tection of domestic economic interests and to the fostering of commercial intercourse between nations; to the Committee on Foreign Affairs.

By Mr. DELLENBACK (for himself, Mr. QUIE, Mr. BIAGGI, Mr. HUBER, Mr. KEMP, Mr. ERLENBORN, and Mr. ESCH):

H.R. 13815. A bill to amend section 411 of the Higher Education Act of 1965 to improve the awarding of basic educational opportunity grants under such section, and for other purposes; to the Committee on Education and Labor.

By Mr. EVANS of Colorado:

H.R. 13816. A bill to amend the act authorizing the Fryingpan-Arkansas Federal reclamation project, Colo., in order to increase the amount authorized for such project (act of August 16, 1962; 76 Stat. 389) and to authorize construction of a second 100-megawatt unit at the Mt. Elbert Pumped Storage Powerplant site of such project; to the Committee on Interior and Insular Affairs.

By Mr. FINDLEY:

H.R. 13817. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FREY:

H.R. 13818. A bill to provide for the termination of certain oil and gas leases granted with respect to land located in the Ocala National Forest; to the Committee on Interior and Insular Affairs.

By Mr. GINN:

H.R. 13819. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. HANLEY:

H.R. 13820. A bill to amend the Small Business Act to provide low-interest operating loans to small businesses seriously affected by a shortage in energy-producing materials; to the Committee on Banking and Currency.

By Mr. HARRINGTON:

H.R. 13821. A bill to repeal economic sanctions against Cuba which are contained in certain acts of Congress; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, and Mr. YOUNG of Georgia):

H.R. 13822. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HELSTOSKI (for himself, Mr. BINGHAM, Mrs. CHISHOLM, Mr. FORSYTHE, Mr. FRELINGHUYSEN, Miss HOLTZMAN, Mr. PODELL, and Mr. ROE):

H.R. 13823. A bill to direct the Comptroller General of the United States to conduct an annual audit of each interstate transportation authority which has been established pursuant to an interstate compact or agreement that has been approved by Congress; to the Committee on Government Operations.

By Mr. JARMAN:

H.R. 13824. A bill to amend section 410 of the Federal Aviation Act of 1958 to provide financial assistance during the energy crisis to U.S. air carriers engaged in overseas and foreign air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 13825. A bill to establish administrative and governmental practices and procedures for certain kinds of surveillance activities engaged in by the administrative agencies and departments of the Government when executing their investigative, law enforcement, and other functions, and for other purposes; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. RODINO, Mr. CONYERS, Mr. DANIELSON, Mr. DRINAN, Mr. MEZVINSKY, Mr. MAZZOLI, Mr. MITCHELL of Maryland, Mr. RAILSBACK, Mr. SMITH of New York, Mr. SANDMAN, Mr. COHEN, Mr. FISH, Mr. BIESTER, and Mr. COUGHLIN):

H.R. 13826. A bill to establish an independent and regionalized U.S. Parole Commission, to provide fair and equitable parole procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 13827. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation; to the Committee on Agriculture.

H.R. 13828. A bill to direct the Secretary of the Treasury to determine if bounties, grants, or export subsidies are paid by foreign countries with respect to dairy products imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. MOAKLEY (for himself, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. SARBANES, Mr. PEPPER, Mr. HARRINGTON, Mr. TIERNAN, Mr. YATRON, Mr. WON PAT, Mr. CARNEY of Ohio, Mr. EILBERG, Mr. LUKEN, Ms. ABZUG, Mr. SEIBERLING, Mr. DRINAN, Mrs. COLLINS of Illinois, and Mr. METCALFE):

H.R. 13829. A bill to provide assistance and full-time employment to persons who are unemployed and underemployed as a result of the energy crisis; to the Committee on Education and Labor.

By Mr. MOSS (for himself, Mr. ECKHARDT, Mr. HELSTOSKI, and Mr. CORMAN):

H.R. 13830. A bill to establish national goals for the effective, fair, inexpensive, and expeditious resolution of controversies involving consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEYSER:

H.R. 13831. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. PICKLE:

H.R. 13832. A bill to amend the Emergency Petroleum Allocation Act of 1973 with respect to the base period for purposes of allocation to independent marketers; to the Committee on Interstate and Foreign Commerce.

