as now written, we urge your favorable consideration of their request.

We look forward to receiving your earliest reply.

Sincerely,

ROBERT P. GRIFFIN,
PHILIP A. HART,
U.S. Senators.

William S. Broomfield, Elford A. Cederberg, John J. Conyers, John D. Dingell, Gerald R. Ford, William D. Ford, Garry Brown, Charles E. Chamberlain, Charles C. Diggs, Jr., Marvin L. Esch, Robert J. Huber, Martha Griffiths, James Harvey, Lucien N. Nedzi, Donald W. Riegle, Jr., Edward Hutchinson, James G. O'Hara, Philip E. Ruppe, Guy Vander Jagt, *Members of Congress.*

CONSTITUTIONAL PREROGATIVE AND THE "NIXON TAPES"

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Ms. ABZUG. Mr. Speaker, President Nixon's days of crying "separation of powers" are numbered. Special Watergate Prosecutor Archibald Cox has subpenaed the "Nixon tapes" and as Joseph Kraft points out in his column today, President Nixon's last line of defense is utterly without merit.

Although the President makes the case, that as Chief Executive he can deny Senator ERVIN's legislative committee access to these tapes on the theory of separation of powers, no such justification exists in regard to the Cox investigation. Mr. Cox was appointed by Attorney General Elliot Richardson, and Mr. Richardson was appointed by President Nixon and all are members of the executive branch of Government. Thus, there is no rationale for invoking the doctrine of separation of powers. In fact, Prosecutor Cox is merely fulfilling his duties as a Nixon appointee in thoroughly investigating the criminal charges he was hired to investigate.

Kraft concludes: Cox is in the best legal position to request the tapes, and should Nixon refuse to release them, Cox—

Can dramatize what more and more people are coming to understand—that the fit place for dealing with the President's role in Watergate is an impeachment proceeding.

I am including at this time the full text of Mr. Kraft's column:

COX'S TAPE CASE

President Nixon might have half a leg to stand on if he were only battling the Senate Watergate Committee over access to the tapes of his phone and office conversations. But unfortunately for the President, special Watergate Prosecutor Archibald Cox is also after the tapes.

Cox has an overwhelming case. If he is forced to press it all the way, he is in a position to engage the Supreme Court, divide the Administration and push Congress further down the road to impeachment.

The Cox case for access to the tapes is more weighty than the case of the Watergate Committee for a variety of legal and political reasons. For one thing, there is the separation of powers issue.

Nixon is the head of the executive branch of government, and the Senate Committee is part of the legislative branch. Each branch is entitled to a certain confidentiality in its deliberations.

Thus there is at least the color of an argument for the proposition that Nixon can keep the inner deliberations of the White House away from the Senators. If nobody else, tendentious lawyers can confuse the issue by arguing that the doctrine of executive privilege entitles the President to withhold the tapes from the committee.

But Cox is part of the executive branch. He was appointed by Nixon's Attorney General, Elliot Richardson, with the assent of the President. To claim, as the White House is now doing that he would breach the separation of powers by using the tapes for proceedings in court is absurd.

It is like saying that if the President and Ron Ziegler decided to bump off Pat Nixon, a duly authorized special prosecutor would be denied access to the evidence because of executive privilege.

For apart from eliminating the phony constitutional issue, Cox's position heightens the true issue—the criminal issue. The basic fact in the fight for the tapes is that they contain evidence of criminal action. For example, the tape of the President's meeting with John Dean and H. R. Haldeman on Sept. 15, 1972, which Cox has specifically requested, will show one of three things.

Either Dean committed perjury in telling the Senate Watergate Committee he was congratulated by the President for his role in the cover-up. Or Dean and Haldeman participated in the cover-up (and the obstruction of justice) without the President's knowledge. Or all three were involved in the crime of obstructing justice.

There is no excuse in the common law or the Constitution for any person to withhold evidence of a crime. Indeed the present Supreme Court, in an opinion last June, cited Jeremy Bentham's dictum that not even the Prince of Wales or the Archbishop of Canterbury by the Lord High Chancellor could withhold evidence of a crime.

But Cox's mandate, as an official of the Justice Department, is precisely to investigate crime. His directive from Attorney General Richardson gives him "full authority for investigating and prosecuting . . . all offenses arising out of the 1972 presidential election." Thus, in resisting Cox's demand for the tapes, the President is standing on the weakest possible ground. He is refusing the most fundamental of his duties. He is refusing to execute the laws.

Finally there are the politics. Unlike at least some members of the Senate committee, Cox does not have an axe to grind. He has not aired grievances to the press or the public. Not even Nixon, in the fullness of his self-compassion, can argue that Cox has been trying to "get" him.

In these circumstances, Cox is in a strong position to go after the tapes. He is going to ask the courts to subpena the material. He will surely be able to take the case to the Supreme Court, perhaps convoked in extra-

ordinary session this summer. It is hardly thinkable that his request will be denied even by the Nixon court.

In addition, Cox has some credit to draw on inside the Administration. Attorney General Richardson, in particular, is under pressure to stand up for his man. If he doesn't, he will show himself to be a complete White House fink. If he does, there will be additional pressure on the White House to give way.

Lastly, Cox can go public. Apart from the few documents he has already released, he has an abundant correspondence with J. Fred Buzhardt, the White House counsel on Watergate. It runs from the end of May to the present. It shows who has been careful, responsible and patient in an effort to discover what happened. It shows who has been uncooperative.

What all this means is that Cox not the Senate committee, should lead the battle of the tapes. He has by far that best case. He can give Nixon and his legal hirelings a taste of the truth that they will never forget.

If he does not finally acquire the tapes, he can dramatize what more and more people are coming to understand—that the fit place for dealing with the President's role in Watergate is an impeachment proceeding.

AMERICAN PROSPERITY?

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. BRASCO. Mr. Speaker, the other day we began to witness what may go down in history as the most disastrous rises in food prices in American history.

After 5 years of tinkering with a national economy they do not understand, the administration economic wizards have finally succeeded in creating the worst of all possible worlds.

We appear to be headed for a recession which will surpass those of past years. Lumber prices are out of sight and we are unable to construct adequate housing for millions of Americans. Yet logs cut in national forests are shipped to Japan.

Wool is skyrocketing in cost, causing clothing prices to rise, yet raw American wool is shipped abroad for fat profits.

We are paying much more for bread and related products because of the Russian grain deal, which it now seems involved windfall profits for a few major grain trading companies.

Most of all, we have watched as the most affluent society in the world has been confronted with shortages. Only this administration could have taken bulging warehouses and converted them to empty store shelves; hamburger at $1.25 per pound and eggs at almost $1 per dozen; pork products increasing by 25 percent over the weekend and chicken over the same period going up some 10 cents per pound, shooting the price of the average drumstick up to 50 cents.

Inflation is climbing at an alltime rate. Interest rates are at obscene levels, with a prime rate of 8½ percent leading the pack. Mortgages are virtually out of reach of practically every American family save a wealthy few.

Abroad, the dollar is losing value daily and becoming an object of financial questioning rather than a sought after currency.

Our troops in Europe have been reduced to penury and inability to compete for necessities of life because of this state of affairs.

Meanwhile, Earl Butz, that good friend of the consumer, admits that prices will rise and that meat will be seen less on the tables of working people. Of course, that will not affect him directly, because he is immune to the trials confronting the average working man and woman.

Wages lag far behind prices, as the largest corporations in the Nation announce the greatest profits in industrial and commercial history. Fine reading for majority stockholders. Sad news for the scores of millions of consumers and workers whose labor and deprivation has gone into guaranteeing coupon clippers continued luxury.

What do record profits mean to the workingman who cannot afford to buy his children decent shoes? Or to a wife who can only afford hamburger twice a week? Or to the harassed commuter working a second job to make ends meet?

Unenlightened tinkering with a healthy economy has brought about financial and economic catastrophe second only to the Great Depression of the thirties.

The American people are coming to understand fully that for the past 5 years we have had government of the few, by the few and for the few; who profit by the travail of the many.

The administration, safe within a cocoon of security, has not come into contact with the realities other Americans confront daily. They have no idea of what it is like to struggle to put bread on the table, clothe the family and better one's lot in life.

We must have a rollback of price hikes, strict controls on all prices, and a policy of raw materials and commodities for Americans before any are shipped abroad for foreign consumption.

SHORTSIGHTEDNESS OF SUDDEN EMBARGOES

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. HANNA. Mr. Speaker, the way in which export controls were recently imposed, particularly on agricultural commodities, represents a dramatic reversal in American export policy. Assurances were given to us and the world that existing export contracts would be honored and that we would consult with our trading partners before taking any action. Nevertheless, the administration's decision was to break contracts and move unilaterally to the still-reverberating shock of our trading partners.

These kinds of international jolts which have become the hallmark of the administration's economic style indicate that basic economic decisions are the outcome of short-term political considerations rather than long-term policy planning. Stumbling from one crisis to the next, from emergency to emergency, from constant denial to unexpected affirmation, can only exacerbate our long-range international economic difficulties. Short-term remedies are no solution to a long-range problem.

The international economic world is a delicately balanced environment. Unexpected jolts to one part of the system bring predictable reactions from others which will most assuredly impose long-term costs on ourselves. There is the cost to the international stability of our currency, to the American farm sector which received 16 percent of its receipts from exports last year, to our ability to expand our export markets so necessary to our balance of payments, and to our trading partners whose cooperation we so definitely need in a world of growing interdependence.

What makes this most recent chapter in our economic stumbling so tragic is that it might well have been prevented by a farsighted administration dedicated to the imperative of long-range economic planning. For at least the last 5 years, we have been aggressively pursuing an expansion in our agricultural exports; but, the surplus mentality of the administration's agricultural state of mind until most recently has stubbornly resisted any meaningful attempt to increase agricultural supplies.

We waited so long that all moderate options were foreclosed. It was certainly no secret that the world demand for protein had been dramatically increasing and that the stimulus of two dollar devaluations would make American commodities just that much more attractive. A farsighted administration would have been prepared for this increased demand, and even if it were not entirely prepared, it would at least have gone to our trading partners to seek their cooperation in helping us bear some short-term costs for the long-term benefit of all. Instead, we have had a policy leading to rising prices, broken contracts, and the slaughtering of baby chicks.

Mr. David J. Steinberg, executive director of the Committee for a National Trade Policy, understands well the economic interdependence of the modern world and the need for long-term economic planning. His recent testimony before the Senate Subcommittee on Foreign Agricultural Policy makes the basic point that we simply cannot afford to use our trade policy as the whipping boy for our domestic failings. His remarks are well worth our attention.

TESTIMONY OF DAVID J. STEINBERG

We impose export controls pretty much the way we impose import controls—poorly, meaning irresponsibly. We reduce the flow of imports and exports almost as if what is involved is plumbing, not the profound policy issues that demand astute analysis and meticulous management.

The recent controls on exports of scrap steel and various agricultural products should be made as equitable and as temporary as possible. This effort should receive the close, cooperating attention of the affected industries, the Administration and the Congress. But it is not too soon to ponder the serious trade policy implications of these

controls, the shortcomings in our approach to these issues, and the need for reform. The major trade legislation now before Congress is called the Trade Reform Act of 1973. The trade reform to which we should be giving our attention is even more far-reaching than what seems intended in that important legislative proposal.

No aspect of national trade policy is more crucial to our image, our leverage and our overall ability to advance the total national interest than the standards we employ in restricting imports as an aid to domestic adjustment and in restricting exports as an aid to price stabilization. Waiting for crisis to arouse government attention to the impact of imports on our weaker industries, or to the adequacy of supply to meet marketing commitments at home and abroad, can hardly be called responsible policy. Nor can readiness to restrict imports or exports in response to overly permissive criteria for such extraordinary measures be called a responsible answer to these problems. Certainly recourse to import or export controls without a coherent, comprehensive, constructive attack on the real problems and real needs of the particular sectors of our economy cannot be said to meet the exacting test of responsible approaches to these issues.

IMPORT CONTROLS

The instances of irresponsibility in our recourse to import controls seem as many as the imports that have been restricted. A few recent examples are illustrative.

We restrict imports of textiles but have no coherent policy dealing with the real problems and needs of this large and important American industry. We restrict imports of steel, but have no coherent policy dealing with the real problems and needs of this large and important American industry. The fact that these import controls are through export-control arrangements with supplying countries does not alter the fact that these are import restrictions. Thus, we have a textile trade policy but no textile policy, and a steel trade policy but no steel policy—no policies that include and require a deliberate effort to phase-out these trade restrictions.

Imports of petroleum were restricted 14 years ago, but there was no coherent policy dealing with the basic problems and needs of the petroleum industry—with the national security issue (the need to establish a secure mobilization base) which officially motivated these import quotas. If a coherent petroleum policy, in the context of a coherent energy policy, had been adopted as the policy framework for such import controls, the present energy crisis might have been averted or at least ameliorated.

In the agriculture area, Congress established controls on meat imports in 1964, even though most of these imports—used for hamburger and luncheon meats—are complementary to, not competitive with, U.S. production. There was never a coherent cattle policy including a deliberate effort to terminate such restrictions. The quotas have now been suspended to help combat inflation. But repeal of this legislation is necessary to induce foreign suppliers to program adequate production for the U.S. market at a time of world-wide shortage. Suspension of the quotas is not enough. The interest of Congress in this issue is less than impressive.

Dairy imports were progressively restricted, but without a coherent dairly policy aimed at freedom for the American consumer no less than justice for American dairy farmers. Cheese import controls were recently eased by Executive Order as an anti-inflation measure. But the farm bill now before Congress would tighten the controls, and the version passed by the Senate would limit dairy imports to 2 percent of consumption. Is this any way to prepare for trade negotiations? Is this any way to fight inflation?

EXPORT CONTROLS

Our recourse to export controls is no more impressive than our recourse to import controls, doing comparable harm to our trade position and our trade policy objectives. In the case of agricultural products, we seem to have waited for a crisis, then to have employed crash answers which are the usual by-product of such mismanagement. Poor crops in various parts of the world contributed to the shortages that led to the controls. The sharp drop in Peruvian fishing was another factor. But mother nature is only partly to blame. Planning for the contingencies of a clearly inflationary American economy, and for exports so crucial to our balance of payments, appears to have been less than adequate. Our basic agricultural policy of the last four decades may be somewhat at fault. But, beyond that, more attention might have been paid to the indicators of a growing problem—the price trends in the problem commodities, and the rising foreign demand. The storm warnings were there to be read and heeded. If export controls had to be imposed, the controls could thus have been more orderly, and more equitable to all concerned, than the blockbuster edicts that shook much more than the contractual commitments that had been negotiated. They also shook world confidence in our economic management and ultimately our currency. The impact on the credibility of our demands for freer access to foreign markets for our agricultural commodities may be considerable.

Lack of confidence in our ability to manage these things in an orderly fashion—as well as past experience with our propensity for trade controls as an answer to import impact problems—many have induced stepped-up orders for certain products in anticipation of export controls. If so, the supply problem was thus compounded. The Russian grain deal also had an effect on the supply problem, the sharp rise in prices, and foreign expectations about the way the United States might react. The recent government requirement that exporters of various agricultural commodities report weekly on new foreign orders is a useful step. Better planning would have required this much sooner. Too many horses have departed through too many barn doors.

Putting aside the question of whether a scrap shortage actually exists, it is reasonable to suppose that, if we had a coherent steel policy as the framework for whatever help the steel industry needed from government, the scrap situation would have been one of the many things kept under continuing review. Better decision-making by industry and government might have resulted. Now that we have added controls over exports of scrap to controls on imports of steel, we ought to proceed with a coherent steel policy addressed constructively to the real needs of the steel industry and to phasing-out these trade controls, indeed doing our best to avoid future recourse to such restrictions.

Regarding the agricultural commodities, we should adopt coherent policies addressed, not only to the fairest administration and quickest removal of the recent export controls, but to preventing recurrence of the supply crises that led to such restrictions. I am not aware that our intentions and preparedness in this direction have been made crystal clear to all who are intimately concerned with this issue at home and abroad.

These shortcomings in U.S. import and export policy play havoc with investments in trade promotion. They also aggravate a widely held suspicion around the world that the United States exports its problems. The world may no longer catch pneumonia when Uncle Sam sneezes, but it sure shudders at any symptom of American discomfort, and at American action harmful to their own interests. Present injury, and uncertainty over future policy, tend to generate resistance to U.S. overtures in trade and other policy areas. They may induce even more protectionism as some of these countries decide to protect themselves against the unreliability of U.S. exports.

The time has come, it is long overdue, for an American initiative aimed, not only at greatly needed reforms in the world trade and monetary system, but at a grand strategy to program the dismantling of all trade barriers by the economically advanced countries and to eradicate hunger and poverty everywhere. The role of American agriculture needs no elaboration here. The American government should call upon the American economy to gear for this objective, and should facilitate the necessary adjustments. We should plan for abundance. The demands on sound policy management by government will be just as exciting as those on sound management by American industry and agriculture.

We have no such over-arching objective today. We are not ready for the effort. Nor are we preparing for it. Trade controls and other economic distortions will continue, and more will germinate, in this climate of uncertainty over goals to be sought and how fast to seek them.

THE ROLE OF CONGRESS

An agricultural emergency has now been added to a Southeast Asia crisis, a trade policy crisis, an international monetary crisis and other emergencies for American policy. For the United States to perform well in handling these emergencies, our system of government will have to work well. This means, among other things, adequate Executive accountability to Congress, meaning adequate Congressional surveillance of Executive performance in these policy areas. Adequate Executive accountability and Congressional oversight require something more than sporadic Administration appearances before Congressional committees. Certainly while an emergency lasts, the Agriculture committees of both houses should require the appearance of top echelon Agriculture department officials before these committees to report on progress being made in removing the export controls and in ensuring adequate supplies of these commodities for both the U.S. and foreign markets beyond the present crisis. (An appropriate committee in each house should require similar testimony from the Department of Commerce with respect to export controls on scrap iron and steel.) Although legislative responsibility for export control rests with another committee in each house, the Agriculture committees have a unique responsibility to concern themselves in a systematic way with the administration of agricultural export controls and with policy planning aimed, not only at the quickest removal of these restrictions, but at preventing such crises in the future.

The Agriculture committees with respect to agriculture, and other committees with respect to manufacturing, mining, fishing and labor, also have a special role to play in Congressional oversight regarding the forthcoming trade negotiations and the adjustment problems that may arise in the wake of dismantling tariff and nontariff barriers. The need for an adequate adjustment strategy to backstop the progress that must be made toward an increasingly open world economy is an issue for which the United States is not well prepared and with which the Congress has not adequately concerned itself.

OUR FLAG SPEAKS

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. HASTINGS. Mr. Speaker, recently there has come to my attention a most

impressive sermon which was delivered by Dr. Wilton E. Bergstrand in Jamestown, N.Y., to his congregation.

Because I feel this is a very timely and worthwhile message deserving the attention of all Members of Congress, I am submitting it for the RECORD:

OUR FLAG SPEAKS

(By Pastor Wilton E. Bergstrand)

I am the flag of the United States of America. On June 14, 1973, I celebrated my 196th birthday.

I was conceived in dreams of liberty.

I wave proudly over a nation of two hundred and ten million diverse people—over a nation of nations.

There are some who still say that the sewing basket of Betsy Ross was my cradle; that with the help of a Lutheran Ladies' Aid Circle in Philadelphia I took shape according to the specifications of General George Washington.

I float in majestic silence from sea to shining sea—from California to New York Island—from the Gulf Stream waters to the 3,000-mile Canadian border where not a single hostile gun or bit of barbed wire is found.

I flutter over a favored land, furled with mighty rivers and dotted with inland seas, an empire of thundering mountain ranges and deep-shadowed forests and rolling prairies and fruitful farmlands and surging, throbbing cities—whose endless ribbons of concrete carry a hundred million trucks and campers and busses and cars.

I am the flag of a young nation which has become the richest and strongest nation in history.

I am the flowering of five thousand years of man's deepest yearnings and bloody struggles to be free.

I am the century plant of human hope in full bloom.

I am hated with a bitter pathological hatred by all who could enslave the human spirit.

I represent the only new thing in history—government *of* the people, *by* the people, and *for* the people.

I am unfurled over a land which has to a degree hitherto unknown in the story of man opened her heart and her doors to the distressed and persecuted of the world—"Give me your tired, your poor, your huddled masses yearning to breathe free."

I ripple in the breeze over a land which has in a measure utterly unheard of elsewhere in the chronicles of the human race given billions to nations shattered by war and tattered by earthquake and battered by hurricane.

There is woven into my fabric the blood, and the sweat, and the tears—and the prayers—of forty-million immigrants—young people and young at heart, who ventured over stormy seas in plague-infested and scurvy-ridden schooners and braved countless dangers and endured incredible hardships in mankind's greatest mass migration; turning their backs on age-old patterns of special privilege and repression, driven relentlessly forward by a dream of new beginnings—the glow of adventure in their eyes, the glory of hope in their hearts.

I climb skyward at camp in the early morning propelled briskly by the eager hands of hungry boys and girls—to the sometimes uncertain toot of the bugler playing "Reveille".

I am lowered at camp before sunset, guided respectfully by the hands of those same boys and girls now weary from happy hours on playground and trail.

I am carried in procession to the right of other flags.

I am draped over the casket at military funerals—but never buried.

I am folded as tenderly and as carefully as a grandmother folds a precious heirloom from her wedding day.

I was fashioned from the sky: the stars sparkling like diamonds in the azure robe of night, the white clouds streaked with the crimson of sunrise.

In my upper left-hand corner—my canton—I capture the blue of the heavens—blue, which is the color of *loyalty*, of reverence for God, of sincerity, of justice, and of truth.

In my canton I also cradle a shower of white stars whose number has multiplied from 13 to 50—and these bright stars symbolize high and noble *Aspiration*—as well as unity, dominion, and sovereignty.

My red stripes represent *Love* and *Sacrifice*—the valor, courage, zeal, and fervency of a million Americans who have poured out a libation of their heart's blood and of other tens of millions who have lived sacrificially to make and to keep men free.

My white ribbons represent *Purity*—the nobelest in our dreams as a nation, cleanliness in life, and rectitude in conduct.

I am Francis Scott Key writing "O Say Can You See by the Dawn's Early Light?" I am a hundred other patriotic songs from "Yankee Doodle" and "God Bless America" and "This Land Is My Land" to "My Country 'Tis of Thee" and "Mine Eyes Have Seen the Glory" and "America the Beautiful."

I am a thousand history books.

I am tens of thousands of Memorial Day and Flag and Fourth of July and Veterans' Day orations.

I am a hundred thousand heroes and heroines such as Jane Addams and Patrick Henry.

I remind boys and girls of their forefathers who did noble deeds and deserve praise—or who sometimes fell far short of their dreams and need God and man's forgiveness.

I have been raised on many a battlefield: at the Battle of the Bulge, at Chateau Thierry and the Argonne, at Ft. McHenry.

I am immortalized in bronze along with the six Marines who hoisted me on lava-strewn Mt. Suribachi on Iwo Jima.

I wintered with Washington at Valley Forge.

I rode westward with Daniel Boone and Davey Crockett.

I journeyed to Gettysburg with Abraham Lincoln. I was there when Lincoln signed the Emancipation Proclamation saying: "Those who deny freedom to others deserve it not for themselves and, under a just God, cannot long retain it."

I am heartache and heartbreak, adventure and ecstasy.

I point boys and girls to the land they love—a land that has many and great faults to be sure, but which is still the best country in the world.