By Mr. RHODES:

H.R. 13833. A bill to incorporate the U.S. Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.R. 13834. A bill to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ULLMAN:

H.R. 13835. A bill to amend section 6420 of the Internal Revenue Code of 1954 to treat timber operations as farming, for purposes of the excise taxes on special fuels and gasoline; to the Committee on Ways and Means.

By Mr. KARTH:

H.J. Res. 960. Joint resolution requiring the President to submit to Congress a report concerning importations of minerals which are critical to the needs of U.S. industry; to the Committee on Ways and Means.

By Mr. LATTA:

H.J. Res. 961. Joint resolution requiring the President to submit to Congress a report concerning importations of minerals which are critical to the needs of U.S. industry; to the Committee on Ways and Means.

By Mr. BROTZMAN (for himself, Mr. BUCHANAN, Mr. GOLDWATER, Mr. GUBSER, Mr. MATHIAS of California, Mr. REES, Mr. ROYBAL, Mr. TALCOTT, Mr. BOB WILSON, Mr. GIBBONS, Mr. DERWINSKI, Mr. PRICE of Illinois, Mr. HILLIS, Mr. MYERS, Mr. SHRIVER, Mr. WINN, Mr. HOGAN, Mr. MITCHELL of Maryland, Mr. CONTE, Mr. HARRINGTON, Mrs. HECKLER of Massachusetts, Mr. ESCH, and Mr. RIEGLE):

H. Res. 1019. Resolution to create a Committee on the Environment; to the Committee on Rules.

By Mr. BROTZMAN (for himself, Mr. ZWACH, Mr. RANDALL, Mr. SEBELIUS, Mr. THONE, Mr. DOMINICK V. DANIELS, Mr. FORSYTHE, Mr. HELSTOSKI, Mr. ROE, Ms. ABZUG, Mr. FISH, Mr. KEMP, Mr. KING, Mr. RANGEL, Mr. SMITH of New York, Mr. PODELL, Mr. ANDREWS of North Dakota, Mr. REGULA, Mr. DEVINE, Mr. DENT, Mr. WILLIAMS, Mr. MANN, Mr. SPENCE, Mr. PICKLE, and Mr. PRITCHARD):

H. Res. 1020. Resolution to create a Committee on the Environment; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials, were presented and referred as follows:

[*Omitted from the Record of March 27, 1947*]

398. By the SPEAKER: Memorial of the Senate of the State of Rhode Island and Providence Plantations, relative to homes for the elderly; to the Committee on Banking and Currency.

[*Submitted March 28, 1974*]

399. Also memorial of the Legislature of the State of Georgia, relative to Professional Standard Review Organizations; to the Committee on Ways and Means.

SENATE—*Thursday, March 28, 1974*

The Senate met at 9:30 a.m. and was called to order by Hon. ADLAI E. STEVENSON III, a Senator from the State of Illinois.

PRAYER

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

O Lord our God, in whom we live and move and have our being, help us to use wisely this new day which Thou hast given us. In hard tasks grant us the grace of perseverance. In difficult problems help us to press onward until solutions are found. In all our efforts help us to "Abhor that which is evil; cleave to that which is good. Be kindly affectioned one to another with brotherly love; in honour preferring one another; not slothful in business; fervent in spirit; serving the Lord." Bring us to evening with nothing to make us ashamed, with nothing to regret, with nothing badly done, and with peace in our hearts.

In Thy holy name we pray. Amen.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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., March 28, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ADLAI E. STEVENSON III, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. STEVENSON 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 Wednesday, March 27, 1974, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

CONSIDERATION OF MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent to call up Calendar Nos. 725, 726, and 730.

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

ANIMAL HEALTH RESEARCH

The Senate proceeded to consider the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 7, after the word "of", insert "fresh water fish and shellfish"; on page 2, line 4, after the word "poultry;", insert "to minimize losses of livestock and poultry due to transportation and handling;"; on page 3, line 12, after the word "the", where it appears the second time, strike out "advisory board" and insert "Advisory Board"; on page 4, line 12, after the word "the", where it appears the second time, strike out "advisory board" and insert "Advisory Board"; in line 21, after the word "exceed", strike out "$20,000,000" and insert "$40,000,000"; on page 7, after line 6, insert:

(f) The Secretary is authorized to conduct an inventory of all horses in the United States.