I wave over a land of hope—a land that still worries about her sores and her problems and lets the light of searching publicity and intelligence and moral earnestness play upon them—a land that airs her problems in press and radio and T.V. for all the world to see—a land that instead of hiding my blots and stains behind an Iron or a Bamboo Curtain lets all the world scrutinize them through a huge picture window.

Am I unraveling? It is high time to check my stitches: to check the loose stitches of racism and to work for 100% brotherhood; to check the faulty stitches of injustice; to check the snarled stitches of a moral permissiveness that is leading millions to new slaveries; to check the air in which I fly that it remain breathable; to check the water beneath my feet that it remain drinkable.

I call upon youth to *fulfill*, and *not destroy* the American dream.

I fly over a land that though she is often wrong about many things, has been right on target when it really counts for the preservation of freedom in our world.

I embody the rule of the majority and the rights of minorities.

I stand for the right of honest dissent—but I repudiate disloyal subversion.

My peril is citizens who decide they have a right to do what they please. My strength is people who are pleased to do what is right.

Those who would make this the land of the spree and the home of the knave would destroy me; those who would make me the land of the free and the home of the brave will plant me on even greater heights.

I stand for the responsibility of privilege. In my bunting the twin strands of privilege and responsibility are forever interwoven.

I spark the lips of myriad millions of boys and girls to pledge earnestly as they stand at attention, "liberty and justice for all".

I epitomize liberty in law—for only as each American respects the rights of others can he have freedom for himself.

I offer each generation the possibility of freedom: freedom of speech, freedom of the ballot, freedom of the press, freedom of assembly, freedom of religion. Yes, only the possibility—for each generation must prove itself worthy. Freedom is never free. It is the costliest thing in the world. New installments come due in each generation. Eternal vigilance is the price of liberty.

I represent a free arena where each person can boldly speak his convictions without fear of reprisal, in the calm assurance that ultimately truth will prevail.

I stand firmly for law and order—but always, always coupled with justice and mercy. Then law and order are not code words for repression—they are code words for social survival.

Woe to him who seeks to drape me around his unbridled greed or his arrogant bigotry or his cruel mistreatment of his brother!

Woe also to him who in pathological hatred insults me, tramples upon me, spits upon me, desecrates me, burns me, tears me from my standard and unfurls thereon an alien and hostile banner!

Thrice woe to him who diabolically seeks to make me an instrument of division, of discord, of distrust!

Floating tirelessly day and night on the breezes that blow on the hilltop—winter and summer—spring and fall—on the front lawn at Holy Trinity—alongside the Wayside Cross—I have become a Holy Trinity and a Jamestown landmark.

I fly proudly in the blackest night atop a thirty-five-foot flagpole, on whose summit is perched a golden eagle—all a memorial to a good man who loved his country and his God and his home.

I fly all night as a reassuring reminder that I am there in difficult times, in times of thick gloom and stygian inky darkness—proclaiming that there is hope for the morrow—that surely the brightness of dawn will come again.

I fly as a reminder to every passerby to pray for our country—to pray a prayer of thanksgiving—to pray that the God who governs the affairs of men will give our leaders wisdom, courage, strength—and that since they, too, are mortal men tempted and tested sorely, capable of making great mistakes—so prone to fall into the trap that "the end justifies the means"—and since we ought to avoid the trap of the pot calling the kettle black—let us earnestly pray that they may be recipients of Christ's forgiving grace.

I fly in the brightness of the spotlights as a symbol that in a democracy every dark and hidden thing will sooner or later be revealed.

I ripple in the night breezes as a reminder that I have survived turncoats like Benedict Arnold, the rending of a Civil War in which brother fought brother, the lurid flames of riot and incendiary bomb, the oil spots of Teapot Dome, the bullets of assassins—and that I will continue to fly long, long, long after the splashings and bug spots from Watergate have been laundered out by the churning washing machine and the hot iron

of a free people and have become only a sobering—and, I trust, useful—memory.

I am the sum of the dreams of millions of boys and girls who on T.V. saw me planted on the moon on July 20, 1969, at 4:18 p.m. E.D.T. by two Eagle Scouts and a First Class Scout now astronauts. (Neil Armstrong is an Eagle Scout; Buzz Aldrin, a Life Scout; Michael Collins, the back-up man, an Eagle.)

I call the youth of America not merely to a life of affluence and gadgets, not only to feature comforts and power—I call them to work in their generation ceaselessly, tirelessly for the liberation of the human spirit, for the release of human potential, for the enhancement of the dignity of every person.

My motto is not merely "Live and Let Live"; it is "Live and Help Live".

I am a symbol of revolution—not a revolution of violence and hate, but a revolution of compassion and love.

I represent a way of effecting change without violence.

I stand for one nation indivisible—not black, nor white; not rich, nor poor; not north, nor south; not educated, nor uneducated; not young, nor old; not male, nor female; not unanimous, but united.

I have given the youth of America so much. Were they content with the failures or even with the partial successes of previous generations, I would be disappointed.

I rejoice in the discontent that impels youth to seek to reduce the gap between the American dream and the American reality. I call them to a lover's quarrel with America.

I have been in the days of yore a symbol of encouragement to downtrodden people in all lands yearning to breathe free.

I can be respected around the world only as each generation of Americans earns that respect.

I have no other character than that which the American people give me in each new generation.

Wise and good young people mean more to the insuring of my future than riches or arms without character.

Though I symbolize yesterday's achievements, I speak supremely of America's tomorrow—of the future.

At the top of my standard you will often find the bald eagle—the bird that flies higher than any other living thing—from the dawn of history a symbol of freedom, of strength, of courage, of contact with God.

I am known as "The Stars and Stripes"—"The Red, White, and Blue"—"The Star-Spangled Banner." I am "Old Glory."

The vision of me dancing in the wind often brings a lump in the throat and mist in the eyes and a hard-to-define feeling deep down inside.

George Washington in his Farewell Address said that three things would be needed if I were to continue to wave: Education, Religion, and Public Good Faith—a people possessing virtue and intelligence and trust in one another—a people knowing what is right and then wanting to do what is right in a partnership of equals, together.

When laws are made wholly wise and obedience is wholly complete—only then are men wholly free.

Only two flags are permitted to fly higher:

One is the U.N. Flag over the United Nations Building—for above all nations is humanity.

Then the Christian Flag in a service at sea floats above me—for Jesus Christ is the King of Creation, the Lord of the nations.

Every church proclaiming the gospel is a lighthouse standing guard over me.

Yes, my base is anchored in faith in God—for freedom is a spiritual quality. Only men free in spirit set themselves free.

A nation cannot long have the fruits of freedom without the roots of freedom—faith in God.

The rights of man perish unless they are rooted deep in the righteousness of God.

"Ill fares that land, to hastening ills a prey; Where wealth accumulates and men decay."

True liberty is freedom to do the will of God.

The ageless truths still stand: "Righteousness exalteth a nation; but sin is a reproach to any people."

And—"If my people, which are called by my name will humble themselves and pray, and seek my face, and turn from their wicked ways, then will I hear from heaven and I will forgive their sin and I will heal their land."

A country that interprets freedom of worship as freedom from worship instead of freedom to worship is on its way to losing its freedoms.

My white stripes remind the Christian of the spotless life of the Son of God. His sinless life was lived for sinful men.

My red stripes remind the Christian of the sacrificial death of the Son of God. His death was died for sinful men.

My blue field reminds the Christian of the eternal life Christ gives to his followers—the living hope of heaven.

If I am to endure, I must be grounded on other stars and other stripes—the stars and stripes of the Son of God, by whose stars we are illumined and by whose stripes we are healed.

What a land! To glimpe the future of an America redeemed is to share a mission with the stars; to control her destiny is to stand within the grip of the right hand of the omnipotent God—

What then to occupy this land for Christ!—not fitfully as the wind sweeps over the prairie, not fragmentarily as the field has won upon the forest—but searchingly, engulfingly, as the waters cover the sea!

Then—illumined by freedom's holy light long shall I wave over one nation, under God—the land of the free and the home of the brave.

And then shall this heaven-rescued land reverberate with praise to the Power that hath made and preserved us a nation!

BILL FOR FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. GONZALEZ. Mr. Speaker, today I am introducing a bill which I have introduced in past sessions, and which I sincerely hope will be successfully considered in this Congress. This bill is for a special group. Special because they work for others—for all of us. Because of them we all feel a lot safer and much more secure. They work in every State and city throughout the country and they deserve at least the same protection as they in their jobs provide for others.

I am speaking of our firefighters and law-enforcement officers. They need and deserve more than words of praise from both Congress and the public. They need a written mandate to insure their safety during the performance of their duties. These men are not machines. When an officer of the law or a firefighter is injured or killed by a felonious assault, it must not simply be written off as "part of the job." He is entitled to the same protection under the law as is every citizen. As it is a Federal offense for someone to murder me, so it should be a Federal offense for someone to take the life of a law enforcement officer or firefighter while he is in the performance of his duty. How ironic that he should be stripped of this protection which is afforded every citizen while he is essentially serving and protecting them. He too needs this protection to deter attacks on his own person. My bill guarantees him this protection.

I urge Congress to remember that these public servants are men and women. Men and women with families and homes similar to our own. They have chosen to unselfishly serve their communities and they deserve all the help and consideration for their personal beings as is possible.

It is my opinion that this measure should not even have been necessary—that our firefighters and officers should always have had personal protection from felonious assaults, but, that this is not the case, I sincerely hope that this Congress will expediently grant them this legislation which they so desperately need and deserve.

OPPOSE FOREIGN AID PROGRAM

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. LUJAN. Mr. Speaker, I welcome this opportunity to explain to my fellow colleagues why I am opposed to the foreign aid program.

For over 25 years, we have managed to somehow lavish worldwide give-away programs of which we have achieved little results. In fact, some of the programs have achieved the very opposite of what was intended.

For over a quarter of a century, the United States, with the help of Congress, has poured billions of dollars into the European Community of Nations. Yet, in the past 2 years, we have had to devalue our dollar twice. So I ask the question, "Has our foreign aid brought international monetary stability?" Clearly, the answer is "No."

Has this outpouring of our taxpayers' money strengthened our home economy? Has our generosity to our wordly friends helped our trading position overseas? Has 25 years and billions of dollars spent to protect our friendly nations been met with the same commitment on their behalf? Very simply, Mr. Speaker, the answer is "No."

Almost 5 million Americans are out of work here at home—yes, we continue to give foreign aid.

Since 1949, our international payments have been running in the red—yet, we continue to give foreign aid.

Our gold reserves have foreign claims against them approximately five times their amount—yet, we continue to give foreign aid.

Our Federal budget is still soaring; $246 billion in fiscal year 1973 to $260 billion for fiscal year 1974—yet, we continue to give foreign aid.

Our deferral debt, which is approach-

ing the half-trillion-dollar mark, is costing us $1 out of every $10 that the Government spends—yet, we continue to give foreign aid.

We have aided countries that have turned around and have nationalized American companies and interests—yet, we continue to give foreign aid.

Over the years, Americans have given of their money over $140 billion in foreign aid. Two-thirds of our entire foreign aid programs were lavished upon countries that have repeatedly voted against our position in the United Nations. In 1972, a total of 58 nations, receiving American aid, voted against the United States in the matter of seating the People's Republic of China.

Mr. Speaker, I say that the foreign aid program in its present form is not helping this country and I urge a resounding "no" vote on this legislation.

KILLER SMOG IS NOT GOING AWAY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. BROWN of California. Mr. Speaker, I would like to call your attention to the critical air pollution emergency that is now occurring in the Los Angeles air basin. Here in Washington, where an alert is called when oxidant readings hit the 0.10 parts per million level, we really cannot appreciate just how bad it is in southern California. I suspect that we would close down all operations here in Congress and declare an emergency if the smog level in Washington ever approached the level which exists right now in my district and other parts of southern California. Back there we have an oxidant level higher than 0.10 almost half of the year; it is considered a nearly smogless day when the level does not exceed 0.10. The oxidant ozone level yesterday was 0.49 in Los Angeles County—not the highest we have had so far this year, but still nearly 5 times the smog alert level in the District of Columbia.

I would like to insert in the RECORD an article from this morning's Los Angeles Times which describes the situation in more detail, Mr. Speaker. The article follows:

SMOG EMERGENCY TO CLOSE U.S. AGENCIES HERE TODAY—AUTO TRAVEL WILL BE CURBED, MOST STAFFS REDUCED

(By Dick Main)

Federal agencies in five Southern California counties were asked to close their offices or curb activities today because of extremely high daytime smog levels expected at many inland cities.

It was the first time the recently formulated federal Emergency Air Episode Plan is to be put into effect.

Gordon Elliott, chairman of the Federal Executive Board at Los Angeles, said the action was taken Wednesday at the request of the regional office of the Environmental Protection Agency in San Francisco.

The plan actually calls only for curbing all unnecessary automobile travel, use of skeleton office forces, and urges essential personnel to use public transportation or car pools instead of their own vehicles to commute from home to work.

But its practical effect meant most federal offices will be closed today.

Elliott said there are more than 100,000 federal employees in the South Coast Air Basin which includes Los Angeles, Ventura, Orange, Riverside and San Bernardino counties.

NUMBER AFFECTED UNKNOWN

Elliott said he could not estimate how many federal employees would remain at home, explaning that office staffing requirements for today were left to the discretion of agency heads.

Many agencies subsequently announced offices would be closed today.

The Internal Revenue Service said all its offices in four counties—Los Angeles, San Bernardino, Riverside and Orange—will be closed today. Other IRS offices in Southern California will remain open.

Joseph Finnell, Social Security area director at Los Angeles, said all Social Security offices in the Los Angeles Basin will be closed.

Los Angeles city and county offices will remain open, however, spokesmen for those entities said.

State offices also will be open. However, in Sacramento, Gov. Reagan ordered an immediate halt to use of state vehicles except for emergencies in the smog-plagued parts of Southern California.

The governor's order covers downtown Los Angeles, eastern Los Angeles County and Riverside and San Bernardino Counties.

DRIVING CUTBACK URGED

Herb Campbell, director of the state Office of Emergency Services, also urged motorists in the Southland to cut back on nonessential driving.

The federal air episode order was issued on the second day of the worst smog siege of the year.

In Los Angeles County, the ozone count soared to .49 parts per million, just short of the .50 level for a first stage alert.

The .49 reading was recorded as the Air Pollution Control District's East San Gabriel Valley station.

It was the second highest ozone reading in Los Angeles County so far this year. The peak ozone count so far was .57 ppm recorded in Central Los Angeles on June 21.

Launche said extensive use should be made of car pools and rapid transit vehicles for essential trips.

"The desire for reduction in motor vehicle travel is especially important during the 6 to 9 o'clock morning rush hour," he said, "since it is during that period when motor vehicles, the major source of photochemical smog, contribute most of the smog problem experienced in the later afternoon."

OBJECTIVE TOLD

Elliott, who is regional director of the Veterans Administration at Los Angeles, said the Federal Executive Board, is comprised of representatives of all federal agencies in the area.

He said the decision to issue the Emergency Air Episode Plan for the entire coastal basin was made by the EPA because emissions from automobiles in areas where there is only minimal amounts of smog could drift farther inland, aggravating conditions where smog levels are much higher.

The order's purpose is aimed at reducing pollutant emissions from automobiles of both federal employes and persons planning business trips to federal agencies, he said.

He said the EPA hoped that similar plans would be established by other governmental bodies as well as private industry.

SECOND ADVISORY

Meanwhile, the National Weather Service issued its second air stagnation advisory within two days, but said a high-pressure ridge aloft which is creating the low temperature inversion is shifting northward. This may permit an onshore flow of sea air and lift the inversion slightly, the service said.

I am pleased to note, Mr. Speaker, that Federal Government agencies will not be worsening the smog situation in Los Angeles today, even though the administration and many of our colleagues have thus far not seen fit to support strong measures to improve the situation. I would particularly like to commend those individuals within the Environmental Protection Agency who are fighting against all manners of special interests to clean up our air.

If I may take just another moment, Mr. Speaker, I would like to read from an article which appeared in the San Bernardino Sun on July 11, which describes the smog levels recently in my own district. Smog is even worse there than it is in the city of Los Angeles, you will note:

FONTANA AND RIVERSIDE ARE SMOGGIEST IN AREA

(By Mary Ann Galante)

First stage smog alerts were called yesterday in the Central Valley and Riverside, as skies remained sunny and temperatures warmer.

A first stage smog alert was called at 2:40 p.m. in the Central Valley as the oxidant levels in Fontana reached a peak of .55 parts per million. Yesterday's smog alert, canceled at 4:20 p.m., was the second in two days for the Central Valley area.

The Central Valley smog alert was only the third since the smog alert criteria was established in 1970 by the San Bernardino County Air Pollution Control District. The first one was on June 6 of this year.

A first stage smog alert is called in San Bernardino County when the oxidant surpasses .50 parts per million for more than 15 minutes.

A first stage smog alert was called in Riverside at 1:35 p.m. yesterday when oxidant levels hit a peak of .32 parts per million. First stage alerts are called in Riverside when the oxidant reaches .27 parts per million for more than 15 minutes.

The APCD has predicted moderate smog tomorrow in the Central Valley.

Of course, "moderate smog" in the Central Valley refers to a level of air pollution that we would consider deadly were it to appear suddenly here in Washington. And we would be right. It is deadly.

As you know, Mr. Speaker, I have spoken of this situation many times before. And I will continue to speak about it, until such time as this body decides to ignore the pressure from special interest groups and consider the basic right to breathe clean air which is being denied my constituents.

S. L. A. MARSHALL: DOUBTS ABOUT THE VOLUNTEER ARMY

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. NEDZI. Mr. Speaker, I have had reservations from the beginning about the wisdom of an all-volunteer force. These reservations continue.

A probing and challenging analysis of the weaknesses of an all-volunteer force recently appeared in the Norfolk Virginian Pilot, written by a respected military analyst, Brig. Gen. S. L. A. Marshall (retired).

Under leave to extend my remarks, the article follows:

[From the Norfolk Virginian Pilot, July 15, 1973]

COLD PROOF OF VOLUNTEER ARMY NEEDED

(By Brig. Gen. S. L. A. Marshall (retired))

The 91–0 confirmation vote by the Senate reflects an extraordinary confidence in the abilities of James R. Schlesinger to head the Department of Defense. He will merit it if he avoids the trap into which research scientists frequently fall—that of failing to distinguish between minor concerns and the all-important values.

The extent to which the game of make-believe enters into the preparation and presentation of military policy is hardly a value but rather a present and pressing danger. The hard realities get brushed aside out of the will to be pleasing and to put the best possible face on things. Not how things are but how they can be made to seem becomes the guideline.

There is no example of this practice that is more illuminating than the handling of the all-volunteer force undertaking over the past five years. All along the selling job, meaning the effort to persuade the Congress and the public that the program is both desirable and feasible, has been as expansive and possibly nigh as costly in dollars, as the recruiting drive, which is unprecedented.

This campaign got under way when President Nixon concluded, soon after his first election, that under the stresses of the Vietnam War the nation had wearied of selective service and therefore the alternative had to be proposed and studied. Little resistance to this departure was to be noted in the Congress, the draft being almost as obnoxious to the politician as is foreign aid.

So the Gates committee went to work and labored long before publishing a favorable report more noteworthy for its wishful thinking than for its common sense. It implied, not more clearly than mistakenly, that it would be as easy to recruit for the Army as for the Navy and Air Force, and for the combat arms as for the supporting services. It concluded that if pay could be made competitive with what civilian life offered, American youth would respond in the desired numbers and quality.

None of this squared with the lessons of our national experience. Moreover, a collateral study made by the Army, and done more realistically than the Gates survey, had reached quite opposite conclusions. It said the final 15 percent or so could not be procured whatever the monetary inducement.

Yet once the decision was made everyone in the military had to join step in full support of the program, professing or pretending that the aim was sound, that it would bring about a heightened professionalism and that the program was certain to go over, despite the manifest obstacles. When the recruiters' periodic reports did not support the cheerleading act, some reason was found to discount them, and the cheering went on.

Ironically, the military as a body was never polled on the issue, though service people do have a very special interest in what is best for the national defense. It is therefore simply a speculation that had there been such a referendum, it would have revealed that in the overwhelming majority, people in uniform believed that:

1. Ending the draft is a major blunder.
2. The all-voluntary force will fall short in numbers and quality.
3. The reform would impose a new barrier between the services and the people though their love affair already is chilled enough.

So where are we now? Some days ago at a symposium of researchers and military types. I heard a scientist describe the all-volunteer idea as a "national disaster," and though that was doubtless an exaggeration, no one arose to give him an argument. What seems clear enough is that the Pentagon's program managers radically underestimated the costs of the reform, including the extravagant bonuses, and that some of the force reductions, closings and other derailments now taking place are consequent to that miscalculation.

What seems still more clear is that the force levels, as set by the Congress, will not be forthcoming, and that the critical short fall will be in the Army. Even where the numbers are sufficient, many of them will be substandard in quality. The recruiters are caught between the devil and the sea. The all-American boy type that personnel policy demands isn't queuing up to enlist. If the recruiter doesn't get the numbers, he is washed out. If he cheats to get the numbers, he is investigated and may be charged.

Nothing more is suggested here than that it's time for Defense to take stock, look reality in the eye and cease duping itself and kidding the people. Either the positive proof should be present that the all-volunteer force is assured or there is no reason to believe that it will ever succeed.

PAUL WANZO PERSONIFIES PATRIOTISM

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. MILLER. Mr. Speaker, it is with a great deal of personal pride and pleasure that I bring to the attention of my colleagues in the U.S. Congress, the record of a man whom I feel personifies love of country and devotion to service.

Though I am confident that my fellow Members of both the House of Representatives and the Senate could also readily cite records of men and women residing in their respective congressional district and States who, likewise, have devoted their energies to keeping America strong, I would like nevertheless to take this opportunity to ask my colleagues to join me in paying special tribute to Sgt. Maj. Paul E. Wanzo, retired, of Marietta, Ohio.

Though I have been aware of Paul's many community activities for some time now, it was not until we were recently contacted by the members of Veterans of Foreign Wars Post No. 5108, of Marietta, and Washington County Veterans Service Office, Fred Phelps, that I first learned the full extent of Paul's contributions to the city and his recent designation as a "Super Citizen" of Marietta.

Formally recognizing him as such, Marietta Mayor James F. Schweikert recently presented Paul with a Public Service Certificate of Appreciation which I feel summarizes my reasons for honoring Paul Wanzo here today. I would like to quote from that award:

Whereas Mr. Paul E. Wanzo, during many years has contributed greatly to the spirit of patriotism by participating in Veterans affairs such as 1,817 flag raising, 205 Veterans' parades and 389 Veterans' funerals in the county; and served his City, State, and Nation with distinction as a member of the United States Army during World War II, thereby setting an example for all patriotic citizens of this Country.

Now therefore, be it resolved that it be known into all men that by issuance of this Certificate of Appreciation we acknowledge this outstanding man and his many accomplishments in bringing recognition and attention to our area and do further express to him our sincere thanks for a job well done.

At the State level, State Senator Robert Secrest offered a resolution of praise and recognition which was subsequently approved by the full Ohio Senate appropriately on the eve of this Nation's 197th birthday.

Mr. Speaker, all too often in this day and age the patriotic people who reflect the admirable characteristics of our forefathers are not given due notice for their service by the news media or the government. I want to see that Paul Wanzo—and the millions of other Americans who exemplify the spirit of America—be afforded the recognition which they never request, but certainly deserve.

In so keeping, I have recently written the President, asking that an appropriate letter or certificate be given Paul Wanzo to underscore our gratitude for his service. Paul Wanzo was born at Jackson, Ohio, August 25, 1903. At the age of 3 his family moved to Marietta where he was raised and received his education. He is the father of six children of which four have followed in their father's military service footsteps. He also had three grandsons who served with honor in Southeast Asia. Paul served in the Army during World War II and was discharged on August 23, 1945. Upon his return to Marietta, he became very active in local veterans' groups. He is the past commander of the Disabled American Veterans, Post 52, past post commander of the American Legion, Post 714, and honarary commander of Veterans of Foreign Wars, Post 5108.

In 1949, he joined the Ohio Defense Guard where after 23 years of exemplary service he retired a sergeant major.

I commend all the local officials and Paul's many Washington County friends who have honored their fellow resident as they have and I hope that his example will serve to encourage others to serve America as honorably and adequately.

CREDIT CARD VICTIMS

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. TIERNAN. Mr. Speaker, it has come to my attention that many credit card users may have unsuspectingly been victimized by speculative practices of the major credit card firms.

By speculating on the weakening American currency these firms can increase the price their cardholders must pay for items purchased in foreign countries. The method used by these firms to overcharge their customers is slightly camouflaged but rather simple. For example, a tourist makes a purchase before the devaluation using his credit card in a foreign country. If the purchase is made

in the middle of January for 100 marks, he calculates it at the existing exchange rate to be 31 U.S. dollars. But the credit card company may not bill the purchaser until long after the devaluation. Since the credit card firm does not set the exchange rate until it processes these foreign purchases, it can hold charges by its cardholders for months while the dollar continues to slip. Then, at the billing date the purchaser still owes 100 marks but calculated under the new exchange rate he is billed 43 U.S. dollars.

The delay in billing may be caused by two different factors. The foreign merchants may be holding the charge slips to take advantage of a rise in value of their currency versus the U.S. dollar. The other factor might be a delay in billing by the credit card firms.

If the credit card firm has promptly paid the foreign merchant the amount charge, the increased price because of the delay in billing comes right out of the pocket of the customer and into the coffers of the credit card firms. This increased cost can be quite astounding. If one had budgeted $1,000 to spend on a European vacation in Germany during January he would spend approximately 3,210 marks. But when his bill comes in July his purchases will cost $1,380, based on the exchange rate in that month, an increase in cost of 38 percent.

I have asked the Justice Department and the Federal Trade Commission to investigate this matter and would advise anyone who has been to Europe in the last 8 months to check their statement to see if they have been overcharged.

HENRY KLOSS—THE LAST OF HIS KIND

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. JOHNSON of California. Mr. Speaker, I rise today to recognize an old friend, and a dedicated public servant, Henry Kloss, county supervisor from Sacramento County.

For more than 35 years I have known Henry and worked with him on matters relating specifically to the development of our water resources in the State of California and the Nation, and in other matters relative to local and State government.

Henry is an outstanding example of what our Nation needs in government at all levels—local, State, and Federal. I am proud to have known him and worked with him over the years.

The other day his leadership and service to his people was recognized in an article published in the Sunday, July 15 edition of the Sacramento Union. Staff writer Jim Lewis does an excellent job in capturing the spirit of Henry Kloss and his dedication to his people, his district, his county, and his Nation. At this point I insert in the RECORD the article entitled "Kloss the Last of His Kind," by Jim Lewis:

HENRY KLOSS—THE LAST OF HIS KIND

Henry Kloss is perhaps the last of the Sacramento County supervisors who can visit his district with his boots on, step in something and not worry about it.

Once, all county politicians looked a little like Henry Kloss, probably because most of them were in the same kind of business—farming or ranching.

But in this neck of the woods, Kloss is the last of his kind—a true country supervisor. He is in his late 50s, about 6 feet 2 and 220 pounds. When he shakes your hand you think you've latched onto the small end of a big ham.

Kloss can milk cows and swap crop stories with the best of 'em, but he also can use his pocket knife to cut through some of the maze of bureaucratic red tape for his constituents.

He displayed some of these talents during a recent trip through the south county half of his sprawling district that goes to the east county line and all the way to the Delta past Isleton.

"My district has a thousand miles of roads in it," he said. "I average hundreds of miles a month just covering it on county business."

Starting one morning last week and concentrating on the southern portion of the 5th Supervisorial District, Kloss went to the old Brown Cemetery north of Elk Grove where weeds are being cut, fences built and the 120-year-old graveyard restored to respectability.

"It took me six years, but we finally got the county to take this over," Kloss said as he looked at a stone which told of the demise of a settler in 1855.

"It won't take long for this to look good again. This cemetery is one of the last in my district that the county hasn't gotten into good shape yet. I had the whole history of it and gave it to the cemetery district secretary," Kloss said.

Kloss's family came to the Sacramento area about the time the cemetery got its first occupants. One of his grandfathers didn't make it to any California cemetery—Indians killed him on the way from Missouri.

We got into the car and drove to Galt, where Bill Spaans, the Galt Man of the Year, greeted Kloss in front of his cookie factory.

They talked about the wholesale cookie business and then the talk drifted to days when Spaans and his father followed the threshing crews in Michigan with their version of today's sandwich wagon.

Then over past the Eucalyptus groves jealously protected by the area residents, and on the county's newly greening park and lake near the Rancho Seco nuclear power plant.

Kloss got out of the car, his walk a combination of John Wayne and a guy walking behind a fast mule. "This Acacia tree's gonna live," he observed.

We looked at all the little fish in the new lake and Kloss told a story about bigger fish in one of the lakes near the Sacramento River, and his frequent talks with Ray Arnett, chief of the State Department of Fish and Game.

A reporter observed that Kloss also is on talking terms with a good number of state and federal officials, especially those who have anything to do with water.

"I'm on a first-name basis with every one of 'em. If you expect to get anything done, you have to know who to go to," Kloss replied.

Kloss's district is bearing a number of major issues in the county these days—the Rancho Seco plant is becoming more controversial, the possibility of a Hood-Clay connector for greater American River water flow is a continual concern, the expansion of the Central Sewage Treatment Plant raises tempers and discussions.

What do people in the south part of the county want from county government more than anything? a reporter asked Kloss. "They want to be left alone," Kloss answered.

Back across the rolling brown grasslands around Rancho Seco to the safflower fields on the east side of the Sacramento River and down to the pear orchards above Locke.

"Hello there, you ol' cow juicer, you," said one of Kloss's neighbors in Locke. He referred to the fact that Kloss oversees the milking of 70-odd cows a day.

There also were conversations with a creamery truck driver, a restaurant owner and a dozen tomato pickers assembled to have a bite or two of peanut butter and one of the steaks at Al's Place, better known as Al the Wop's.

Kloss told of being persuaded to run for supervisor in 1964 and of his practice of not carrying money from one campaign over to another.

"If you can't make it from one to the other without that, then the hell with it."

Back up to a pear orchard with Jack Molino, owner of several fair-sized chunks of property in that area. "Looks like it's gonna be a good crop, Jack," Kloss said.

Molino noted how the pears were in clusters of four, five and six this year—a good sign for orchard owners.

At Isleton, Kloss talked with John Golden, who works in the county agricultural commissioner's new office there.

On around the bend, across the river near the Spendrift Marina where the levee crumbled last year and flooded Isleton and Brannan-Andrus islands.

Kloss noted the need to import solid material to shore up the spongy levees and said he had discussed the problem with Corps of Engineers representatives.

It's mid-afternoon now and Kloss points to two marinas with several hundred thousand dollars worth of yachts, cabin cruisers and assorted fancy boats tied up.

County Assessor William Lynch noted that the boats added considerably to the valuation on the unsecured property tax roll this year.

Elk Grove Park is one of Kloss's best showcases. He pointed out that next year a national softball tournament will be held there on a newly lighted diamond.

"This is one of the facilities where people can actually see what their tax dollars went for," Kloss said. But he grumbled at rising costs of construction.

Back into downtown Elk Grove. Tired. "Just remember, this was only half of my district. One of these days we'll go to the other half."

The day of the next board meeting, Kloss was dressed in a blue suit, just like any other city slicker. He even talked like one a little bit, as sophisticated issues came before the board.

But he's never able to hide those hands or his sunburned bald head or to keep from getting enthused when someone talks about preserving the farms in Sacramento County.

RATS-DESERTING-THE-SINKING SHIP DEPARTMENT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. BROWN of California. Mr. Speaker, it has been impossible to avoid noticing in recent months the steady stream of departing White House aides and advisors. As the evidence increasingly points toward direct involvement by the man in the oval office, and as Mr. Nixon shows himself unwilling—or unable—

to clear himself, people who used to lace their cocktail party conversations with references to their White House connections now talk about how they were really for Senator MCGOVERN all along last year. And even distinguished Republican Members of the Congress who supported the President's positions, no matter how illogical or foolish, on any issue that came to the floor over the last 4 years—even a few of these loyalists are now exhibiting a certain degree of independence.

In spite of these signs, however, I must admit that it took me by surprise when I read recently that evangelist Billy Graham is now telling people that he has not been in close contact with President Nixon for 18 months, and that his relationship with the President has been exaggerated. Mr. Graham, who recently made headlines with his Christian suggestion that rapists be castrated, was interviewed by the Minneapolis Tribune during a crusade in St. Paul, Minn. The resulting article, published on July 15, quotes the Reverend as saying:

> I don't see the President as often as people think I do. I haven't seen President Nixon to have a talk with him privately in 18 months. But there are a lot of people who would get the idea that I'm there every week or two.

He went on to explain that he felt it was a "very good thing" for a President to turn to a pastor for occasional advice and counsel, and he said that such relationships are not unusual. Then he added:

> I think in my case it has been greatly overplayed. I was fairly close friends with President Nixon until the time of the election. But after that the President becomes so busy and so occupied with other things that you're no longer in the circle at all.

Mr. Speaker, it is becoming perfectly clear just what "other things" Mr. Nixon was occupied with during the election. I would not be surprised to see his circle of friends grow even smaller before we get to the bottom of the Watergate affair.

ST. AUGUSTINE HISTORICAL RESTORATION AND PRESERVATION

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. CHAPPELL. Mr. Speaker, on April 8, 1973, an article appeared in the Washington Post that was highly critical of the historical restoration and preservation activities in St. Augustine, Fla. While the author makes criticisms of "vague claims and half-truths," perhaps these same adjectives would be best applied to the insinuations made by the author, H. P. Koenig.

The people of St. Augustine have worked long and hard to restore and reconstruct the city to recreate a time in our history that should be of interest to every American.

According to John W. Griffin, director of the Historic St. Augustine Preservation Board, Division of Cultural Affairs for the Florida Department of State:

> There are over 30 historic houses, dating from colonial times which have survived in St. Augustine. Eleven of these, approximately one-third, are located on St. George street. Seven were standing in George Washington's lifetime and the other four were built very soon thereafter.

Yet the author would have us believe that most of the buildings on St. George street "go no further back than the White House Days of Lyndon B. Johnson."

Mr. Griffin further describes how carefully the historic St. Augustine preservation distinguishes between restored and reconstructed buildings:

> Restored buildings are original buildings from which later additions and modifications have been removed and the building placed as nearly back into its original condition as possible. Reconstructed buildings are those which have disappeared through time but on which considerable information from old maps and other accounts and the location of the original foundations by means of archeological research have provided the basis for rebuilding a building on its original site. There are only a few buildings which do not fall into either one of these categories. These might be called replica buildings or re-created buildings which are done in the style of an earlier period but are not positively located on an original site. Reconstruction is justified in returning an area to the appearance and atmosphere of an earlier time. This is widely done and is not done to "stretch the truth" or mislead the public.

The news story further states that a night spot "emerged" as a Spanish hospital and a neighborhood bar was "converted" into the Florida Heritage House. This is in error. The buildings housing the night spot and the neighborhood bar were removed and the Spanish hospital and Heritage House were reconstructed in their place.

The St. Augustine Preservation Board clearly points out that the government house stands on the site of earlier official buildings and that the site has been used over the centuries for governmental purpose—that while several old walls exist in the east wing, there is no attempt to deny the fact that the present building is basically new construction of the 1936–37 period in which the architect attempted to capture some of the feeling of the 1764 building.

Mr. Speaker, St. Augustine is a beautiful old city. It is a monument—not only to our heritage—but to the many fine citizens who work so tirelessly to preserve and re-create the atmosphere of the city during its early years. They are builders in the finest sense. We will leave to others, such as Mr. Koenig, the legacy of trying to tear down their work.

THE FARM LABOR RESEARCH COMMITTEE AND THE FARM LABOR PROBLEM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. ASHBROOK. Mr. Speaker, I am pleased to learn of the recent formation of the Farm Labor Research Committee. This organization is designed to research and analyze farm labor-management relations with major emphasis on proposed legislation in this field.

Of particular concern to the FLRC are six bills before the House Subcommittee on Agricultural Labor dealing with the farm labor problems. These bills either extend current labor law—the National Labor Relations Act—to cover farm workers and farm employees, or establish a new regulatory system which would incorporate parts of the NLRA and the Railway Labor Act under a national farm labor relations board arrangement.

The FLRC contends that each of the bills would grant new powers and privileges to union organizers with which they could conceivably control production on America's farms and repeat the history of strikes, strife, and makework practices that have plagued other sectors of the Nation's economy since the enactment of the NLRA.

According to FLRC spokesman Dr. Sylvester Petro, a professor of law at Wake Forest University:

> All the bills now proposed will in fact bring big, specially privileged, monopolistic and coercive unionization to agriculture . . . they all endorse compulsory unionism, and they all grant special organizing and bargaining privileges to unions at the expense of the basic, natural, contract and property rights of employers and nonunion employees.

Dr. Petro advocates the following three principles in handling the farm labor problem:

First. Local, State, and Federal Government must do whatever is necessary to maintain the peace, protect property, and safeguard the person of all involved in organizing campaigns and collective-bargaining disputes.

Second. The right of unions to peacefully extend their organizations, and of employees to join unions if they wish, without fear of legal penalty, must be declared and enforced against any attempt to suppress them by violent means, by intimidation, by vandalism, or any other such unlawful method.

Third. In agriculture, unions should be confined to bargaining only on behalf of those employees who voluntarily authorize them to do so, and no agricultural union should be authorized to request, insist upon, or participate in any variety of agreement requiring either membership in or payments of any kind to the union as a condition of employment.

I strongly support the FLRC position on voluntary unionism in the field of agriculture. Compulsory unionism should be categorically opposed. Every agricultural worker should be free to accept or reject union membership in accordance with his freedom of choice and individual judgment.

NATIONAL LAND USE

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. RUPPE. Mr. Speaker, the distinguished Secretary of the Interior, our

former colleague, the Honorable Rogers C. B. Morton, recently spoke in Hot Springs, Ark., on the very important and timely subject of National Land Use Policy and Planning. His message is, I believe, a worthwhile one for all of us, and I commend it to the attention of my colleagues:

REMARKS BY HON. ROGERS C. B. MORTON, SECRETARY OF THE INTERIOR, HOT SPRINGS, ARK., JULY 18, 1973

I am pleased to be here this morning with you. I am impressed that you have assembled to consider the elements of what I consider to be a most far-reaching piece of legislation: the National Land Use Policy and Planning Assistance Act.

As the bill moves through Congress, it is imperative that we begin to consider creating the land use planning program which is envisioned by the legislation.

Having served in Congress, I know the crucial role and special problems of the legislative process. And I know that it is well that you should be grappling with these elements now—for it will be your shoulders upon which a large measure of the success of this program will rest.

This morning, I would like to share with you my perspective on this legislation, and what I believe needs to be done if we are to accomplish its goals and purposes.

Just a few weeks ago, President Nixon announced a series of far-reaching proposals in the energy field. One of the keystones of his program is the creation of a Department of Energy and Natural Resources. An important new thrust of this particular proposal is the addition of new energy functions, in response to the so-called "energy crisis" which we are facing.

I would like to point out that this "crisis" might have been averted—if various governmental levels had engaged in more deliberate long-range planning for the use of our resources—specifically land resources—because that is where the basic problem lies.

Let me explain what I mean. We aren't short of SOURCES of energy. We have billions of tons of coal reserves; we have billions of barrels of oil. What we are short of are certain "instruments" to convert resources into work. I am talking about power plants, refineries, and the means to transport raw resources—pipelines and super-ports.

The reason we have been caught short in all these areas is that public agencies have not been able to reconcile conflicts in locating these facilities. They have only become aware of these conflicts after the fact—when public outcry demands their attention. They are then forced to respond by *reacting*. We have simply lacked the means to identify conflicting interests beforehand.

When a problem crops up, all too often it is viewed in a negative way—and then there is no rational forum to resolve issues.

I submit that the focal point for identifying and resolving these concern is the use of our land. And the long-distance perspective we need can come about when the states face up to the realities of the problem.

The energy issue, which is only one example, is certainly the most timely one. However, we could just as well be talking about housing or mass transportation or—and very important to the American spirit—open space.

We can't afford to live from crisis to crisis. We must address the broader problem—how can we combine our technical resources and political process into an effective planning and decision-making mechanism?

There are a number of bills before Congress right now which address certain critical problems of a regional nature—power plant siting, mined area protection, and others.

But there is only one piece of proposed legislation which will tie all these others together—the land use legislation. It will provide an incentive to the states to get about the job of land use planning. It will give them the political courage with federal backing to face the hard decisions.

This is not meant to degrade or brush over specific problems and solutions in the environment—they each deal with their own areas of concern. But the location of energy facilities, reclamation of mined land, siting of super-ports, transmission lines, highways or parks—all concern the use of our land. That use determines all the rest.

This is why the national land use legislation is so crucial to our future well-being. It is the key to achieving a quality environment. Until now, we've gone about it a little backwards—with the crisis/reaction syndrome. We discovered that our air was foul, so we clamped controls on air quality; our water was polluted, and we put controls on water quality.

But stop-gap solutions are no longer good enough.

We must seize the initiative. We must identify present and future conflicting demands on the use of our land resources. We must provide a forum for open public discussion of the pros and cons of various alternatives.

Most importantly, we must follow through on our decisions. I think you are aware of the importance of this requirement. Planning without legislative backing only produces a collection of pretty-colored brochures.

I don't claim that the answers lie in the federal administration. But I do claim that, working together, we can find them. And that is why we are here today.

This isn't a crash program I am talking about. We are dealing with a complexity of problems—division of labor, administrative machinery for regulatory authority, and strong emotions of taxpaying property-owners.

We at the Federal level and you at the State level are going to have to join forces. It simply is no longer productive to say "It's a Federal problem" or a "State problem" or a "local problem." Clear responsibility in the area of land use has become terribly muddied.

I must agree wholeheartedly with the observation of State Senator Bill Goodman of Prince George's County, Maryland, who I understand is here today.

Bill Goodman recently suggested that "Federal grant programs have inflamed the very abuses they were supposed to correct."

Some others have blamed the States for not having the machinery to make land-use decisions. The States, back in the 20's, passed the buck to local governments, with the zoning enabling acts, which are familiar to you.

Then, within the States, we have the urban-rural dichotomy. The urban legislators can't deal with the problem because their hands are tied by rural legislators. The rural legislators say it's an urban problem—and so on.

And yet our predicament is not entirely the fault of local governments, either. They do not possess the technical resources or the administrative machinery to deal effectively with the situation they are facing.

I would say, surveying the scene, it's a national problem—one that cuts across traditional boundaries. In rural areas, our agricultural land and our forests are threatened by housing developments and mass recreation facilities.

In urban areas, we expend huge sums of money, considerable mental anguish and human resources—and have only patchwork solutions to show for it.

If we don't come to grips with the problem now, land use, too, will become a problem of "crisis" proportions.

Mistakes in land use take generations to correct. We seldom get a second chance.

That's why the land use legislation is a powerful mandate for the States to manage those areas which are of more than local concern.

It specifically mandates that State legislatures create agencies to determine needs for land for various uses, and that they identify, plan and manage land areas of regional and statewide concern.

By providing the financial and technical resources of the Federal government, the act encourages States to inventory land resources, develop policies toward its use, and to designate and manage four primary areas of land use.

Number one deals with critical environmental areas. These include shorelands and coastal areas, historical sites, prime agricultural areas and scenic areas. These are unique and irreplaceable resources of regional, statewide and national significance.

Second is in areas surrounding facilities such as airports, highway interchanges and other public facilities which induce growth into communities. Often such areas do not have local governmental machinery to ensure that the facilities solve problems instead of creating new ones.

The third area deals with developments of regional benefit—such as location of energy facilities, waste disposal sites, or in urban areas especially, insuring that an adequate supply of housing exists in all price ranges, and that local governments do not exclude such developments.

Finally, there are areas of large-scale development including major housing subdivisions, and new communities. States must have broad discretion in defining the extent of these areas.

The critical problem of the legislation in my view, is that Federal projects and planning must be consistent with the State's planning program. No longer will the Federal agencies plan and execute their projects in a vacuum.

In order to accomplish this, we are going to have to conduct our business in an entirely different way, establishing new communication and coordination. There is important authority in the legislation to assist with this task. During the course of your discussions today, you will be considering these coordinating mechanisms more thoroughly.

I also want to mention to you some things the national land-use legislation will not do.

First—it will in no way impose federal planning or zoning on the States.

There is no provision for my approving or disapproving a specific decision on the use of land, or on the substance of any State or local plan—except when that use degrades or damages neighboring Federal lands, such as parks and wilderness areas.

Second—this legislation does not mandate State zoning. It does require that the State manage the use of land in the four general areas I mentioned earlier. They can do this either through local jurisdictions with State administrative review, or direct State implementation.

The national legislation specifies that the rights of individual property owners as provided by the Constitution of the United States and the constitution of a State is not diminished. It does not provide for land acquisition or compensation for state or local use of private lands. Compensatory arrangements—and other devices that do not infringe on individual property owners rights—must be determined by each state—and perhaps eventually by the courts.

This is just a sketch of what you will explore in the workshops today. I stress that this legislation not only permits innovation, it demands it. The magnitude and complexity of the problem requires our most creative efforts.

Our roles are interdependent. In Washington, the Department of Interior has acted

as a resource to Congress, so that we can design the most flexible, yet challenging program that is possible.

Those same resources are available to the States, and I pledge a spirit of cooperation as you seek help or assistance.

But we won't be trying to tell you the sort of procedures you must use to meet the requirements of this legislation. Instead, we will tell you about successful examples, and point out milestones.

You must similarly join forces with your executive agencies. In this work, they will be a resource to you, pointing out new legislation which may be required.

But first, there must be a common base of understanding. Executive policies need the support of legislative initiative. And as one of my good friends in the Senate has pointed out, process without policy provides "no relief from bad decisions which are the product of good procedure."

And while we really can't legislate competence or cooperation, these are the keystones to achieving the goals of this legislation.

Cooperation is embodied in a statement made not too long ago by Gerald Horton, State Representative from Georgia, who said at the recent ASPO conference that he'd never been taken out for a drink by a planner. If that is the case, then the time has come for legislators to take the initiative.

Executive agencies and legislators are going to have to build some mutual trust and understanding. You need each other to build a successful program.

As you well know, legislators are in the business of selling. If you succeed in selling your package to the legislature, and haven't garnered public support, then you are politically liable.

In planning, perhaps the most massive failure has been the public relations aspect. Planners haven't bothered to sell the public on their planning. I think one of our toughest jobs is going to be gaining broad public acceptance and support for a strong planning program.

You can't legislate public acceptance, but you can formulate new public education programs. We have a tremendous education job ahead.

These are just some of the areas in which you have a major role, and a valuable contribution to make.

I have traveled this country widely. And I believe that this country, when it puts its mind to it, can do anything. I have great faith in the ability of Americans to cooperate when there is a need and that need is well understood.

I believe, here in the Southern states, you have a unique opportunity. Your land is under pressure for development—but the megalopolis has not yet become your symbol. Your landscape has not been irrevocably scarred.

Here in Arkansas, I understand that the Governor's Advisory Committee on Land Use is developing an approach to planning that will maintain the state's environmental quality, as well as permit expansion of its economy.

Your opportunity is now—before pressures turn to crises. If you take advantage of the powerful incentives of the national land use legislation, you will not only enhance our "quality of life"—but will leave a great legacy to our children. The way our generation uses the land can expand or restrict the choices and living styles of our children for decades.

So I urge that legislators, executive agencies and members of the public sit down and plan together for using our most valuable gift—the good earth. We shall all benefit.

OIL PIPELINE OWNERSHIP AND COMPETITION IN THE OIL INDUSTRY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. FRASER. Mr. Speaker, I am today reintroducing a bill, along with my colleague from Washington (Mr. ADAMS), my colleague from Massachusetts (Mr. CONTE), and 18 additional cosponsors, which would amend the Interstate Commerce Act to separate the business of transporting oil and oil products through pipelines, from the business of producing, refining, and marketing this commodity. The bill would make it unlawful for an oil pipeline company to ship its own oil or that of an affiliated company.

Pipelines have long been recognized as a major trouble spot in oil industry competition. Of all the major industries only this one has its own transportation system devoted exclusively to hauling its bulk commodities.

In 1906, Senator Lodge of Massachusetts, proposed the same measure we are proposing today. In that year Congress broke up the railroads' monopoly over the coalfields of Pennsylvania and West Virginia by enacting the railroad commodities clause of the Interstate Commerce Act. This clause bars railroads from dealing in the commodities they carry. The Lodge amendment, which attempted to extend the same provision to oil pipelines, was narrowly defeated. Congress contented itself with declaring that pipelines were common carriers, to which, theoretically, all shippers should have equal access.

Without the commodities clause, the common carrier provision has proved ineffective. Misuse of pipelines was one of the major restraint-of-trade charges leveled at the Standard Oil trust in 1911. The Interstate Commerce Commission has been powerless to prevent anticompetitive practices by pipeline owners. Nor have efforts to handle pipeline problems under the antitrust laws been successful.

The small oil producer or distributor is at the mercy of the big companies. He must bring his oil to the shipping point established by the pipeline owner and hope that a connection will be available if he pays for it. And, of course, even if a connection is offered, there is no assurance that it will be continued.

In a report last year on the "Anticompetitive Impact of Oil Company Ownership of Petroleum Products Pipelines," the House Subcommittee on Special Small Business Problems found that owners generally operate pipelines "so as to dry up the surplus or spot market at the destination point." The evidence of Mr. Beverly Moore before the subcommittee is illuminating on this point:

> The critical competitive leverage in the oil industry is wielded by the independent refiners, terminal operators and retail dealers. The so-called private brand dealers are able to undercut the nationally advertised gasolines by 2 cents to 5 cents per gallon, primarily through more efficient operations and the avoidance of advertising and premiums. If consumers were aware that gasoline is a fungible product, with little difference in quality among competing brands, and if informed consumer demand forced the majors to switch to private brand type operations at 3 cents less per gallon, the annual consumer savings could exceed $2 billion. That figure is indicative of the potentially grave consequences to consumers of joint venture pipeline operations which dry up the source of supply for independent marketers.
>
> Moreover, the inflexible commitments generally required of pipeline shippers—in throughput guarantees, investment in facilities and minimum tender requirements—may foreclose their use of competing transport modes such as tankers and barges.

This month, in a preliminary review of competitive problems in the petroleum industry, the Federal Trade Commission has found that poorly conceived Government policies, imposed at the instance of the oil industry, along with the "cooperative" behavior of the major oil companies, have aggravated the current fuel crisis. These policies, namely the oil depletion allowance, the oil import quota system, and the State pro-rationing system, have contributed to a lack of refining capacity in this country. The report also found that ownership of oil pipelines by the major companies has effectively inhibited free competition in the industry.

Although demand for petroleum products has been growing spectacularly in the last 20 years, there have been virtually no new entries in the refining business. Because of tax benefits, crude is priced high and products are priced low. The low-profit margin at the refining level works to the advantage of the vertically integrated companies and means that there is little incentive to enter the refining field.

It is not necessary to subscribe to a conspiracy theory to agree that the tight control that the oil companies exercise over the production, refining, distribution, and marketing of oil has contributed substantially to the current shortage and at the same time has enabled that shortage to be manipulated to the advantage of the industry, at the expense of the consumer.

Corrective legislation is needed. The bill we are reintroducing today provides a simple and direct way of encouraging more competition in an industry that is, quite naturally, using the current energy crisis to further its own economic self-interests.

Listed below are those Members sponsoring the bill I am introducing today along with my colleague from Washington (Mr. ADAMS) and my colleague from Massachusetts (Mr. CONTE):

Herman Badillo, of New York.
George E. Brown, Jr., of California.
John Conyers, Jr., of Michigan.
James C. Corman, of California.
Ronald V. Dellums, of California.
Don Edwards, of California.
Gilbert Gude, of Maryland.
Michael Harrington, of Massachusetts.
Henry Helstoski, of New Jersey.
Elizabeth Holtzman, of New York.
Robert W. Kastenmeier, of Wisconsin.
Patsy T. Mink, of Hawaii.
Parren J. Mitchell, of Maryland.
John Moakley, of Massachusetts.
John E. Moss, of California.
Bertram L. Podell, of New York.
Benjamin S. Rosenthal, of New York.
John F. Seiberling, of Ohio.

The text of the bill follows:

H.R. 8975

A bill to amend the Interstate Commerce Act to provide that no pipeline company engaged in the transportation of oil may transport oil through its pipelines if that company has an interest in such oil

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (8) of section 1 of the Interstate Commerce Act (49 U.S.C. 1(8) is amended—

(1) by adding "(a)" immediately after "(8)" in such paragraph; and

(2) by adding at the end of such paragraph the following subparagraph to read as follows:

"(b)(1) It shall be unlawful for any pipeline company subject to the provisions of this chapter to transport to, from, or within any State, territory, or the District of Columbia, any crude oil, or any oil product manufactured from crude oil, which is produced or manufactured by such pipeline company or by any affiliate thereof.

"(2) For the purposes of this paragraph, the term 'affiliate' includes—

"(A) any person or corporation owned or controlled by such pipeline company;

"(B) any person or corporation which owns a substantial interest in or controls such pipeline company by—

"(i) stock interest,

"(ii) representation on a board of directors or similar body,

"(iii) contract or agreement with other stockholders, or

"(iv) otherwise; or

"(C) any person or corporation which is under common ownership or control with such pipeline company.".

SEC. 2. This Act shall take effect upon the expiration of the thirty-month period which begins on the date of the enactment of this Act.

A. SYDNEY HERLONG, JR.

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. FREY. Mr. Speaker, our former colleague and good friend, A. Sydney Herlong, Jr., has just retired from the Securities and Exchange Commission, terminating almost 40 years of public service.

Syd Herlong served in this House with distinction for 20 years, as a member of the Post Office and Civil Service Committee, the Agriculture Committee and, for the last seven terms of his congressional career, as a member of the Ways and Means Committee.

Even before coming to Congress in 1949, he had earned a well-deserved reputation in his home town of Leesburg, Fla., as well as throughout the State of Florida, for his devotion to his constituency.

He has been president of the University of Florida Alumni Association, and following his love of all sports, president of the Florida State Baseball League.

He also served for a short time as postmaster of the Leesburg, Fla., post office. Just prior to his election to Congress in 1948, he had served with distinction as Lake County judge for 11 years, and was president of the Florida County Judges Association.

Following his retirement from Congress, President Nixon called upon him once again to serve his country and appointed him to the Securities and Exchange Commission in 1969, to fill an unexpired term. He was reappointed for a full term in 1971.

In accepting Mr. Herlong's resignation from the SEC as of June 30, 1973, the President said:

You have had a long and distinguished career in public service. As a member of the bar and the judiciary, as a distinguished member of the Congress, and finally, as Commissioner, you have worked for your country and your fellow citizens in the finest traditions of national service.

I join the President and my colleagues, as well as Syd's legion of other friends in saluting him for his outstanding record of public service and wishing him health and happiness in his retirement years.

FAMINE IN WEST AFRICAN SAHEL

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. TIERNAN. Mr. Speaker, a mighty war is raging in the West African Sahel. Mali, Mauritania, Niger, Chad, Upper Volta, Senegal, and Nigeria, supported by most of the nations of the developed world, stand arrayed on one side; on the other stands man's ancient and indomitable enemy, famine.

The West African Sahel is the region of plains and grasslands just below the Sahara. It is a land of nomads, herdsmen, and farmers, all of whom depend on rainfall to keep away the encroaching desert. The rainfall in this region has been below normal for at least 4 and possibly as long as 7 years. The drought's effect on the Sahel is catastrophic.

Hunger and disease are everywhere. Meningitis, cholera, and measles prey upon the hunger-weakened, carrying away at first the more vulnerable members of the society, the old and the very young. Later, the stronger will have their turn; some estimate that 6 million people will die before October.

The tragedy goes beyond the terrible human cost of the casualties. The whole economy of the region is ruined; its society is being torn apart. Range, pasture, and watering places have disappeared. The drought is decimating livestock; in some areas losses reach 90 percent. Herds built up over generations are wiped out, and with them goes an entire way of life. Ruined herdsmen and farmers flock to the cities, and there form a new lower class, jobless and poverty stricken. For example, the city of Agadez in Niger has a population in normal times of 7,000, but now the town has swollen to 15,000. This influx has overloaded facilities and raised social tension to the breaking point.

The developed world has rushed to the aid of the beleaguered Sahelian countries, but it remains to be seen if this aid will be enough to stem the tide of disaster; $410,555 tons of grain have been pledged to the relief effort, with the United States giving 156,000 tons. The nonfood relief effort has been prodigious, also, as the United States, the European Economic Community, the United Nations' Food and Agriculture Organizations, and several other nations and organizations have contributed approximately $29,739,000. In addition Belgium, France, Germany, Canada, Zaire, the U.S.S.R., and the United States have contributed aircraft and other means of transportation for distributing the aid.

This is primarily emergency aid. Even if we are successful in alleviating the effects of the drought, the tragedy is liable to be a recurring one unless we embark on a long range development assistance program which will rebuild the Sahel's shattered economy. It is up to the United States to join with the rest of the developed world to provide irrigation and dry farming techniques and the assistance, knowledge, and technology necessary to allow the people of the Sahel to return to their homelands and prosper there. I urge my colleagues to support efforts to relieve the plight of the Sahel.

THE FARM BILL FIGHT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. MICHEL. Mr. Speaker, in the wake of our recent prolonged and often confused consideration of the farm bill, I believe my colleagues will be interested in the following editorial which appeared in Wednesday's Wall Street Journal:

THE FARM BILL FIGHT

The federal farm program long has been a prime example of government by subsidy, and this year seemed an opportune time to begin dismantling the costly and outmoded farm doles.

Economic conditions and public sentiment favored such a course. But the farm lobbies have managed to push four-year farm bills through both houses of Congress that not only preserve subsidies but actually increase the potential exposure of the federal Treasury to large outlays to farmers. Since it is unlikely that a Senate-House conference committee will reduce that exposure, the only hope of avoiding it would appear to be a presidential veto. We hope that the President's threat of doing exactly that is not an idle one.

The bills provide for direct subsidies to growers of wheat, feed grains and cotton when prices fall below specified target levels. The administration has particularly objected to an escalator clause which raises these targets as farm costs rise. In the administration view, the new subsidies could cost some $12 billion over the four-year period. But despite this objection it was only late in the bill's passage through the House, under the shepherding of Agriculture Committee Chairman Poage (D., Texas) that it began to encounter serious resistance.

Up until then, it was almost as if Congress was oblivious to the country's rebellious mood about farm subsidies. A Senate bill with even higher "target" levels than the House version had passed with surprising ease. Moreover, the Senate had refused to plug up a loophole that has thwarted attempts to impose an effective ceiling on how much subsidy money can be handed out to big farmers on any one crop.

But subsidy foes gradually chipped away at the House bill. Congressmen Paul Findley (R., Ill.) and Silvio Conte (R., Mass.) pushed through an amendment cutting the maximum subsidy payment to any farmer

for any crop to $20,000 from $55,000. More importantly, they closed the loophole that allowed farmers to evade the ceilings by splitting up their acreage among members of their families or by leasing land. This was a particular blow to large cotton farmers, who were reluctant to see the bill pass in that form. Then, another blow was delivered to the cotton growers by an amendment to cut off a $10 million federal subsidy to Cotton Inc., which is supposed to promote cotton sales and technology but seems to spend a lot of its money on fancy office quarters and high-salaried executives.

Further erosion of the subsidy lobby's position came when Rep. Robert H. Michel (R., Ill.) got surprising support for an unsuccessful amendment that would have given the administration much of what it wanted, namely a three-year phase-out of direct income subsidies altogether.

The bill finally passed the House, but only by a 226 to 182 vote, which suggests that a presidential veto could be sustained. In that case, assuming no compromise by the President, the farm act of 1949, as amended in 1958, would come back into play when the present farm act expires at the end of this year. That wouldn't end subsidies in principle but administration experts feel the Treasury would be considerably less exposed to subsidy drains.

The administration has been emboldened to tackle the support lobby this year because of a combination of factors. Rising world demand has boosted farm prices and income and reduced farmer interest in federal support. Consumers are increasingly resentful of the combination of high food prices and continued farm subsidies. There is greater understanding in Congress of the inflationary effect of budget deficits. The $4 billion to $5 billion that goes to farmers offers a place to cut.

The complaints from consumers about food prices have overriden everything else, but also led to an attempt to control food costs, which has been highly damaging to farm productivity. The freeze, now lifted on all products except beef, ran counter to the administration's basic agricultural policy, which is aimed at improving production and efficiency. That basic policy would remove subsidies that tend to limit farmers' incentives to seek the most profitable ways of putting their land to work. The 1970 farm bill moved in that direction by permitting greater decision-making freedom. Some Southern farmers, for example, have switched from supported crops to soybeans, which are in heavy world demand. This sort of thing should be further encouraged.

It is indeed possible that continued heavy world demand will keep farm prices above the proposed target levels that would trigger direct subsidies. But that is by no means a certainty and the prospect of a $12 billion Treasury drain, even spread over four years, is not encouraging at a time when it is imperative for the administration to bring the federal budget back into balance to curb inflation. For that reason we hope the administration remains firm in its resolve when the farm bill finally lands on its doorstep.

KEMP URGES APPROVAL OF VETERANS PENSION LEGISLATION, PRAISES ENACTMENT OF GI HOME LOAN BILL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. KEMP. Mr. Speaker, our country and its citizens, including all of us in Congress, have an immediate obligation to our veterans of Vietnam and other wars.

Continuing inflation, in such forms as higher prices and higher interest rates, is having a devastating effect on many of those who have served and sacrificed for our Nation.

Most adversely affected are those veterans and their wives, or their widows, who are dependent upon marginal incomes and monthly pension checks. They, who are most in need, are caught in a vise of low, annual income and the shrinking buying power of the dollars available to them.

With a deep awareness of this predicament, I urge all my colleagues to lend the strongest, bipartisan support to passage of H.R. 9474 when it comes to this body for consideration next week.

This critically required measure, which I have the privilege of cosponsoring with my colleague, Mr. DORN, the distinguished chairman of the Veterans' Affairs Committee, would provide a 10-percent increase in the monthly, nonservice-connected disability checks of veterans and veterans' widows.

By law, the amounts of the monthly disability checks, upon which they depend, go down when a veteran's or his wife's annual income goes up. The 20-percent social security increase which became effective at the first of this year resulted in an average reduction of $7 a month in veterans' pensions.

The additional 5.6-percent social security increase which will become effective in June 1974, will further reduce these checks unless we approve this very modest, requested 10 percent increase in pension benefits.

Mr. Speaker, our veterans did not hesitate to serve our Nation when duty called. I believe our duty, in connection with the proposed increase of pensions, is a call which demands our unqualified and wholehearted approval.

It is fitting that we demonstrate our gratitude and concern for our veterans and their widows in the wake of today's signing by the President of the bill we passed which authorizes the Administrator of the Veterans' Administration to adjust the maximum interest rate on GI home loans.

I have had hundreds of telephone calls and have received a considerable volume of mail from my constituents in New York's 38th Congressional District complaining of the inability to obtain GI loans because of the statutory requirement of a maximum, 6 percent interest rate.

Because of that inflexible requirement, lifted today by the President's signing and enactment of amending legislation, the GI home loan program has come to a virtual halt.

Market conditions have made such a low yield unrealistic across the country.

The going interest rate of 8¾ percent here in the Washington area is not untypical. And it is frequently higher.

The amending legislation will not only have the overdue effect of making urgently required housing available to veterans but it is the harbinger of an immediate and continuing expansion of America's housing industry and greater job and wage opportunities for those workers in the construction trades.

ST. ALBANS HOSPITAL IS NEEDED

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. RONCALLO of New York. Mr. Speaker, I am extremely pleased to note that the Veterans' Administration realizes the pressing need of our New York veterans. In the appropriation bill for fiscal year 1974 (H.R. 8825) $5.1 million has been appropriated for the first stage of reconstruction of the outmoded veterans' hospital in the Bronx.

However, I am even more gratified to note that in the report accompanying H.R. 8825, the Appropriations Committee directs that the Veterans' Administration carefully reexamine the possibility and feasibility of utilizing the St. Albans Naval Hospital as a veterans' medical facility.

This hospital is presently under the jurisdiction of the Department of the Navy and has recently been scheduled to close.

In these times of spiralling inflation, it certainly seems more prudent to invest our resources toward improving what we already have, rather than tearing down and building anew.

It is anticipated that replacing the Bronx VA Hospital would cost an estimated $86 million. However, an on-the-spot study already made by the Veterans' Administration has revealed that even if complete renovation were considered, the cost would be considerably less than the projected $86 million needed to build a new hospital.

Utilizing St. Albans Hospital as part of the VA medical program would certainly benefit the more than 2.6 million New York veterans at little or no additional capital investment of taxpayers dollars. It could provide some of the services planned for the Bronx unit, perhaps reducing the cost for renovation of that facility. St. Albans could also be utilized as a VA extended care nursing home facility. Next year, the New York metropolitan area will be 450 nursing home beds short of VA's actual need. St. Albans could wipe out this terrible deficit.

As you know, the VA medical system is one of the finest and largest in the world, encompassing 168 hospitals, 201 outpatient clinics, 18 domiciliaries, and 77 nursing home care units. The volume of patients has risen significantly—to over 944,000 in fiscal year 1972.

This is not new, however. The United States has a long history of extending medical benefits to our veterans. From 1755, when the Provincial Congress of Massachusetts ordered a hospital to be established in a camp near Boston for the treatment of soldiers stricken with smallpox, until 1973, when the volume of patients treated rose to record-breaking levels, Congress has continued its mission to provide the quality medical care that our veterans so justly deserve.

Mr. Speaker, it is for these reasons that I strongly urge the Veterans' Administration to consider making St. Al-

bans Hospital part of the VA medical system. Our budget will benefit, the VA will benefit, and New York veterans will benefit. Thank you.

GRANT ASSISTANCE TO THAILAND

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, within a day or two, the foreign aid authorization bill is scheduled for floor action. Included in the bill is the sum of $73 million in grant aid for Thailand. I think that it is important for my colleagues to recall that 4½ years ago, the United States found it necessary to borrow $100 million from Thailand. It is especially interesting to note that while the United States was borrowing the $100 million from Thailand with one hand, it was using the other hand to give Thailand an additional $100 million in the form of a fiscal year 1969 military assistance service-funded grant. Repayment of the $100 million loan from Thailand was made on July 9, 1973, together with $29 million in interest.

Mr. Speaker, according to the Agency for International Development's Congressional Presentation, Thailand now has gold and foreign exchange reserves of over a billion dollars. To date, we have given Thailand more than $1.6 billion in grant aid. We have also provided direct military protection of Thailand for many years. Is it not time to reconsider the need for further grant aid to Thailand?

Aid to Thailand is reflected in the following table:

THAILAND

[U.S. fiscal years, in millions of dollars]

Program	U.S. overseas loans and grants, obligations and loan authorizations														
				Foreign assistance act period											
	Post-war relief period 1946–48	Marshall plan period 1949–52	Mutual security act period 1953–61	1962–65	1966	1967	1968	1969	1970	1971	1972	Total FAA period 1962–72	Total loans and grants 1946–72	Repayments and interest 1946–72	Total less repayments and interest
ECONOMIC PROGRAMS															
A. Official development assistance															
AID and predecessor agencies, total		16.1	253.2	106.9	43.4	53.3	46.7	35.5	26.5	22.4	17.5	352.3	[1] 563.5	31.3	532.2
Loans			45.6	31.6		3.5						35.1	56.3	31.3	25.0
Grants		16.1	207.6	75.3	43.4	49.8	46.7	35.5	26.5	22.4	17.5	317.2	507.2		507.2
Supporting Assistance	()	(14.3)	(190.9)	(44.8)	(30.0)	(36.3)	(36.0)	(25.0)	(18.9)	(17.0)	(14.8)	(222.8)	(403.6)		
Food for peace, total		([2])	4.0	.4	.2	.3	.9	.6	1.2	.3	14.8	18.7	22.7	2.0	20.7
Title I, total			3.6								14.0	14.0	17.6	2.0	15.6
Repayable in U.S. dollars—loans											14.0	14.0	14.0		14.0
Payable in foreign currency—Planned for country use			3.6										3.6	2.0	1.6
Total sales agreements, including U.S. uses	()()		(4.3)()	()()()()()()()()								()	(4.3)()		(4.3)
Title II total			.4	.4	.2	.3	.9	.6	1.2	.3	.8	4.7	5.1		5.1
Emergency relief economic development and world food				([2])									([2])		([2])
Voluntary relief agencies			.4	.4	.2	.3	.9	.6	1.2	.3	.8	4.7	5.1		5.1
Other official development assistance	6.2			5.6	3.1	2.3	1.7	1.3	1.3	1.5	1.7	18.5	24.7	7.1	17.6
Peace Corps				5.6	3.1	2.3	1.7	1.3	1.3	1.5	1.7	18.5	18.5		18.5
Other	6.2												6.2	7.1	.9
Total	6.2	16.1	257.2	112.9	46.7	55.9	49.3	37.4	29.0	24.3	34.0	389.5	610.9	40.4	570.5
Loans	6.2		49.2	31.6		3.5					14.0	49.1	80.1	40.4	39.7
Grants		16.1	208.0	81.3	46.7	52.4	49.3	37.4	29.0	24.3	20.0	340.4	530.8		530.8
B. Other official economic programs															
Export-Import Bank loans		1.0	15.3	17.9	15.0	3.4	1.0	3.2	3.2		2.2	45.9	62.2	48.8	13.4
Other loans									.2	.5		.7	.7	.3	.4
Total other official loans		1.0	15.3	17.9	15.0	3.4	1.0	3.2	3.4	.5	2.2	46.6	62.9	49.1	13.8
Total economic programs	6.2	17.1	272.5	130.8	61.7	59.3	50.3	40.6	32.4	24.8	36.2	436.1	673.8	89.5	584.3
Loans	6.2	1.0	64.5	49.5	15.0	6.9	1.0	3.2	3.4	.5	16.2	95.7	143.0	89.5	53.5
Grants		16.1	208.0	81.3	46.7	52.4	49.3	37.4	29.0	24.3	20.0	340.4	530.8		530.8
MILITARY PROGRAMS															
Military assistance—(Charged to FAA appropriation)[3]		16.4	286.9	233.4	30.2	21.0	([4])					284.6	588.1		588.1
Credit sales (FMS)															
Grants		16.4	286.9	233.4	30.2	21.0						284.6	588.1		588.1
Military assistance service-funded grants						11.0	56.3	167.1	95.5	72.0	43.4	445.3	445.3		445.3
Transfers from excess stocks		.6	8.9	11.5	1.2	.2						12.9	22.5		22.5
Other grants			3.6	([2])		.9			1.3		11.6	13.8	17.4		17.4
Export-Import Bank military loans															
Total military programs		17.0	299.4	244.9	31.4	33.1	56.3	167.1	96.8	72.0	55.0	756.6	1,073.3		1,073.3
Total economic and military programs	6.2	34.1	571.9	375.7	93.1	92.3	106.6	207.7	129.2	96.8	91.2	1,192.7	1,747.1	89.5	1,657.6
Loans	6.2	1.0	64.5	49.5	15.0	6.9	1.0	3.2	3.4	.5	16.2	95.7	143.0	89.5	53.5
Grants		33.1	507.4	326.2	78.1	85.5	105.6	204.5	125.8	96.3	75.0	1,097.0	1,604.1		1,604.1

[1] The cumulative total reflects deobligations; annual data represent total new obligations in that year.

[2] Less than $50,000.

[3] Annual data through fiscal year 1963 are deliveries; subsequent years are annual program data. Totals for the entire period are cumulative program figures.

[4] Military assistance under the FAA was transfered to DOD service funding.

ASSISTANCE FROM INTERNATIONAL AGENCIES—COMMITMENTS

	Fiscal year 1971	Fiscal year 1972	Fiscal year 1946–72
Total	30.0	67.2	525.4
IBRD, World Bank	12.5	42.4	404.1
International Finance Corp	.2		22.8
Asian Dev. Bank	15.8	18.0	48.8
UNDP, SF	.5	3.8	23.6
UNDP, TA (CY)	.5	.6	13.1
Other UN (CY)	.5	2.4	13.0

D.A.C. COUNTRIES (EXCLUDING UNITED STATES)

Donor	Official bilateral gross expenditures		
	Calendar year 1790	Calendar year 1971	Calendar year 1960–71
Total	97.4	76.8	374.2
Japan	77.9	61.4	230.3
Germany	6.4	4.9	80.8
Other	13.1	10.3	63.1

ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED)

1971 (calendar year)	
1972 (calendar year)	
Cumulative through 1972	

RUPPE PROPOSAL TO MEET THE ENERGY CRISIS

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. RUPPE. Mr. Speaker, energy research and development programs are presently spread across many agencies, departments, and offices of the Federal Government. There has been a total lack of coordination among the various research efforts; and there has been an obvious failure to formulate a rational plan to meet our present and future energy needs. Today, as a result of poor planning, we are experiencing critical shortages of environmentally acceptable forms of energy.

I have introduced a bill this week, H.R. 9535, that would establish within the Federal Government a National Energy Research and Development Board charged with the responsibility of coordinating and financially supplementing the Federal research effort in energy technologies and energy conservation. The Board's first order of business would be to conduct a thorough review and assessment of the current status of energy science. The Board's mandate would be to formulate an aggressive research and development strategy designed to provide the Nation with the capability of being domestically self-sufficient in environmentally clean energy.

The Board proposed in my bill could be implemented quickly without a major reorganization of the Federal energy agencies. The Board would be sufficiently independent to objectively assess, coordinate, and direct a national program of energy research and development.

H.R. 9535 would authorize the appropriation of $4 billion over a 5-year period beginning with $250 million in fiscal year 1974.

This bill does not purport to be the final answer to the Nation's energy problems. It does, however, propose a workable structure that could begin bringing our scientific and financial resources to bear upon a problem that is essential to the well-being of our Nation.

Mr. Speaker, I include the following table and the full text of H.R. 9535, "The National Energy Research and Development Act of 1973," in the RECORD at the conclusion of my remarks.

PROJECTED FEDERAL ENERGY R. & D. FUNDING UNDER H.R. 9535—5-YEAR PROGRAM

[In millions of dollars]

	Ongoing programs	Energy Board	Total
Year:			
1974	771	250	1,021
1975	925	500	1,425
1976	1,110	750	1,860
1977	1,340	1,000	2,340
1978	1,600	1,500	3,100
Total	5,746	4,000	9,746

Note: Increases in ongoing programs based on growth rate of funding levels over the past 5 years. Ongoing programs include current energy research and development activities conducted by the Atomic Energy Commission, the Department of the Interior, the National Science Foundation, NASA, the Department of Transportation, EPA, the Department of Defense, and the Department of Commerce.

H.R. 9535

A bill to establish a national program for research, development and demonstration in energy technologies and energy conservation and for the coordination and financial supplementation of federal energy research and development; to conduct a thorough review and assessment of the current status of research and development in energy technologies and energy conservation in both the public and the private sector; to increase efficiencies of energy production and utilization, reduce environmental impacts, develop new sources of clean energy, demonstrate specific technologies and for other purposes

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 "National Energy Research and Development Act of 1973".

TITLE I—NATIONAL ENERGY RESEARCH AND DEVELOPMENT PROGRAM

SECTION 101. The Congress hereby finds that—

(a) The Nation is currently suffering a critical shortage of environmentally acceptable forms of energy.

(b) A major reason for this energy shortage is our past and present failure to formulate an aggressive research and development strategy designed to promote the wise management and conservation of energy sources, and the development of environmentally sound sources of energy.

(c) The responsibilities of the Federal government for conducting and assisting energy research, developmenet and demonstration projects are fragmented among many agencies and departments of government and not being planned and managed in a rational and coordinated manner.

(d) Present inadequate organization arrangements and levels of funding for energy research, development, and demonstration have limited the Nation's current and future options for dealing with energy problems.

(e) The Nation's energy needs can be met if a national commitment is made now to dedicate the necessary financial resources, to enlist our scientific and technological capabilities, and to accord the proper priority to developing new options and new management systems to serve national needs, conserve vital resources and protect the environment.

STATEMENT OF POLICY

SEC. 102. In order to provide an adequate energy base to support the Nation's existing and future social goals and aspirations, it is hereby declared to be the policy of the Congress to establish and maintain a national program of research and development in energy technologies and energy conservation adequate to meet the following objectives—

(a) encourage the conservation of limited energy resources and maximize the efficiency of energy development, production, conversion, and use;

(b) insure adequate, reliable, economical, and environmentally acceptable energy systems to support the essential needs of modern society including the established social objectives of Federal, State and local government;

(c) discover the most desirable short-term solutions to those immediate energy problems which are having serious impacts upon society;

(d) develop the technology and information base necessary to support development of the widest possible range of options available for future energy policy decisions by aggressively pursuing research and development programs in a wide range of energy technologies;

(e) provide the option and the capability for self-sufficiency for the United States through the development of socially and environmentally acceptable methods of utilization of domestic energy sources;

(f) establish within the Federal Government central responsibility and institutional capability for maintaining continuing assessment, overview, and direction of the energy research and development activities of the Federal Government, private industry, and nonprofit organizations;

(g) supplement ongoing energy research and development programs.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT BOARD

SEC. 103. (a) There is hereby established the National Energy Research and Development Board (hereinafter referred to as the "Board"). The Board shall consist of five members appointed by the President, and by and with the advice and consent of the Senate, one of whom shall be so appointed as Chairman of the Board. The members first appointed under this section, as amended, shall continue in office for terms of one, two, three, four and five years, respectively, from the date this section, as amended, takes effect, the term of each to be designated by the President at the time of nomination. Their successors shall be appointed each for a term of five years from the date of the expiration of the term for which his predecessor was appointed and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office. In the event that a person is appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, he shall be appointed only for the unexpired term. Not more than three of the members shall be appointed from the same political party.

(b) Each individual, upon selection to serve on the Board, shall cease affiliation with and relinquish any pecuniary interest in any person, firm, association, or corporation primarily engaged in the production, generation, transmission, distribution, or sale of energy.

Members of the Board shall be selected from among those individuals who have experience and competence regarding energy research and development, the environment and its protection and the conservation of natural resources.

(c) Said member shall not engage in any other business, vocation, or employment during his term of office.

(d) No vacancy in the Board shall impair the right of the remaining members to exercise all the powers of the Board. Three members of the Board shall constitute a quorum for the transaction of business, and the Board shall have an official seal of which judicial notice shall be taken. The Board shall annually elect a Vice Chairman to act in case of the absence or disability of the Chairman or in case of a vacancy in the office of Chairman.

DUTIES

SEC. 104. The Board shall—

(a) review the full range of Federal activities in and financial support for energy technologies and energy conservation, giving consideration to research and development being conducted by industry and other non-Federal entities, to determine the capability of ongoing research efforts to carry out the policies established by this Act and other relevant Federal policies, particularly the National Environmental Policy Act of 1969 (83 Stat. 852);

(b) formulate a comprehensive energy research and development strategy for the Federal government which will expeditiously advance the policies established by this Act, and insure that full consideration and adequate support is given to:

(1) improving the efficiency, conservation, and environmental effects of the conventional sources of energy including discovery, production, conversion, transportation, use and waste product disposal;

(2) advancing energy research, development and demonstration of unconventional energy sources and technologies including but not limited to—solar energy, geothermal energy, magnetohydrodynamics, fusion processes, fuel cells, low head hydroelectric power, use of agricultural products for energy, tidal power, ocean current and thermal gradient power, wind power, automated mining methods, in situ conversion of fuels, cryogenic transmission of electric power, electrical energy storage methods, alternatives to internal combustion engines, solvent refined coal, shale oil, utilization of waste products for fuel, direct conversion methods; and

(3) improving management techniques and the effectiveness of management of existing energy systems through quality control, application of systems analysis, communications, and computer techniques; and public information to improve the reliability and efficiency of energy supplies and encourage the conservation of energy resources.

(c) utilize the funds authorized by Section 110(b) of this Act to advance the energy research and development strategy by—

(1) supplementing by fund transfers the ongoing energy research and development programs of Federal agencies;

(2) initiating and maintaining, by fund transfers or grants, new energy research and development programs or activities utilizing the facilities, capabilities, expertise and experience of Federal agencies, national laboratories, universities, non-profit organizations, and industrial entities which are appropriate to each type of research and development;

(3) conducting through its own employees and facilities appropriate research and development; and

(4) establishing, in coordination with industry, demonstration projects in new energy technologies.

(d) in the exercise of its duties and responsibilities under this title, establish procedures for periodic consultation with representatives of science, industry, environmental organizations, and such other groups who have special expertise in the areas of energy research, development, conservation, technology, and environmental protection relating to the production, transportation, and use of energy.

(e) make an annual report to the Congress on the activities of the previous calendar year, the expenditure of funds, the new projects initiated, the projects which have been terminated, and new contractual relationships entered into, and the progress the Board has made during that year toward attaining the capability of domestic self-sufficiency for the United States. In each instance where delays in schedule accomplishments are reported, the reasons for the delays shall be set forth along with recommendations for actions, including specific estimates of additional funding, or requirements for such new legislative authority as the Board deems necessary to carry out the goals of this title.

(f) study the social, economic, and environmental impacts of existing and proposed energy and energy-related technologies.

DETERMINATION OF NEED FOR AND PRIORITIES OF FEDERAL PARTICIPATION IN RESEARCH AND DEVELOPMENT

SEC. 105. In evaluating proposed opportunities for particular research and development undertakings pursuant to this title, the Board shall assign priority to those undertakings in which—

(1) the urgency of public need for the potential results of the research, development, or demonstration effort is high, and there is little likelihood that similar results would be achieved in a timely manner in the absence of Federal assistance;

(2) the potential opportunities for non-Federal interests to recapture the investment in the undertaking through the normal commercial exploitation of proprietary knowledge appear inadequate to encourage timely results;

(3) the extent of the problems treated and the objectives sought by the undertaking are national or regional in scope as opposed to being of importance to localities or individual industries;

(4) there are limited opportunities for regulatory actions and incentives other than direct Federal financial assistance, including, but not limited to, end-use controls, tax and price incentives, and public education, to induce non-Federal support of the undertaking;

(5) the degree of risk of loss of investment inherent in the research is high, and the availability of risk capital to the non-Federal entities which might otherwise engage in the field of the research is limited;

(6) the magnitude of the investment appears to exceed the financial capabilities of potential non-Federal participants in the research to support effective efforts;

(7) effective use and conservation of energy are promoted;

(8) domestic renewable energy resources are utilized; or

(9) adverse social and environmental impacts are minimized.

PROPRIETARY INFORMATION AND PATENTS

SEC. 106. (a) All research contracted for, sponsored, or co-sponsored by the Board pursuant to this title shall require as a condition of Federal participation that all information, processes, or patents resulting from federally assisted research will be available to the general public.

(b) Where a participant in an energy research and development project holds background patents, trade secrets, or proprietary information which will be employed in and are requisite to the proposed research and development project, the Board shall enter into an agreement which will provide equitable protection to the participants' rights: *Provided,* That any such agreement must provide that when the energy research and development project reaches the stage of commercial application all previously developed patents, trade secrets, or proprietary information necessary to commercial application of the energy process or system developed under this title will be made available to any qualified applicant on reasonable license terms which shall take into account that the commercial viability of the total energy process or system was achieved with the assistance of public funds: *And provided further,* That where a commercial energy process or technology has been developed through the use of supplemental funds made available under subsection 104(c) of this Act to other Federal agencies, the provisions of law applicable to those agencies on patent rights or the disclosure of trade secrets or proprietary information shall govern. Where an agency using such supplemental funds does not have a specific legislative policy on patent rights or the disclosure of trade secrets or proprietary rights, the provisions of subsections (a) and (b) of this section shall control.

ADMINISTRATIVE PROVISIONS

SEC. 107. (a) The Chairman of the Board shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313).

(b) The remaining members of the Board shall be compensated at the rate provided for level III of the Executive Schedule Pay Rates (5 U.S.C. 5314).

POWERS

SEC. 108. (a) The Board may employ such officers and employees as may be necessary to carry out the functions of the Board under this title and may employ and fix the compensation of such experts and consultants as may be necessary, in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof);

(b) The Board may—

(1) acquire, furnish, and equip such office space as is necessary;

(2) use the United States mails in the same manner and upon the same conditions as other agencies of the United States;

(3) purchase, hire, operate, and maintain passenger motor vehicles;

(4) enter into contracts or agreements for studies and surveys with non-Federal public and private organizations and transfer funds to Federal agencies to carry out aspects of the Board's duties; and

(5) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions under this title.

(c) The Chairman shall have the authority and be responsible for—

(1) the supervision of personnel;

(2) the assignment of duties and responsibilities among personnel; and

(3) the use and expenditure of funds.

COOPERATION OF FEDERAL AGENCIES

SEC. 109. Upon request of the Chairman, the head of any Federal department or agency is authorized and directed—

(1) to furnish the Board within the limits of available funds such information as may be necessary for carrying out its functions; and

(2) to detail to temporary duty with the Board on a reimbursable basis such personnel as it may require for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status.

APPROPRIATIONS

SEC. 110. (a) There are authorized to be appropriated $10,000,000 annually for the administrative expenses of the Board including such amounts as may be expended for con-

sulting services in connection with the duties of the Board and including funds transferred to other Federal agencies in compensation for personal services in assisting the Board with the administration of this title.

(b) There are authorized to be appropriated not to exceed $250,000,000 for the fiscal year ending June 30, 1974, and, subject to annual congressional authorizations, $500,000,000 for the fiscal year ending June 30, 1975, $750,000,000 for the fiscal year ending June 30, 1976, $1,000,000,000 for the fiscal year ending June 30, 1977, $1,500,000,000 for the fiscal year ending June 30, 1978, and thereafter amounts such as Congress shall determine to carry out the provisions of subsection 104(c) of this title.

TRANSFER OF RESPONSIBILITIES

SEC. 111. Nothing in this Act is to be construed to prevent the transfer of the responsibilities for some or all of the ongoing Federal energy research and development programs conducted by the Atomic Energy Commission, the Department of the Interior, the National Science Foundation, and other Federal agencies to the Board.

NEW ENGLAND VETERINARY COLLEGE

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. STEELE. Mr. Speaker, I rise today to call attention to an impending national shortage of veterinarians, a deficiency reaching critical proportions in New England, and an emergency demanding prompt congressional action.

Roughly half of the Nation's households call upon the veterinarian to treat companion animals. Beyond pet treatment, though, veterinarians contribute to the medical sciences by investigating the animal model that can be found for almost every human disease. Veterinarians prevent and control the 175 known animal diseases communicable to man. They maintain the health of our livestock and poultry. They supervise meat inspection and food regulation services. They insure humane treatment of laboratory animals. And they participate in research efforts in such vital fields as ecology, aerospace, pharmacology, and the marine sciences. Further, the responsibilities and opportunities of the veterinary profession in each of these fields are expected to increase greatly in the coming years. There can be little doubt, then, of the importance of the veterinary profession as a national resource and of the need to insure an adequate supply of well-trained veterinarians in the coming decade.

Unless Congress takes prompt remedial action, however, the United States will suffer by 1980 from a projected shortage of 6,000 veterinarians, a deficiency of 15 percent from the anticipated need for 41,000 veterinarians. With existing classrooms filled to capacity, our 18 colleges of veterinary medicine matriculate less than 1,600 students annually.

Plans for expanding existing facilities are only modest, and limitations in State and Federal funding place their realization in doubt. Proposals for new veterinary colleges in several States appear to be postponed indefinitely, and the only veterinary school under development will enroll just 32 students when it opens next year. An early symptom of this developing national problem is the average of five job offerings awaiting each graduate of veterinary college.

New England faces an even greater shortage of veterinarians than does the rest of the Nation. If the New England States are to obtain the recommended national proportion of veterinarians to population, they must double their present supply of 1,500 veterinarians within the next 7 years. While every State with a population over 8 million possesses its own veterinary college, the New England States, with a combined population approaching 12 million, possess no such school. Unlike virtually all States without their own veterinary college, none of the States of New England have entered into contractual agreements with veterinary schools to assure higher admission priorities for their residents. Such agreements are now difficult to secure since veterinary schools must already turn away five qualified applicants for every one they accept.

While entering such contract agreements might provide short-term relief for New England residents, this method of interstate sharing of existing facilities contributes nothing toward the expansion of facilities necessary to avoid the impending national shortage of veterinarians. Without the advantages of a veterinary college in New England, or a special arrangement with colleges in other areas, only about 35 New England residents secure admission to veterinary schools each year. Hundreds of eager and qualified applicants from New England are rejected and hundreds more are discouraged from even applying to veterinary colleges—a ridiculous waste of talent.

William E. Brock, dean of the College of Veterinary Medicine at Oklahoma State University, cites this all-too-common testimony to the plight of New England students with veterinary aspirations in the recently published report of the New England Board of Higher Education:

> A much greater capacity to educating veterinarians is needed in the eastern part of the United States. We receive hundreds of inquiries concerning application to the veterinary school each year from residents of eastern seaboard states. Our admissions policies at the present time prevent our consideration for admission of these students.

As Dr. Jack J. Stockton, dean of the School of Veterinary Science and Medicine at Purdue University, is quoted in the same report:

> Each year we get many applications from what appear to be exceptionally fine students in the New England area. It's rather heartbreaking to have to turn down many of our out-of-state applicants and surely on the basis of need, the desire on the part of students, and the number of well trained and well qualified applicants available it should be perfectly obvious to those in positions making decisions that a school in the New England area would more than repay this investment.

Solving New England's severe shortage of trained veterinarians by recruitment from other areas will become increasingly difficult in view of the national deficiency of veterinarians, and again, this approach could only be a stopgap measure for the New England States since it ignores the clear need to increase the total number of veterinarians in all the United States.

The rational solution to New England's predicament, as well as a means of helping fill the entire Nation's growing need for veterinarians, lies in the establishment of a new regional college of veterinary, medicine in New England. Deans of veterinary medicine schools throughout the country have recognized the wisdom and recommended the creation of such a school in New England. The internationally recognized medical and scientific community of New England could provide the interdisciplinary links necessary for a truly modern college of veterinary medicine. The sharing of construction and operating costs by the six New England States and the Federal Government would keep the financial burden on each to a minimum.

Finally, a local veterinary school would provide many essential services beyond professional training that are currently denied New England residents. These include continuing education programs, referral and consultative services, and specialized facilities for the practicing veterinarian as well as extension activities for the dissemination of information on new developments in animal health care to the public.

In conclusion, Congress has the opportunity to prevent a national crisis, to avoid emergency measures later, and to realize considerable financial savings if we face squarely America's impending shortage of veterinarians, and if we act promptly to aid that region of the country with the greatest need for a regional college of veterinary medicine: New England.

Our first step must be to extend efforts by the House Appropriations Committee to counter administration obstruction of veterinary school construction. The administration withheld all of the $100 million appropriated last fiscal year for construction grants to schools in all the health professions, and it requested no such money for the upcoming fiscal year. The Appropriations Committee has recommended the expenditure of the previously appropriated funds and the appropriation of another $100 million for fiscal year 1974.

Even if all of this $200 million is expended, however, and even if veterinary schools receive their usual portion of roughly 5 percent of this amount, then three schools would still be left with almost $14 million less than what they need to complete projects already begun, and progress on a new veterinary school would not even reach the planning stage.

We cannot allow this to happen. We must appropriate the $23.9 million needed for completion of present projects, as well as allocate sufficient funds for the planning and construction of a new veterinary school for New England.

And we must insure that these funds are released by the administration if we are to avoid a critical, costly, and unnecessary shortage of veterinarians in all the United States and particularly in New England.

THE ONLY CURE FOR INFLATION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. KEMP. Mr. Speaker, with the Nation in continuing debate over inflation, unemployment, wage-price controls, the international monetary situation, and all the attendant issues in our very volatile economy, it might serve us well to learn of the intensity of debate over these very issues in other parts of the Western World. Great Britain, in particular, is experiencing similar economic woes. The debate is equally intense. The economic correspondent for the English weekly, the Guardian, Frances Cairncross, recently interviewed Member of Parliament Enoch Powell on the issue of inflation. The interview might contribute to the economic debate in this country. The interview follows:

THE ONLY CURE FOR INFLATION

(By Enoch Powell)

FC: Inflation is on everyone's mind at the moment. Do you think that our Government's prices and incomes policy has been much of a success so far?

EP: I'm driven back to the old self-quote: "All prices and incomes policy is nonsense, silly nonsense, and what is more and worse, dangerous nonsense."

FC: Why do you call it "dangerous" nonsense?

EP: Policies which are inherently futile are not necessarily harmless. A drug which does not cure the disease may nevertheless kill the patient. Besides its obvious evils—besides involving direct intervention in prices and a vast bureaucratic structure—prices and incomes policy has a deeper, psychological effect. It conveys the message that prices and wages and relativities and all the other economic values are things which should be decided by compulsion. The differential between a dustman and a shorthand-typist, which without a prices and incomes policy neither the dustman nor the shorthand-typist would think particularly remarkable, is suddenly rendered unintelligible, objectionable, and a subject if not for agitation then at any rate for political action, through the underlying presumption of a wages and prices policy that values can be fixed by government.

Well, outside a slave camp, value can't be fixed by government.

FC: But I'm sure you'd agree that wages over the last few months have risen much more slowly than before we had an incomes policy.

EP: I've never disputed that for a short time you can have a freeze, but a freeze is not a prices and incomes policy. That's why a freeze is always represented as something that you do while you are looking for a prices and incomes policy. That's been the persistent refrain. The Conservative Government in 1961 had a pay pause while we were thinking out a prices and incomes policy. But when we had a White Paper in 1962, "Prices and Incomes: the next step," we discovered there was no next step. That's what we're going to discover wtih Stage Three. Then the Labour Party imposed a freeze while they were discovering the Eldorado of which George Brown had gone in search like so many others "whose bones lie scattered on the Alpine mountains cold." A freeze is not a prices and incomes policy. Nobody denies, if people obey the law—and they're mostly prone not merely to obey the law but to obey what isn't the law but what they are brainwashed into thinking so—that you can hold things for a very short time.

FC: The Government's own argument, I imagine, would be that one of the main difficulties with making the freeze and Phase Two watertight has been the fact that food prices and the prices of raw materials have been rising very rapidly.

EP: They are only saying that there are some prices which even for a short time you cannot freeze, I don't dispute that.

FC: Is there anything at all that you can see that one could do about the problem of rising food prices

EP: To concern yourself with one particular price, or set of prices, is to participate in the inherent fallacy of a prices and incomes policy. You should deal with the cause of all inflation, which is the excessive rate of growth of money compared with that of the contents of the opposite pan of the scale.

FC: Would you say the rate of growth of the money supply is the most important thing to deal with if one wants to slow inflation down?

EP: It's the only thing to deal with.

FC: There's no other way?

EP: There's no other way. Inflation in the present sense, that is to say, on-going inflation by 5% or 10% per annum, cannot happen unless there is a prior and conditioning increase in money.

FC: So if you want to slow inflation down at the moment, the only way to go about it is to take steps which will slow down the rate at which the money supply grows?

EP: No human being could slow down inflation "at the moment," because no return to fiscal policies which would prevent or limit the growth of the money supply would take instantaneous effect. And indeed, the rate at which they would take effect is not within precise limits predictable. So don't report me as offering an instant cure, I'm not a quack.

FC: How long would your cure take to work?

EP: Anything from six months to two years. But when we say "work," what do we mean? Start to work? Or work right through? My six months to two years is a rough stab, subject to what I've previously said, at those two extreme limits.

FC: If one were at this moment to try to slow down very drastically the rate at which the money supply is likely to expand, one would then presumably risk returning to a period of rather high unemployment. Would you agree with that?

EP: That's not because of restricting the rate of growth of the money supply. That's because of achieving the cure that everybody pretends to want to achieve, but few really do. It is not the way in which inflation is slowed down or ended but the fact that it is slowed down or ended which causes transitional unemployment. If it were ended by magic or prayer or lighting candles, it would still produce whatever transitional unemployment was specific to the previous rate of inflation and the sharpness with which that rate turned downwards. It is as logical as throwing a stone at one's opponent to say that his proposal for dealing with inflation will cause unemployment. All slowing down of inflation causes unemployment.

FC: Do you think people in this country are really prepared to accept the consequences of slowing down inflation?

EP: I do, but the Government doesn't. The Government ran away.

FC: But you think individual people would be prepared to accept another bout of severe unemployment?

EP. I do not believe that unemployment in contemporary terms has anything like the same political, psychological, social importance that the politicians, whose rules of thumb are generally about a generation out of date, suppose. I don't think there was any justification for the Government to panic when the turn-down in the rate of inflation from 10% to 5% was accompanied by what it is bound to be accompanied by. Instead, they broke ranks and deliberately speeded inflation up again. They called it "reflating." But when you have inflation, at 5% and reflate, that means you're going to inflate still faster. And sure enough they did. I've never seen a thing which worked so beautifully; I've never seen such a classic example of a Government adopting the correct methods for creating inflation, or rather creating more of it, and achieving its purpose. It worked beautifully. This of course is what we wanted; this is what we are determined to have; but it mustn't be understood that we are doing it. Otherwise we shall be blamed for something which people dislike more than they dislike unemployment. So they adopted a prices and incomes policy.

FC: Why do you think inflation matters? Don't you think we could learn to live with it?

EP: If by inflation you meant a constant annual depreciation of the value of money, which everybody assumed would be constant, then my answer to your question would be yes. But in fact we mean accelerating inflation. Indeed the results for which Governments cause inflation, for example, to produce and maintain a continuous full employment of labour are only obtainable by a constantly accelerating inflation.

FC: And you really feel that an accelerating rate of inflation is something that would cause political stresses and social distress which people would not be prepared to accept?

EP: The Germans worked this one out. God bless the Germans! If no one else would, they would always carry the chess game to the point where you take the king off the board . . . and they tried it out. They attempted to inflate ad infinitum. Trees don't grow to heaven. Just because we discover that we manage with 10% inflation when in 1957 we thought 3% was the end of the world, it doesn't prove we can manage with 20%.

FC: If one looks back we've had 3% and 5% and now 8 to 10%. If one draws the curve onwards it presents a pretty hair-raising spectacle.

All trends can go on; but they may not; and we know they won't forever. Life, the great game of politics itself, would be impossible if we could just draw exponentials.

FC: What do you think is going to happen next? We've got Stage Three coming up on the cards.

EP: Stage Three doesn't exist. There are two possibilities. One is that you drop the whole thing, with an infinite variety of pretenses and forms of humbug to cover the fact up. The other is to continue Stage Two, in other words, go on with the freeze. But, of course, in that case the contradiction between a freeze and real life becomes more apparent all the time. Those are the two broad directions in which you can go when confronted with the fact that there ain't no Phase Three, by which I mean there is no method whereby individual prices and wages can be so fixed that after the event they are found to have added up together to a certain rate of inflation. There is no such thing known to man.

FC: What about the American Stage Three?

EP: The Americans have made, on this

point, an interesting discovery, I mean an experience. (Isn't it a wonderful thing that in English unlike French you can distinguish between experience and experiment, though I must say in political practice we often mistake the one for the other?) At any rate the Americans have made an experience. When they had their bonfire of controls, they left the machinery. The result is two-fold. First of all the temptation is to resort to the same machinery when any pressures arise again. After all, if it is there, how can you possibly not use it again? You used it before, didn't you? Meanwhile everyone seeing "the grim two-handed engine at the door," says "We aren't in a free economy, are we? We'd better take our decisions, not as we would otherwise, but in the light of our calculation of the chance that those controls will be reimposed." Thus you get a tremendous distortion simply because the machinery is left in existence.

FC: Every major industrial country in the world is now suffering from inflation at a more rapid rate than they were in the late 50s and early 60s. Your view is that inflation in Britain is essentially the result of a too-rapid expansion of the money supply, and you'd presumably extend that to be true of the United States. . . .

EP: Obviously. Certainly.

FC: . . . and for the other major industrial countries?

EP: Here there is a rider. The increase in money demand, which Governments cause in order to satisfy their own spending requirements, has a special case. That is where the expenditure in which they wish to engage is that of buying other people's money. When a currency has a fixed parity which is too low, that parity can only be kept down by the country spending its own currency in order to buy such junk as other people's money, or gold. So you can sit on the sidelines and enjoy the spectacle of the Germans choking themselves with inflation by printing marks in order to buy dollars they don't want. Over and over again even the Germans, inclined as they are to carry a thing beyond its logical stopping-point, have done this. Our own huge balance of payments surplus in 1970 and 1971 was probably the main reason for the acceleration of our inflation in the early 70s.

FC: Isn't the way out of this going to be for a number of large industrial countries to embark on policies which involve them simultaneously in clamping down?

EP: Not necessarily. You can do it yourself. Sin is a worldwide phenomenon; but you wouldn't take that as an excuse, nor would you accept—confronted with the sinner—that it was really all part of a worldwide phenomenon and therefore if they had it in Brazil, you really couldn't complain. Of course they have it in Brazil, both sin and inflation; and no doubt they have it for the same reasons—in the case of sin, because that is how men were created by an all-wise Providence, and in the case of inflation, because that's what democratic governments are like in an age when money is flat money. But this doesn't enable us to sit back and treat it as a meteorological phenomenon. It is not like rain against which we have to raise an umbrella. It is like temptation which we have to resist, even though the Brazilians are being similarly tempted.

FC: But what if we all resisted at the same time?

EP: That's all right.

FC: Don't you end up with a situation where you have a number of countries at the same time introducing policies which are going to lead to recession?

EP: I'm prepared to take the extraordinarily remote risk of Brazil, Germany, Switzerland, the United States, and Britain, managing to have at exactly the same time the transitional consequences of regaining some degree of honesty about their money.

FC: Can we turn now to the international monetary system? What future do you think it has?

EP: System? Don't make me laugh. I said in the House of Commons that the international monetary system is an institutionalised idiocy. I've been laughing for the last two years. To pretend that governments can either fix supply and demand between their own currency and other currencies, or can foresee how that supply and demand is changing, or can foresee to what extent the changes are temporary or lasting—I don't think idiocy is too severe a description for that, do you?

FC: We have now a situation in which there's no system whatsoever!

EP: There's just as good a system as there is on the Stock Exchange. The only possible system is that of the market. The market is the best system there is for comparing and discovering the truth about value so far as it can be expressed in terms of money. So with a floating currency we have in fact put ourselves in the best system. When people talk about a system they seem to want a tyrant. A tyrant is the worst system, a free market is the best.

FC: And we have now got one which can last?

EP: Of course. The market can last forever.

FC: What about gold? What do you want to do about that?

EP: Let people buy it if they want to, let people sell it . . .

FC: And government?

EP: Well, there's not much good in a Government owning gold. That's terribly primitive. There are circumstances in which if you are going to be buying things from savages, it's not a bad idea to have a supply of beads. That is why before 1939 the British Government, very wisely, stored up the equivalent of beads to sell to savages—because if a war came we might need to get hold of some raw materials. But I can't really see any reason for any more storage of gold in this country. I think we're entitled to something a bit nearer to our heart's desire in return for our efforts.

WALLOWING IN WATERGATE

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. SCHERLE. Mr. Speaker, President Nixon emerged recently from a brief bout in the hospital in a fighting mood. Before he even reentered the White House, he declared: "Let others wallow in Watergate"—while he attends to the important business of governing the Nation.

We find the Chief Executive's aggressive attitude ominous, and we resent his aloofness. Nobody wants to wallow in Watergate; but the whole country has been plunged unwilling into the muck. The "plumbers" and their tools were not concocted on Capitol Hill; the whole smelly scandal originated at 1600 Pennsylvania Avenue. Republicans in Congress did not hire those two-bit kindergarten politicians, Haldeman and Ehrlichman, but we have to live with the consequences of their stupidity. As head of his party, the President should be more sympathetic to the problems his former staffers created. Far from showing concern, however, Mr. Nixon has not even completely cleaned house. Zieg-liar still reigns in the press room, and many of Haldeman and Ehrlichman's old cronies are salted away in key positions in the executive branch.

It is not only unfair, it is impossible, for the President to dissociate himself from Watergate. It is we who are suffering from his folly, and it is he who has abandoned us—not the other way around. Many of my colleagues may be dragged down to defeat because of their association with the GOP. One need only look at the Republican National Committee's finances to see how badly this fiasco is hurting the party.

Instead of ignoring the advice of Melvin Laird and John Connally, the President should consult more closely with politicians experienced in elective office. Too many people are impressed by tea and crumpets at the White House to speak plainly—and those who do are consigned to the category of undesirables. A distinguished journalist informed me that my name appeared on the enemies list because of my independence. If so, I wear my membership like a badge of honor. The President could not have better allies than those who tell the truth, and he needs them "now more than ever."

ALASKA PIPELINE QUESTIONS ANSWERED

HON. JOHN MELCHER

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. MELCHER. Mr. Speaker, our colleague, JOHN DINGELL, of Michigan, placed a letter in the CONGRESSIONAL RECORD on July 18, pages 24717–24718, in which he and nine other Members raised a series of points about the trans-Alaska pipeline legislation.

I have responded to these questions in a letter to all 10 cosigners dated July 20 which, for the information of my House colleagues, I am including at the conclusion of my remarks.

Since this letter was written, Mr. Speaker, the House Interior and Insular Affairs Committee has approved H.R. 9130 which is designed to authorize construction of the trans-Alaska pipeline.

However, in view of the fact that the House soon may be considering this important legislation I felt that this response should be available to all of the Members.

The letter follows:

JULY 20, 1973.

Hon. JOHN DINGELL,
U.S. House of Representatives,
Washington, D.C.

DEAR JOHN: Thanks for your July 16 letter concerning the pending legislation on the trans-Alaska pipeline. These comments on the points you raised are made as the Interior and Insular Affairs Committee now considers H.R. 9130 as amended by the Subcommittee on Public Lands. Your letter has been made a part of the Subcommittee hearing record.

The statement that H.R. 9130 is not limited to the Alaska pipeline is correct. The reason for this is as follows:

While the Court ruling applied directly only to the Alaska pipeline, its implications were much broader. That decision could, in fact, apply to all oil and gas pipeline applications issued under Section 28 of the Mineral Leasing Act now under construction in the

lower 48 states as well as to many hundreds of lines that previously have been constructed under this authority where special land use permits have been issued by the various federal agencies that have gone beyond the Court announced width limitations. It appears that there are at least nine lines under construction that could be subject to injunctive action due to excessive widths granted by the agencies. While it is true that there is not a 48-inch line now under construction in the western United States, as is proposed in Alaska, there is no question that there are many pipelines under construction in the West that would be subject to the Court ruling. For this reason, it was the Subcommittee's conclusion that there was an urgency in taking care of not only the Alaska pipeline problem, but that which also existed in the lower 48 states.

The Administration had proposed a grandfather clause to bring in these lines but, in drafting the legislation for introduction, this approach was rejected because it was felt not to be justified. It was felt that the Secretary should examine these lines carefully if they are challenged and then reissue the permits under the provisions of the revised Section 28.

The statement is additionally made that Title I gives the Secretary of the Interior authority in Alaska and elsewhere in the United States to grant wide swaths of rights-of-way without meaningful guidelines. This is incorrect.

Section 1 of H.R. 9130 does not give the Secretary of the Interior the right to exceed the now existing rights-of-way width which consists of 25 feet on each side of the pipeline except in limited areas and upon a showing of need. The change that was made by the Subcommittee merely permits the pipeline to be placed at any location within a 50-foot right-of-way and except for the above indicated provision for wider rights-of-way in limited areas, it does not expand the statutory width of the right-of-way. It is true that the Secretary is given authority to include rights-of-way for related facilities and that is carefully outlined in the bill. In addition, the Secretary is given authority to issue temporary permits for the use of public lands during construction, operation and maintenance of the pipeline.

Numerous restrictions have been placed upon the Secretary's authority that were not previously present in the existing statute. These are the right of the Secretary to make the right-of-way and permits subject to such terms and conditions as he sees fit, and to give consideration to the National Environmental Policy Act.

The terms of the permits will be limited to the shortest practical time. The rights-of-way are non-exclusive and reserve to the Secretary the right to issue additional rights-of-way for compatible uses within the existing pipeline rights-of-way if he so desires. This should substantially reduce the acreage of public lands committed to all rights-of-way.

For the first time, the statute will require an applicant to pay for all administrative costs for processing and will require a grantee to reimburse the United States for the costs of monitoring construction and operation as well as the payment of the fair market rental value of the right-of-way.

In addition, the Secretary must now notify the House and Senate Interior Committees of any application for a right-of-way for an oil or gas pipeline exceeding 24 inches in diameter.

Another point raised in your letter concerns construction of pipelines under Section 28 across reserved public lands such as national forests, wildlife refuges, and game ranges. There is no change in the existing statute and H.R. 9130 neither expands nor restricts whatever rights now may exist for pipelines to cross reserved public lands.

Your letter also makes the point that the approved right-of-way may be supplemented by temporary permits for the use of public lands in the vicinity of the pipeline. This already has been touched upon above and the only additional comment to be made is that the Subcommittee expects that the acreage involved in temporary permits will be held to the minimum feasible for the construction of the pipeline and for the protection of the environment in the vicinity. It also should be pointed out that the temporary use of public lands is needed for construction of pipelines in the lower 48 states to the same extent that it is needed in Alaska.

Your letter notes that the Secretary shall consider the environmental impact of a pipeline application as required by NEPA but feels that this requirement may not be extended to the so-called related facilities or to "temporary rights-of-way" or "additional rights-of-way." It is certainly the Subcommittee's intention that the Secretary shall consider the environmental impact not only of the pipeline itself but also of the related facilities, all temporary rights-of-way, and any permit issued for the temporary use of public lands in the vicinity.

Another issue raised by your letter is that the notification of the House and the Senate Committees regarding pipeline applications of more than 24 inches in diameter does not cover related facilities. It certainly is the intention of the Subcommittee that any related facilities constructed in connection with the pipeline of more than 24 inches in diameter will be covered.

While it is recognized that this provision does not give the committees any veto authority, it does give them a 60-day period in which to review the application and express their opinion. Certainly if both Committees agreed that the application was not in order, further legislative action could be taken.

In commenting in general upon Title I of H.R. 9130, I am firmly of the opinion that it introduces many improvements in existing law and places numerous restrictions upon the Secretary's present broad authority to grant pipeline rights-of-way under Section 28 of the Mineral Leasing Act.

Regarding Title II and Section 203 and the use of the word "mitigate" rather than "prevent," this appears to be a matter of word choice and I would note that in Section 1(c) on Line 8 of the Committee print, the word "prevent" has been used in somewhat similar circumstances.

Another point you make regards the prohibition of exporting oil from Alaska's pipeline. The Subcommittee amendment now provides that the President would have to make a finding that it was in the national interest and permit Congress to review this action for 60 days with the exports to cease upon passage of a concurrent resolution of disapproval.

As we also are engaged in trading and exchanging oil with both Canada and Mexico, any outright prohibition on exportation could well invite retaliation from these neighboring countries. This we cannot afford.

Best regards.

Sincerely,

JOHN MELCHER,
Chairman,
Subcommittee on Public Lands.

AMENDMENT TO RESTRICT THE CENTRAL INTELLIGENCE AGENCY

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. REUSS. Mr. Speaker, when the military procurement authorization bill, H.R. 9286, comes before us for amendment on Tuesday, I shall offer the following amendment:

Page 8, after line 15, insert the following and renumber subsequent sections accordingly:

SEC. 603. None of the funds authorized for appropriation pursuant to this Act shall be obligated or expended by the Central Intelligence Agency for purposes other than the collection, evaluation, correlation, and dissemination of information pertinent to the internal security of the United States.

ARMED SERVICES COMMITTEE PROCEDURES

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. DELLUMS. Mr. Speaker, on Wednesday, July 18, the House Committee on Armed Services released its report on H.R. 9286, the military procurement authorization bill for fiscal year 1974. I would like to compliment my colleague from Colorado, the Honorable PATRICIA SCHROEDER on her additional views which accompanied the committee report and to lend my support to them.

Ms. SCHROEDER demonstrated by her comments a clear insight of committee procedures. She presents valuable criticism of those procedures and suggests possible reforms. Certainly her concern can only improve the currently inadequate method of conducting hearings.

One of the most severe inadequacies which I have experienced and which Ms. SCHROEDER also described is the amount of advance time available to read written testimony. On many occasions I have received written testimony only 24 hours before the hearing—the minimum time committee procedure requires testimony be made available to Members. This gives too little time to fully read and analyze many of the proposals and arguments presented. I believe Ms. SCHROEDER's suggestion to require written testimony at least 3 days in advance would help to provide the time needed.

Analysis of our national defense program is virtually impossible without the assistance of the committee staff. The staff, while small in comparison to the Pentagon, often provides assistance to Members generally favorable to the military. Those of us who have been critical of our defense program have found that the committee staff has often failed to provide necessary assistance to our office staffs. Criticism of our current defense program is not a disservice to the country. The failure to meet the responsibility to review programs thoroughly is a disservice.

Ms. SCHROEDER's criticisms of the actual hearing process, I believe, are extremely important. Questioning of witnesses should be sharp and debate should be open. It is obvious, though, that much of the responsibility for the lack of such sharp questioning and open debate lies with us, the Members. Instead of acquiescing to the military preoccupation with "more," "bigger," and "faster," the Members should begin to reassert their oversight responsibilities.

The committee's preoccupation with

technology, with "bigger" and "better," obscures the committee objective of legislating defense policy. As Ms. SCHROEDER states, the Armed Services Committee seems now to be not much more than the Pentagon's "lobby-on-the-Hill."

I urge my colleagues to read Ms. SCHROEDER's comments which I am pleased to insert into the RECORD:

ADDITIONAL VIEWS OF HONORABLE PATRICIA SCHROEDER, DEMOCRAT OF COLORADO

It was with extreme reluctance that I joined the majority of my colleagues on the House Armed Services Committee in voting out the Military Procurement Authorization bill for fiscal year 1974.

My primary objection, aside from specific weapons systems noted in my minority report, centers around what I believe was the deficient manner in which this legislation was prepared. Our national defense program requires more analysis than other aspects of the overall budget, not only because it consumes about 40 percent of our taxes, but because it is presented to our committee by military men rigidly disciplined in what opinions they are permitted to express. This kind of discipline is invaluable on the battlefield, but when it comes to determining national defense priorities and strategies, it can frustrate the work of the committee.

The situation is not helped by the fact that the relatively small staff of the House Armed Services Committee, no matter how good its intentions, cannot adequately cope with a multi-billion dollar weapons procurement program that, I understand, is prepared by some 30,000 Defense Department employees with a huge computer system at their command. Nevertheless, the committee made no effort to supplement its staff, to hire outside authorities or to seek its own computer services. Rarely during the long process of hearings which I attended did the committee, or the staff, make the kind of comprehensive effort to master the separate parts of the program, or even to challenge it as a whole (or in part), that I believe should have been made.

Unfortunately, the committee seemed to prefer spending its time in a cursory review of individual weapons systems—a "once over lightly" approach—simply deleting a bit here and adding a bit there. Some members gave the impression that doing the hard and tedious work of analysis and criticism of our complicated military program is somehow unseemingly, unmilitary—indeed, unpatriotic.

Rarely during all the hearings I attended were the basic assumptions behind many weapons systems ever questioned. Nor was there adequate discussion of basic national security questions which would allow committee members an opportunity to evaluate a particular weapons systems with any sense of perspective. The committee often seemed preoccupied with the technology of a particular weapons system—asking whether a weapon was "bigger" or "faster" than the previous model—rather than with the larger long-range prospective of whether or not the weapon was needed in the first place. We are all subject to this fixation with technology but must not let it become our sole area of inquiry.

To me this preoccupation with "more" and "bigger" and "faster" is dangerous thinking. Those with such a limited vision of our military requirements end up, I believe, doing more harm than good to this country. They are like those French politicians who thought a bigger Maginot Line would provide more defense. They are like our own nuclear strategists who argue that killing an enemy 15 times over makes us more secure than if we can kill him only five times over. They remind me, to use a non-military example, of those people who believe we would honor George Washington more if we increased the height of his monument.

The committee seemed annoyed, even frightened, of vigorous and open debate. The inordinate use of secrecy is a major weapon to suppress debate. In my brief tenure on the committee it became clear to me that the excessive use of executive sessions, from which the public is barred, and the Pentagon's heavy-handed use of classification stamps, is designed more to keep information from the American public than from any of the country's enemies.

Two examples come to mind of the trepidation with which the committee views the prospect of full and vigorous debate. First, the number of witnesses favorable to the Pentagon's point of view who came before the Seapower Subcommittee, for instance, numbered at least 30, while those critical of the program numbered only two. Generally, the 30 witnesses were seldom pressed and their judgment was rarely questioned. The two critical witnesses, on the other hand, were treated in an indifferent manner and their arguments dismissed by many committee members.

The other example concerns the showing during an open Seapower Subcommittee hearing of the NBC-TV documentary film on the CVN-70 nuclear carrier. Some members of the full committee, not just members of the Seapower Subcommittee, felt sufficient concern over the showing of this film that they put in an appearance to criticize it. By all measures it was a balanced presentation, but senior members castigated it as, and I quote, "a diatribe," "unfair," "snide," "destructive," "damnable" and "poisonous." These are strong words for men who should look at all sides of a question before they decide.

None of this is conducive to opening up the legislative process so that the committee can examine the proposals in a thorough and competent manner. As a freshman member of this committee, clearly I cannot presume to have mastered the intricacies of such a complicated multibillion dollar bill as this one. But I have observed the process and procedures of the committee sufficiently to believe that they should—indeed, must—be improved.

The committee must welcome open and vigorous debate. Such openness would soon result, I believe, in reestablishing the committee's independence of action and judgment over legislation for which it has responsibility. As it stands now, the committee is not much more than the Pentagon's lobby-on-the-hill.

The refusal to open up committee proceedings is, in fact, a serious mistake because it promotes many unhealthy trends. Some members, for instance, have all but abdicated their critical faculties to the so-called Pentagon "experts"; the vision of many committee members is obscured by the shine of military brass; and there are far too many others who take any criticism at all as a personal affront.

After attending all the hearings I could, after asking questions, listening intently and seeking answers, I confess that I am still somewhat in the dark regarding the weapons systems themselves, their costs, and the role they are and/or should (or should not) be playing in our national defense program. Part of the blame obviously lies with me, for in retrospect I could probably have dug even a little deeper, worked even longer hours, asked even more questions and demanded even more answers. But the bulk of the blame, in my opinion, lies with a hearing process and procedures that restrict debate, stifle criticism and leave unanswered important questions.

The result is a piece of legislation whose implications and true costs no one on the committee, I fear, fully understands.

It is not my purpose here to criticize the integrity and sincerity of individual members. Many spent long hours listening and reviewing the testimony that was presented. There are other members of the committee, both senior and junior, whose experience and judgment I respect and cherish. My criticism is directed solely to the procedures and practices of the committee, and the debilitating side effects, which I am convinced deter the committee from doing its job properly.

The ideal situation, in my opinion, would be one in which all hearings were adversary in nature. As I see it, the military should present its case, and the committee should receive it with considerable skepticism. The questioning should be sharp and the debate free and open. It should be permitted for written questions to be submitted for the military to answer. It would be healthy for the committee to hear differing opinions within the military establishment itself, as we witnessed briefly (and no doubt by accident) when factions within the Navy clashed openly in hearings on the 8th and 12th of June over a request for two additional DLGN's. Indeed, it should be the policy of the Pentagon to encourage open and public debate within its own ranks. Having its program accepted each year should be a trial by fire for the Pentagon rather than the cakewalk which it is today.

The ideal would include requiring all written testimony at least three days in advance so that our time is not wasted having the witness read it to us. Perhaps more hearings should be held so that we could spend more time understanding and examining the proposals. We would also benefit from the use of more staff, outside consultants and the use of computers. Instead of acquiescing to the military, the House Armed Services Committee should take the lead, as it did in the case of the nuclear Navy.

Reasonable men—and women—should be able to differ not only philosophically but on the means we seek to achieve a common goal. I believe that opening up the procedures and letting in the cleansing light of criticism and debate will not only enhance the committee's stature but even produce superior legislation. Indeed, the development and maintenance of a strong, flexible and healthy military defense program require that this be so.

MCPL REPORT ON CVN-70

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mrs. SCHROEDER. Mr. Speaker, I want to share with my colleagues the excellent report prepared by Congressman BINGHAM for Members of Congress for Peace Through Law on the proposed nuclear carrier CVN-70. I will be offering an amendment to delete the $657 million authorization for this carrier when the House considers H.R. 9286 next week. The report follows:

RESEARCH REPORT ON THE NUCLEAR-POWERED AIRCRAFT CARRIER (CVN-70)

SUMMARY CONCLUSION

At a cost conservatively estimated at one billion dollars, CVN-70 adds only a small fraction to the U.S. capacity for air power at sea. The U.S. capacity already dominates all the other navies of the world combined, and will continue to do so, even without new construction, into the 1980s.

When the cost of the nuclear-powered ships which are required to provide CVN-70 with a protective escort of comparable endurance and sea-keeping capability are included, and when the cost of CVN-70's air group is added to the total, the total initial cost of this program will reach about three billion dollars. This figure does not include the staggering cost of operation and maintenance and peri-

odic replacement of aircraft. The marginal addition to national security provided by such a nuclear task force is incommensurate with its cost, especially in view of the existing and projected lead held by the U.S. in this type of military power.

RECOMMENDATION

It is recommended that the CVN-70 project be cancelled and that the $657 million dollars requested in the FY 1974 Department of Defense budget request be deleted. The Navy should make every effort to find alternative uses for the items already on order as long lead-time items.

Description of CVN-70

If built, CVN-70 would be the Navy's fourth nuclear-powered attack aircraft carrier. It would be the third Nimitz class carrier, the first two of which are still under construction. Current Navy planning calls for an Initial Operating Capability (IOC) date of 1981.

The specifications for CVN-70 are as follows:

Displacement: 94,400 tons;
Length: 1,092 feet;
Estimated Speed: 36 knots;
Crew (approximate): 5,000.

This new nuclear attack carrier is expected to support an air group of some 100 aircraft. This air group would consist of a number of different aircraft types: fighters (for combat air patrol [CAP] or protection of the carrier and its escorts against air attack); anti-submarine warfare aircraft (to protect the carrier task force against enemy submarines); fighter-bombers (for projecting air power inland from the seas); support aircraft (such as the carrier on-board delivery [COD] aircraft); rescue aircraft (principally helicopters); and reconnaissance aircraft for photographic or electronic surveillance missions.

The Development of Modern Attack Carriers

Originally designed to provide air cover for major battle fleets and to operate against the major surface forces of enemy powers, the attack carrier as it is known today developed during the naval war in the Pacific between 1941 and 1945. The first major use of carrier air power against land targets was the devastating Japanese attack on the U.S. naval complex at Pearl Harbor.

Subsequently, the United States employed its carrier fleet against the Japanese Navy and in assaults on Japanese-held islands. The carrier eclipsed the battleship as the capital ship of the Navy, functioning both as a strategic weapons system for the projection of power over great distance and as a tactical means of protecting the U.S. fleet.

After World War II, the carrier served briefly as the launching platform for America's nuclear deterrent, carrying medium-range bombers armed with atom bombs until long-range land-based bombers capable of reaching the Soviet Union entered the U.S. arsenal.

Early in the Korean War, aircraft carriers provided air power against enemy land targets when no airbases were available within flying range. Carriers were deployed during numerous East-West confrontations during the Cold War and figured prominently in the U.S. landing in Lebanon in 1958.

During the Vietnam War and in subsequent air operations over Laos and Cambodia, the U.S. attack carrier force was used to bomb land targets while operating in the Gulf of Tonkin. In this role, the carrier supplemented land-based fighter-bomber aircraft (which could be refueled in mid-air) and strategic bombers capable of flying thousands of miles and returning to base without refueling.

During this same period, the attack carrier was utilized by the U.S. to "show the flag" off foreign shores and to apply pressure on short notice in sensitive areas of the world. Deployment of the U.S.S. *Enterprise* in the Bay of Bengal during the Indo-Pakistan War in 1971 was an example of this.

With the passage of time, the carrier's function of providing fleet air cover has diminished as combat at sea between major surface forces has become less and less likely and the carrier's air defense capacity has been realigned to provide protection for the carrier itself, for escorts in its task force, and, less often, for amphibious assault operations.

Since the end of World War II, U.S. attack carriers have never operated against a nation which had any semblance of a navy. U.S. carriers have been able to launch tactical air power inland unopposed by any retaliatory air power or submarine threat.

Technology and time have overcome the primary roles which carriers once had. The strategic role of delivering fire power inland is now reserved for ICBMs, submarine-launched ballistic missiles, and land-based long-range bombers. The range and destructive power possessed by any one of these systems far surpass anything that the CVN-70 can offer, although certain fighter-bombers aboard existing attack carriers are armed with nuclear weapons for use in "theatre nuclear wars" which could develop in Europe or the Mid-East.

A trend is increasingly clear. Attack aircraft carriers are no longer intended primarily for use against the most-often-assumed opponents of the U.S.—the Soviet Union and the Peoples' Republic of China.

The attack aircraft carrier today is largely a potential instrument of intervention against non-naval powers, especially in the "Third World." In effect, it is a weapons system for projecting U.S. military power against militarily inferior countries, not for defending the territory of the U.S. or its ships at sea.

THE MISSION OF NUCLEAR-POWERED ATTACK CARRIERS

The Navy has assigned three basic missions to attack carriers:

1. "Sea Control." This mission implies action against enemy surface forces and merchant shipping in a manner reminiscent of World War II. It reveals a new U.S. strategy of "control" of the sealanes rather than the traditional U.S. strategy of protecting the international right of freedom of the seas. It is basically an updated version of historic "warfare at sea" concepts, and it suggests a refighting of the naval engagements of World War II and of the nineteenth century. Such a strategy assumes that a foreign navy will challenge the U.S. at sea, attempting to sink U.S. shipping by air, surface, or submarine attack. No navy possesses the capability of carrying out such an attack on U.S. naval forces, but, even if this were otherwise, such sea warfare is an improbable scenario in the modern era of ballistic missiles for a very simple reason: a power launching such a naval attack would have to assume that the conflict would escalate quickly to a catastrophic nuclear level.

2. "Projection of Power Ashore." This mission signifies the ability to bomb land targets. It can be accomplished with relative impunity wherever the U.S. is unopposed by naval or air retaliatory forces, as in Korea and Vietnam. Wherever the U.S. might encounter meaningful opposition from enemy fighter-bombers, surface vessels (such as cruise missile patrol craft), or submarines, attack carriers themselves become prime targets. Committing a carrier to contested waters to cover amphibious or other land operations is a high risk venture, for the loss or incapacitation of a carrier due to enemy attack is a huge loss of both firepower and capital investment.

3. "Peacetime Presence." Under friendly conditions, this mission involves "showing the flag." Under hostile conditions, it means "gunboat diplomacy." Peacetime presence is one of the main roles of the attack carrier task force in the Mediterranean, but the U.S. Navy has begun to wear its welcome a bit thin, even with allied powers on the Mediterranean. As a result, port calls in recent years have been increasingly difficult to schedule with the same duration and frequency as in the past. Many citizens of foreign countries find U.S. warships in their harbors an affront or a challenge to their national sovereignty. Even the most tolerant local authorities have difficulty in coping with the influx of sailors, despite the rewards in U.S. dollars for local economies, devalued dollars which now are becoming less of an incentive. In short, there can be too much of a good thing with Peacetime Presence; it may frustrate the friendly international relations which it seeks to promote.

As to the more ominous role of influencing regional politico-military events, the counterproductive deployment of a nuclear task force in the Bay of Bengal during the 1971 Indo-Pakistani War should provide an object lesson in the futility of strong arm diplomacy in today's world.

The Threat

CVN-70 is being built, in part, to meet the supposed challenge of a growing and changing Soviet navy. While the Soviet navy has indeed been in the process of a decade-long expansion and modernization program, it requires a certain distortion of the facts to perceive a threat to the U.S. from the Soviet fleet.

The Soviet development of a limited naval infantry and amphibious assault capability, the building of a series of anti-submarine warfare helicopter cruisers (of the *Moskva* type), and the more recent construction of a light aircraft carrier for fleet air cover do not constitute a credible offensive force or a serious challenge to U.S. naval supremacy. It is significant that the Soviets, along with their Eastern European allies, have concentrated on building various types of missile-carrying patrol craft for the purpose of inexpensive defense of home waters against capital ships such as the aircraft carrier.

Furthermore, the Soviet Union, unlike the U.S., is severely limited in its naval operations by restricted access to the open ocean and by an almost total lack of overseas logistics support bases, despite several years of attempting to establish a few regular port facilities for its modest forces. The forward bases which would be vital for offensive deployment of Soviet naval elements (which remain predominantly non-nuclear-powered) do not exist.

The Soviet navy's strategy, deployments, training, and fleet exercises continue to reflect a defensive orientation and posture aimed primarily against superior Western naval forces which have the capacity to attack Eastern Europe and the Soviet Union. Soviet naval surface forces do not have a similar capacity to launch meaningful attacks against the West.

This Soviet defensive alignment emphasizes nuclear submarines and nuclear-tipped weapons well equipped to counteract attack carrier forces in restricted waters where attack carrier task forces are especially vulnerable.

The Soviets could never assume that an attack on the forward-deployed U.S. fleet would not escalate quickly to a full scale nuclear confrontation involving domestic land targets. Naval blockade and attack on the warships of another nation have long been recognized as highly provocative military gestures. It is for this reason, in part, that the U.S. and the U.S.S.R. negotiated in 1972 the "Incidents at Sea Agreement" so as to avoid any confrontation arising out of a misunderstanding at sea.

In any confrontation following an actual attack on naval vessels, aircraft carriers (and CVN-70, if built, among them) would be irrelevant to the world wide outcome. In all probability, if they were not already sunk carriers would be withdrawn from the area of the immediate naval confrontation because of their vulnerability and high cost. Even during the Six-Day War of 1967, both

U.S. carriers in the Near East were ordered to withdraw to the Western Mediterranean. Despite numerous attempts by the U.S. Navy to hypothesize the conditions leading to continued conventional "warfare at sea" with another major power, which might rationalize construction of CVN–70, there is no credible justification for expending $3-billion for adding to an outmoded naval weapons system in a thermonuclear era.

Economics of CVN–70

The planned spending for CVN–70 is:

(In millions)

Appropriated in FY 1973	$299
Requested for FY 1974	657
Anticipated outfitting costs	16
	972

Although the bulk of the funds for building CVN–70 have been requested for fiscal years 1973 and 1974, the expenditures would be made during the entire seven-year period required for its construction. Of the $299-million appropriated in FY 1973, only nine million dollars had actually been expended as of May, 1973.

These figures do not make full allowance for the inflation and cost-growth which can be anticipated for CVN–70. All Navy ship construction programs in recent years have experienced extensive cost over-runs. During the period 1970–1972, the three *Nimitz*-class carriers have experienced cost increases. The *Nimitz* and the *Eisenhower* together showed a cost rise of $271-million, and the projected cost of CVN–70 alone rose by $300-million. By conservative estimate, the final cost of CVN–70 will be at least one billion dollars when the ship is ready for sea in 1981.

Cancellation of the CVN–70 program now would result in some financial penalties to the government for contract recissions, but such losses would be minimal as compared with the total one billion dollar cost of the ship alone.

The costs cited thus far are only for the ship. Aircraft and escort vessels entail large expenses as well. About 100 sophisticated aircraft for attack, antisubmarine warfare, and other missions will be required for CVN–70. Using a cost factor of $10-million per aircraft (less than the cost of the Navy's new F–14 but more than the cost of other aircraft types) and allowing for the seven-year impact of inflation, the initial carrier air group for CVN–70 will cost between 900 million and a billion dollars, and these aircraft will have to be replaced approximately every five years.

Aircraft carriers also require escort vessels. Since CVN–70 would theoretically possess unlimited range as a result of its nuclear propulsion system, it should be provided with four nuclear-powered escorts, if its operational advantage of range and speed is not to be diminished by conventional escorts. The price for these four nuclear-powered escorts would be at least one billion dollars.

Thus, if all the necessary basic hardware is purchased, a CVN–70 Task Force would cost about three billion dollars. Other costs, such as crews, training, operations and maintenance, and aircraft replacement will raise this total far higher over the projected thirty-year life of the ship. The Center for Defense Information estimates the total 30-year cost at $9-billion.

Critique

For an initial $3-billion, the U.S. would obtain one floating airfield with about 90 to 100 aircraft, many of which will be required to protect the carrier itself from air, submarine, or surface-to-surface missile attack. CVN-70's maximum effectiveness as an instrument of military power will thus be largely dependent on its ability to operate in uncontested waters. When operating in defended areas, the carrier's air group will be oriented to ship defense, and only about 37 per cent of the aircraft will be available for attack missions. The remainder would provide support (refueling, reconnaissance, rescue, electronic jamming, etc.) and a protective air umbrella for the carrier task force.

The main advantage which the Navy claims for the nuclear-powered CVN–70 is its unlimited range and high-speed endurance. Although an attack aircraft carrier cannot safely travel alone in combat, it now appears doubtful that CVN-70 will have escorts to match its vaunted range and speed, for the Navy has no plans to build the expensive, vital nuclear-powered escorts which would maximize the carrier's effectiveness. (A nuclear-powered escort costs nearly as much as a conventionally-powered aircraft carrier.) The Navy hopes that four nuclear-powered attack carriers will be in the fleet in 1981, but only two will have nuclear-powered escorts. Without these protective nuclear escorts of like range and endurance, the principal advantage of a nuclear carrier will be nullified.

CVN–70, if completed, will be only one ship in the 12-ship attack carrier force planned by the Navy for the early 1980's. *It will represent an incremental addition to U.S. sea-based striking power of only one-twelfth at a cost ranging into the billions.* There is no rational justification for the expenditure of such enormous sums for so small an addition to U.S. offensive power.

If CVN–70 is not built, the U.S. will continue to possess an eleven-ship attack carrier force in the early 1980's and, at projected retirement rates, a nine-carrier force level in 1987, three of which will be nuclear-powered. These carriers will be supplemented by the anti-submarine warfare carriers (CVSs) now in the fleet and any light carriers (Sea Control Ships) which may be built in the meantime.

A decision not to build CVN–70 will not affect meaningfully the Navy's carrier deployment plans which are based on technologically conservative and economically extravagant planning factors requiring a total of three attack carriers in the fleet for every carrier deployed at sea. CVN–70 only represents an addition to the excess capacity which the Navy claims is "required" to keep a force of four carriers deployed.

If CVN–70 is not built, the Navy could still maintain four carriers continually deployed with a back-up of only seven carriers instead of eight undergoing yard repairs, replenishment, or refresher training. Of the four carriers deployed for "quick reaction" (two in the Western Pacific and two in the Mediterranean), only three would be nuclear-powered. However, if the Navy carries out its plan not to provide adequate nuclear-powered escorts for two of the nuclear carriers, then cancellation of CVN–70 would be no disadvantage, for nuclear-powered carriers would be limited in range and speed by the inferior capabilities of conventional escorts.

At a level of nine or eleven carriers, the U.S. attack carrier force will still outweigh any challenger for the foreseeable future. In view of the decreasing utility of the attack carrier in all forms of modern warfare except unopposed intervention, any program to build more of these ships will be an investment in obsolescence.

Other Options

Basically a warship whose time has passed, CVN–70 is not the only "air capable" ship contemplated by the Navy. One alternative, a more austere platform for employing air power at sea, is the Sea Control Ship. Essentially, a light aircraft carrier with V/STOL (vertical/short takeoff and landing) aircraft and helicopters, this type of ship would be an economical protective ship. The Navy is now seeking funding for eight such ships at a total cost of about $800-million, substantially less than the cost of one CVN–70.

A second proposal, now in the research and development state, is the Surface Effect Ship. It would travel on an air bubble, skimming over the ocean surfaces at speeds up to 80 knots. It would be used primarily for anti-submarine warfare and would carry modern aircraft. Acceptance of this ship by the Navy would represent the beginning of the "100 Knot" Navy of the future, instead of the Navy of the past represented by CVN–70.

Conclusions

1. CVN–70, at a cost of one billion dollars for the ship alone, would add only a small incremental fraction to an already substantial U.S. capacity for airpower at sea that will continue to exist into the 1980's. If its construction is authorized, it will entail a subsequent purchase of about 100 aircraft at an initial cost of one billion dollars. For CVN–70 to operate with maximum effect, four new nuclear-powered escort vessels at an additional cost of a billion dollars would have to be built.

2. CVN–70 embodies obsolete "warfare at sea" concepts and is so vulnerable and costly that it can be employed effectively only in uncontested waters.

3. CVN–70 does not represent a valid reaction to the changing capabilities of a defense oriented Soviet navy.

4. In a confrontation with the Soviet Union, attack carriers would be vulnerable to nuclear weapons launched from surface vessels or submarines. It is likely that an attack involving a major warship such as a carrier would quickly escalate to an intercontinental nuclear level, at which carriers would be of negligible value.

5. Forward deployment of attack carriers for political reasons is a risky venture with dubious political payoffs.

6. Similarly, the use of fast carrier task forces for intervention in the so-called "third world" is a high-risk tactic of dubious value.

7. Whatever legitimate purposes attack carriers may have can readily be achieved with the eleven-carrier force the U.S. will possess in the 1980's even if CVN–70 is not built.

UP THE LADDER, BUT HOW FAST?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. RANGEL. Mr. Speaker, a recent article in "Commentary magazine" by Richard Scammon and Ben Wattenberg contended that blacks were moving in relatively large numbers into the middle class. This contention was surprising to those of us who represent black communities and who are unable to perceive the dramatic gains claimed by the authors.

It was also an alarming contention, coming as it did at a time when the administration was seeking to cut back or eliminate the social programs initiated during the "Great Society" to provide an escape from poverty for those in this Nation suffering under its bondage. Many of us viewed the "Commentary" article as providing a convenient excuse for the disruption of programs still very much needed by poor and minority communities throughout the Nation.

Many distinguished black scholars have responded to the Scammon and Wattenberg article and although these responses have not received the publicity of the original article itself, they have effectively refuted the conclusions reached by Scammon and Wattenberg from their analysis of the census data.

Dr. Herrington J. Bryce, the research director for the Joint Center for Political Studies, recently published an anal-

ysis of Census Bureau data which shows that rather than improvement, there has been a significant downturn or leveling off of what black economic gains were made during the 1960's. His analysis deserves the attention of my colleagues. A summary was presented by columnist Tom Wicker of the New York Times in his column which appeared on Sunday, July 22. I submit the column for your careful attention.

The column follows:

UP THE LADDER, BUT HOW FAST?

(By Tom Wicker)

In 1972, the median income of American families rose to $11,120—an increase of 8.1 per cent over 1971. In the same year, the median income of black families was $6,860, a substantial increase over the 1971 black median of $6,440.

But the black median in 1972 as in 1971 was about 59 per cent of the median income of white families, which in 1972 was $11,550. Relatively, therefore, black family income did not rise as against white family income. Moreover, the number of black poor increased from about 7.4 million to about 7.7 million in 1972, if being poor is defined as an income under $4,275 for a nonfarm family of four. Thirty-three per cent of all blacks could be so designated in 1972, as against 9 per cent of whites. And all of the 1.1 million who climbed past that poverty standard during the year were white.

The statistics are from the June, 1973, consumer income report of the U.S. Census Bureau. They by no means tell the whole economic story of 1972, and statistics have a way of proving what someone wants them to prove. But Dr. Herrington J. Bryce, the research director for the Joint Center for Political Studies in Washington, has pointed out that, also in 1972, the black/white unemployment ratio returned to its historic two-to-one spread, after having briefly improved, and remains at two to one in 1973.

All this raises the question whether there has been a significant downturn or a leveling off of what had been substantial black economic gains throughout the sixties. No one disputes that there were such gains, and their prime chroniclers, Richard Scammon and Ben Wattenberg, have called them "nothing short of revolutionary."

In a recent article in Commentary, they argued that available statistics showed black gains so impressive that "a slender majority, but a majority nevertheless" of blacks could be said to have reached the middle class. They defined this as "to have enough to eat, to have adequate, if not necessarily expensive clothes to wear, and to be able to afford housing that is safe and sanitary"; and they said blacks in this slender majority also were beginning "to make headway" toward traditional middle-class goals—good neighborhoods, schools and jobs.

One of the major Scammon-Wattenberg points, for example, was that black families with a male head under 35 years of age, living outside the South, had achieved income parity with comparable white families. When the wife was working, such black families even earned a bit more than similar white families.

Dr. Bryce, in arguing that Mr. Scammon and Mr. Wattenberg were overemphasizing such black gains, wrote that "black husband-wife families outside the South in which the male is under 35 years of age account for only 16 per cent of black husband-wife families in the country. It is only 10 per cent of all black families. The other 90 per cent of black families continues to be unequal."

Thus, it is not so much the facts that seem to be in question as what the facts mean. The Scammon-Wattenberg article is convincing enough that blacks really are marching "across the invisible line into the lower-middle and middle classes." Yet, Dr. Bryce is able to point out that the rate of high school completion is 50 per cent higher among white males than among black; and the rate of college completion among males under 35 is four times higher among whites than blacks. Moreover, he noted:

Unemployment among black teenagers is over 35 per cent. The percentage of housing with inadequate plumbing occupied by blacks remained at about 30 per cent during the sixties, despite economic gains. Black life expectancy (at age 25) is six years less than white; the black infant mortality rate far exceeds the white.

Given these exceptions, and the Census Bureau statistics on 1972 black income, blacks like Dr. Bryce may have reason to question whether black economic gains really have been "nothing short of revolutionary." Surely no one can deny his conclusion that "we also have tangible evidence that the task before us remains immense."

It was the purpose of the Scammon-Wattenberg article, however, to argue, as they put it succinctly in a recent letter to The New York Times: "Only if it is acknowledged that substantial progress [for blacks] has been made can we hope to convince America that we ought to continue our national efforts to make progress [for blacks]."

That makes political sense, but only as long as the gains are not exaggerated or the strength of the progressive trend overestimated. Blacks still get the short end of the economic stick in this country, which is the cardinal point on which Scammon-Wattenberg and Bryce agree.

TAKING A CLOSE LOOK AT THE ADMINISTRATION'S HEALTH POLICIES

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 27, 1973

Mr. OBEY. Mr. Speaker, the administration recently held a 2-day health seminar for medical writers, at which it claimed to have fashioned "a total health strategy." As two writers point out, however, there is a world of difference between what the administration has said it would do by way of health initiatives, and what it actually has done. The result is justifiable suspicion that any such health strategy exists, or, if it does, that it will last longer than a day or so.

At this point, I include the columns by Judith Randal from yesterday's Washington Star-News and by Stuart Auerbach from today's Washington Post.

The columns follow:

THE ADMINISTRATION: GOING SLOW ON HEALTH CARE

(By Stuart Auerbach)

"The main thing I would like as sincerely as I possibly can convey is our absolute and total commitment to assure that health care is constantly improved . . . and that it will not be denied to anyone by the irrelevant factor of their not having sufficient income."
—HEW Secretary, Caspar W. Weinberger.

"The administration's health program has been a great big bust. The words and goals are shared by all of us. But the action has been a complete and unadulterated failure."
—Sen. Edward M. Kennedy (D-Mass.).

For two days early this month the Nixon administration bombarded medical writers who came from around the country with the story of its health initiatives.

In glittering generalities, administration big guns such as HEW Secretary Caspar W. Weinberger and chief presidential domestic adviser Melvin Laird described the high priority that health has among the inner-circle at the White House.

"Its priority is so high, inherently so high, that proponents of sound health programs should have great confidence as to their ability to secure adequate funding," Weinberger told the health seminar for medical writers.

He said that for the first time the Nixon administration has fashioned "a total health strategy."

Yet a look at the administration's record on health programs over the past 4½ years shows something different. The Nixon administration in 1973 is not even matching the goals set by President Nixon in his health messages of 1971 and 1972.

The national health insurance plan that President Nixon announced in 1971 "to ensure that no American family will be prevented from obtaining basic medical care by ability to pay" has been scrapped and HEW planners are now drafting a new proposal. Not since 1971 has the President mentioned the national health "crisis." The 1972 drive to increase the number of doctors, dentists and paramedics has foundered in a budget that cuts federal aid to medical and dental schools. Even with increases for cancer and heart research, the National Institutes of Health budget is down $34 million.

Although it appears that the 1974 HEW health budget is greater than 1973's ($26.3 billion versus $20.3 billion), the difference dwindles to $71 million after one subtracts medicare and medicaid money for future years along with programs that have been transferred from other government agencies. The increase that remains is not enough to cover inflation.

The clearest example of the administration's failure to pursue its goals is in the area of health maintenance organizations (HMOs), those pre-paid group practice plans which appeared in 1971 to be a cornerstone of administration efforts to reform American medicine.

"Some 7 million Americans are now enrolled in HMOs and the number is growing," said President Nixon in his 1971 health message. "Studies show they are receiving high quality care at a significantly lower cost. Patients and practitioners are enthusiastic about this organization concept. So is this administration."

A year later, Mr. Nixon called HMOs "a central feature of my national health strategy." And then-Secretary Elliot L. Richardson, now serving as attorney general, talked about spreading the HMO concept across the country so that 90 percent of all Americans could be treated in an HMO by 1980.

Now, this has all changed. Instead of viewing HMOs as a proven method of delivering medical care—as President Nixon and Secretary Richardson did two years ago—Weinberger says they need further testing. Instead of moving HEW forward in a full program of encouraging prepaid group practice, he talks of them as an "experiment." And yet he denies that the administration has pulled back from its commitment to HMOs. "The attachment we have to the health maintenance organization experiment has not changed, has not weakened," he says.

The facts do not support that statement. The administration clearly has bought the go-slow line of the American Medical Association, which has consistently called HMOs an experiment. Indeed, the AMA's new president-elect, Dr. Malcolm Todd, a campaigner for President Nixon and head of the Physicians Committee for the Re-Election of the President, said in an interview last fall, with National Journal:

"We used all the force we could bring to bear against this (HMOs). As a result, there is no question that there has been some backtracking on the part of the White House. The White House has directed the (HEW) Secretary (Richardson) to slow down on this thing . . . The Secretary has called off the aggressiveness, and this is good."

Dr. Gordon M. MacLeod, who was brought in from Yale University to run the HMO program in HEW, said in a speech last week that, "The administration now has reversed its previous position. For the subordination of HMO activity from a national program of 100 persons to a desk function of 5 or 6 people is not consistent with the priority formerly given to HMOs by the administration," he said.

MacLeod quit his job over the downgrading of the HMO operation, but Weinberger dismissed his concern as merely having to do with "his status within the organization."

Other health programs, including the highly vaunted administration initiatives in cancer and heart disease, also can be examined to show where the reality fails to match the promise.

The administration failed to spend $50 million for cancer that was available in the 1973 fiscal year. And although the National Heart Institute received $18 million more in the 1974 budget, it was directed to start entirely new programs in lung diseases that will eat up the entire increase without allowing it to focus more resources on heart diseases—the nation's biggest killer.

In explaining the administration's total health strategy, Weinberger said existing health programs are put under a microscope to make sure they are not squandering the "finite" share of the national resources that can go for health.

That's the truth of it; only so much of the federal pie has been allotted to health. And contrary to Weinberger's prose, its priority is not that high. So why pretend? Why insist the administration's commitment to health in general and HMOs in particular hasn't changed when clearly it has?

CONSERVATIZING HEW'S "H"

(By Judith Randal)

Despite repeated impoundment of funds that Congress appropriated for health programs and the administration's determination to end many of them anyway, there always has been a degree of civility between legislators and the executive where these issues were concerned. But now—owing in part to Watergate, and even more to a change of leadership at the Department of Health, Education and Welfare—it is disappearing fast.

Never was this more apparent than when HEW Secretary Caspar W. Weinberger assembled some 200 medical writers at a two-day seminar here earlier this month.

Weinberger, whose informal alias of "The Knife" has followed him from his previous job as director of the federal Office of Management and Budget, portrayed congressional advocates of health programs as bleeding hearts who would bankrupt the Treasury, and those who have quit posts in his own department in disagreement over his policies as malcontents motivated only by "personal pique."

Not surprisingly, there were prompt rejoinders from the Hill. Remembering that the President in his first term made the "health crisis" the topic of a much-publicized address, for instance, Massachusetts Democrat Edward M. Kennedy, who as chairman of the Senate Health subcommittee keeps track of such rhetoric, described it as "overblown" and the administration's professed efforts to deal with the problem as "a great big bust."

A major source of the bitterness is that Congress has found that the administration changes its health stance with each new secretary for HEW, as if somehow each man were working for a different president than the man before. For example, Elliot L. Richardson, while at HEW, was deeply committed—as Nixon himself said he was then—to health maintenance organizations. And when Congress duly authorized a three-year $800 million program to establish HMOs in many parts of the country, it looked as if the movement might take hold.

But now Weinberger says that HMOs—which provide comprehensive health benefits on a targeted per capita expenditure basis rather than on the traditional piecework or fee-for-service basis—must be further studied because those in operation have catered only to the solvent middle class.

The argument is in itself specious, as several well-established HMOs have enrolled substantial numbers of the poor and near-poor without going broke. But it is Weinberger's combative manner in insistently overlooking this, to say nothing of the shift in policy, that has angered legislators. Indeed, where Congress once laid the blame for the administration's indifference to health issues on the religious beliefs of Christian Scientists John D. Ehrlichman and H. R. Haldeman at the White House, it is now Weinberger's weasel-wording and arrogance at the Cabinet level that they find insufferable.

Another irritant is that very little that HEW says it will do gets done on time. National health insurance is a case in point. The administration did, to be sure, offer an insurance proposal during Nixon's first term. But that proposal died with the 92nd Congress, and an alternate prepared after Richardson had replaced Robert H. Finch as HEW secretary was junked by Weinberger when he took office in February.

Meanwhile, although Weinberger promised Congress that still a third version would be ready, first in April and then in May, the completion date has now been deferred until September, with the distinct possibility that it may slip further still. It has not escaped notice that Rep. Wilbur Mills, D-Ark., chairman of this session of Congress, very likely won't do so because of the delay.

Other examples: documents promised Congress have a tendency to become long overdue. Although the Conquest of Cancer Act, for example, was passed in 1971, the plan to implement it is still in limbo. And the counterpart plan for the Heart and Lung Act which, was supposed to reach legislators by May 20 wasn't delivered until yesterday, although it was ready and printed on time.

In short, whereas the farmer, theoretically at least, can count on the Agriculture Department to represent his interests, the businessman on Commerce and the workingman (occasionally) on Labor, the only constituency now being served by the "H" in HEW would seem to be conservatively minded members of the American Medical Association. And they went on record at their annual June meeting as saying that some HEW policies are too conservative even for them.

SELECTED VOTES IN THE BOBBY BAKER INVESTIGATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. CRANE. Mr. Speaker, in making the following observation, I want to make it crystal clear that I in no way condone any illegal or unethical act connected with Watergate.

Further, I do not subscribe to the principle that in politics two wrongs make a right. In other words, if one administration uses illegal means in its political and governmental activities it does not justify a subsequent administration using the same means on grounds that "everybody does it." Having said that, Mr. Speaker, I think it is fair to state that the American people have been subjected to a great deal of moralizing by certain members of the Senate Watergate Committee in connection with their television show. Now, mind you, moralizing has its place. However, selective indignation has no place in the pulpit.

It is for that reason I am placing in the RECORD for the benefit of my colleagues on both sides of the Capitol, a study of the voting records of U.S. Senators presently serving in the Senate who were also serving in 1964 when the Bobby Baker investigation was in progress. Seven times Senators were given the opportunity to get to the bottom of that scandal, which, without a doubt more directly involved the then President of the United States, than apparently Watergate involves the present occupant of the White House.

The record is clear and speaks for itself. Several Senators who now sit as judge and jury on the Watergate panel had the opportunity to exercise their moral outrage once before and the results were very telling.

The study follows:

SELECTED VOTES IN THE BOBBY BAKER INVESTIGATION

MAY 14, 1964

1. S. Res. 330, a resolution to authorize the Senate Rules and Administrative Committee through September 1, 1964, to investigate Senators and all Senate employees with respect to "any financial or business interests or activities, including activities involving the giving or receiving of campaign funds under questionable circumstances," in order to uncover any conflict of interest or impropriety. (This was an extension and broadening of Williams' 1963 resolution that initiated the Rules Committee investigation of the activities of former Secretary to the Majority Robert G. Baker.) Curtis amendment to allow any three members of the Committee to call witnesses.

Total Vote: 36 to 33 (p. S10928).
Republican Vote: 24 to 0.
Democratic Vote: 12 to 33.

2. S. Res. 330, Mansfield motion to table (kill) the resolution. May 14, 1964.

Total Vote: 42 to 33 (p. S10931).
Republican Vote: 0 to 24.
Democratic Vote: 42 to 9.

SEPTEMBER 10, 1964

3. S. Res. 367. Authorize Senate Rules and Administration Committee to reopen its investigation into the financial or business interests of any officer, employee or former employee of the Senate, with emphasis on allegations raised in connection with construction of the D.C. Stadium. Substitute (S. Res. 368) directing the Senate Government Operations Committee to conduct the investigation and broadening it to include present or former Senators or officers or employees of the Government.

Total Vote: 37 to 50 (p. S21915).
Republican Vote: 32 to 0.
Democratic Vote: 5 to 50.

4. S. Res. 367. Amendment to turn the investigation over to the Select Committee on Standards and Conduct.

Total Vote: 38 to 45 (p. S21925).
Republican Vote: 31 to 0.
Democratic Vote: 7 to 45.

5. S. Res. 367. Curtis amendment to empower any three members of the Rules Committee to call witnesses.

Total Vote: 39 to 45 (p. S21926).
Republican Vote: 30 to 0.
Democratic Vote: 9 to 45.

6. S. Res. 367. Amendment to extend the investigation to matters relating to the construction of any Government building.

Total Vote: 38 to 48 (p. S21928).
Republican Vote: 31 to 0.
Democratic Vote: 7 to 48.

7. S. Res. 367. Amendment to direct the

Rules Committee to call as witnesses in public session all persons mentioned in the allegations concerning overpayment on the D.C. Stadium construction contract.

Total Vote: 31 to 47 (p. S21938).
Republican Vote: 26 to 3.
Democratic Vote: 5 to 44.

8. S. Res. 367. Adoption of the resolution.
Total Vote: 75 to 3 (p. S21939).
Republican Vote: 27 to 2.
Democratic Vote: 48 to 1.

VOTE BREAKDOWN[1]

[Symbol denote: Y=yea; N=nay; +=announced for; —=announced against; AB=absent, did not announce]

Senator	Vote No. 1	2	3	4	5	6	7
Aiken	Y	N	Y	Y	Y	Y	Y
Bayh	N	Y	N	N	N	N	N
Bennett	Y	N	Y	Y	Y	Y	Y
Bible	N	Y	N	N	N	N	N
Burdick	N	Y	N	N	N	N	N
Byrd, Robert	N	Y	N	N	N	N	N
Cannon	N	Y	N	N	N	N	N
Case	Y	N	Y	Y	Y	Y	Y
Church	N	N	N	N	N	N	N
Cotton	Y	N	Y	Y	Y	Y	Y
Curtis	Y	N	Y	Y	Y	Y	Y
Dominick	+	—	Y	Y	Y	Y	Y
Eastland	Y	Y	N	N	N	N	AB
Ervin	—	Y	N	N	N	N	N
Fong	Y	N	Y	Y	Y	Y	Y
Fulbright	N	Y	N	N	N	N	—
Goldwater	Y	N	AB	AB	AB	AB	AB
Hart	Y	N	N	N	N	N	N
Hartke	N	Y	N	AB	N	N	N
Hruska	Y	N	Y	Y	Y	Y	Y
Humphrey	N	Y	N	N	N	N	N
Inouye	N	Y	N	N	N	N	N
Jackson	+	—	—	+	+	+	+
Javits	Y	N	Y	Y	Y	Y	N
Kennedy	N	Y	—	—	—	—	—
Long	N	Y	N	—	—	—	—
McClellan	Y	Y	N	N	Y	N	N
McGovern	N	Y	N	N	N	N	N
McGee	N	Y	—	—	—	—	—
McIntyre	AB	Y	N	Y	Y	N	N
Magnuson	AB	+	N	N	N	N	N
Mansfield	N	Y	N	N	N	N	N
Metcalf	—	+	N	N	N	N	N
Moss	N	Y	N	N	N	N	N
Muskie	N	Y	N	N	N	N	N
Nelson	Y	N	N	N	Y	Y	Y
Pastore	N	Y	N	N	N	N	N
Pearson	+	—	Y	Y	Y	Y	Y
Pell	N	Y	N	N	N	N	N
Proxmire	Y	N	N	N	Y	Y	Y
Randolf	—	Y	N	N	N	N	N
Ribicoff	AB	AB	N	—	—	—	—
Scott, Hugh	Y	N	Y	Y	Y	Y	Y
Sparkman	—	Y	N	N	N	N	N
Stennis	Y	Y	N	N	N	N	N
Symington	+	—	N	Y	Y	Y	N
Talmadge	—	+	—	N	N	N	N
Thurmond	AB	AB	Y	Y	Y	Y	Y
Tower	+	—	Y	Y	Y	Y	Y
Williams	Y	N	N	Y	Y	Y	N
Young	+	—	Y	Y	+	Y	N

[1] If a Senator was in favor of extending the Bobby Baker Investigation, he would have voted as follows: Vote No. 1, yea; vote No. 2, nay; vote No. 3, yea; vote No. 4, yea; vote No. 5, yea; vote No. 6, yea; vote No. 7, yea.

WORLD FOOD SECURITY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. FRASER. Mr. Speaker, a great deal of concern has been expressed by private and international agencies over the disastrous effects of the drought in the Sahelian area of West Africa.

I am deeply concerned that adequate immediate relief to the area is made available from private, bilateral, and multilateral sources. But, I also view the Sahelian disaster as one more piece of evidence of the need for an effective international arrangement to assure reliable supplies of food stocks. Flexible productive capacity of major exporters of food stuffs and adequate access to supplies for importers are necessary conditions for avoiding extreme supply and demand fluctuations. Without an international stock policy, supply uncertainties will continue to produce price instability in vital commodities and inhibit international response to disasters like the Sahel.

I have scheduled hearings before the Subcommittee on International Organizations and Movements for July 31. Future world food shortages and the capability of international organizations to deal with future increases in demand for basic food stocks will be reviewed by representatives from government and private agencies.

In the past, the United States has contributed substantial sums and a high level of technical expertise to the efforts of the FAO/World Food program, the U.N. Disaster Relief Organization, and the UNDP. The United States has also been party to various international commodity stabilization arrangements since 1946. However, the rapid succession of disaster situations in various parts of the world together with recent projections of an impending world food crisis should demonstrate the importance of developing a conscious international stock policy to meet world demand for vital food commodities.

In a statement before the U.N. Economic and Social Council, the Assistant Director-General for Economic and Social Policy of the FAO, Mr. E. M. Ojala, discussed present national stock policies:

> Many countries hold food stocks, for a variety of purposes. But current national stock policies were not designed to cope with the situation that has emerged in 1973. At present, there is no means of ensuring that national stock policies are consistent with each other, from the viewpoint of overall world security; there is no international machinery for keeping stock levels under review; and there are no orderly arrangements for taking action when supplies are in danger of being depleted below safe levels.

The issue of world food management has taken on new dimensions in this period of international inflation and scarcity. Improved productive capacity of developing countries, access to traditional sources of supplies, and financing to assure more stable prices can no longer be looked at in isolation. Product specialization among nations has led to increased interdependence of national economies. Tariff restrictions that lower international levels of vital food commodities are a concern of importing as well as exporting nations.

Future food shortage problems will not be the sole concern of developing economies. Rising affluence in moderately advanced nations has created additional demand for food imports. In addition, crop failures in several large foodgrowing areas has created a massive increase in trade in 1972 and 1973. Unless some degree of coordination of agricultural stocking and trade policies is reached among producers and consumers, shortages and rising prices may become a pervasive problem in more developed economies as well.

As a leading exporter of agricultural products, the United States will play a significant role in any international effort to cope with what is now being called "the politics of global scarcity." Increased world demand for grain and protein food resources has highlighted the importance of the United States as a reliable source of food supply.

As a major exporter, U.S. agricultural production, stocking, and trade policies must begin to take into account their effects upon the international distribution of food resources. In a State Department report to the Congress released in April, the world food situation and American assistance were discussed with particular emphasis on the impact of shortages on LDC's:

> Long term projections by the UN Food and Agriculture Organization and the US Department of Agriculture suggest that food production in the LDCs will gradually improve over the 1970's. However, cereal production in many developing countries will still not be adequate to feed their population, and emergency shortfalls caused by unfavorable weather will undoubtedly occur again.
>
> Food assistance is a significant part of US development aid. Until more developing countries have achieved a balance between population growth and food production, our food aid will be vital to their continued progress and is needed to meet short-term emergency requirements. In view of these continued demands, an overall review of US food production policy in relation to its effect on our assistance to the LDCs would appear desirable.

Food supply problems of developing countries have been approached in the past through programs to: First, transform their economies from subsistence to modernized, commercial agriculture; second, support agronomic research for the improvement of agricultural plant varieties in quality and yield; and third, provide low-interest, long-term credit arrangements between LDC's and major producing countries to cover production shortfalls and emergency relief.

All of these aproaches depend upon the capacity and willingness of a few countries to provide the necessary capital, financial or commodity resources to meet the development requirements of the LDC's. But, in order to maximize the use of these resources, the structural capacity of the LDC's must also be developed. We see now in the Sahel that the delivery of vital supplies is hampered by the lack of adequate transport, storage, and communication facilities.

Congressional concern has been registered over the political as well as the economic impact of recent administration export policies on vital food commodities. Unilateral action by the United States to control exports of grain and protein commodities has weakened U.S. credibility in Japan and set back the process of agricultural trade liberalization with the EEC. The unprecedented size of the Soviet wheat sale may adversely affect our ability to respond fully to future emergency situations such as the Sahel. It is increasingly apparent, furthermore, that these export policies will not substantially contribute to the long-term solution of U.S. domestic food prices and supplies. Retaliatory action on the part of those hurt by recent U.S. actions may, in fact, work to offset any

internal assurance of food supplies. We are, indeed, a major producer of food products, but we are by no means self-sufficient in other products.

At the 60th session of FAO in June of this year, the Director General, Dr. A. H. Boerma offered a proposal for international action to assure adequate basic food stocks. Dr. Boerma noted that the world is currently just one bad harvest away from widespread famine and critical shortages of foodstuffs. The Director General believes that a minimum level of world food security could be achieved through a limited degree of coordination of national stock policies. The three basic elements of his proposal include: First, the need for a consensus on the concept of minimum world food security; second, intergovernmental cooperation and consultation on national stock levels; and third, international assistance to developing countries in establishing basic food stocks.

I hope that our efforts to stimulate discussion on this important issue will lead to specific congressional and administrative action to assure adequate food resources through a system based on international cooperation.