In line 11, after the word "exceed", strike out "$15,000,000" and insert "$20,000,000"; in line 20, after the word "the", where it appears the second time, strike out "advisory board" and insert "Advisory Board"; in line 24, after the word "exceed," strike out "$10,000,000" and insert "$15,000,000"; on page 8, line 14, after the word "the", strike out "advisory board" and insert "Advisory Board"; in line 24, after the word "payment", strike out "or" and insert "of"; on page 9, line 10, after "Sec. 9." insert "(a)"; in the same line, after the amendment just stated, strike out "At a time and in a manner to be designated by the Secretary, the" and insert "The"; in line 11, after the word "dean", strike out "and" and insert "or"; in line 12 after the word "will", strike out "be directed to appoint a local committee to review" and insert "have prepared"; in line 18, after the word "proposals", strike out "reviewed by the local committees and"; in line 22, after the word "general", strike out "outlines" and insert "guidelines"; at the beginning of line 23, insert "(b)"; on page 10, line 8, after "Sec. 10.", insert "(a)"; at the beginning of line 13, insert "(b)"; after line 19, insert:

(c) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

And, on page 11, after line 6, insert:

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (c) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (c).

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

AUTHORIZATION FOR SALE OF A FORMER FOREIGN SERVICE CONSULATE BUILDING

The bill (H.R. 12341) to authorize sale of a former Foreign Service consulate building in Venice to Wake Forest University, was considered, ordered to a third reading, read the third time, and passed.

FACILITIES NAMED IN HONOR OF FORMER PRESIDENT LYNDON B. JOHNSON

The Senate proceeded to consider the bill (S. 2835) to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson, which had been reported from the Committee on Agriculture and Forestry with amendment on page 2, line 4, after the word "and", strike out "consideration" and insert "considered"; 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 amended, That the first Civilian Conservation Corps Center, known as the Arrowood Civilian Conservation Corps Center, located near Franklin, North Carolina, is redesignated as the Lyndon B. Johnson Civilian Conservation Corps Center, and the Cross Timbers National Grasslands, located in Wise and Montague Counties, Texas, is redesignated as the Lyndon B. Johnson National Grasslands.

SEC. 2. Any law, regulation, document, map, or record of the United States in which reference is made to the Arrowood Civilian Conservation Corps Center or to the Cross Timbers National Grasslands shall be held and consideration to be a reference to the Lyndon B. Johnson Civilian Conservation Corps Center and the Lyndon B. Johnson National Grasslands, respectively.

The amendment was agreed to.

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

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. RANDOLPH) is to be recognized.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time be transposed and that the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the distinguished majority leader.

WHAT'S RIGHT ABOUT OUR FEDERAL GOVERNMENT? WOMEN'S RIGHTS AND OPPORTUNITIES

Mr. PROXMIRE. Mr. President, this is the second of a series of speeches I am giving on what is right about our Federal Government. Of course there is plenty wrong with the Congress, the President, and even the courts. Everyone knows that. And the polls indicate that the majority of people believe that there is far more wrong than right. I emphatically disagree.

We have made remarkable progress in this Government in the past 15 years—bipartisan-Republican-Democratic prog-

ress. It is continuing and at a remarkably rapid pace.

Earlier this week I discussed the immense progress the Federal Government has made in the past 15 or 20 years in contributing to improved education in this country.

Today I take on the progress we are making in women's rights and opportunities.

In all honesty Mr. President, a strong case can be made that our progress has been so limited that we cannot point to it with pride. But we have made progress. We are on our way. Women have a far better opportunity now than ever before in American history to get a job—to defend their legal rights and to aspire to equal treatment in pay and prestige with men. We have gone a long way to provide the legal framework—the vital political foundation for progress. But we have gone almost nowhere in making the opportunity a reality.

Consider this Chamber—The U.S. Senate—as an example. We have 102 Members in this powerful legislative branch of the U.S. Government. How many women? None. Of the 50 Governors of our States how many are women? None. Of the mayors of our biggest cities, how many are women? None. There are no women on the Supreme Court, none in the President's Cabinet. There are 12 women in the 435-Member House of Representatives, a few, a very few scattered here and there in position of power and influence in the administration, but very few, indeed.

Some say the real power in this country is still in business. That may be. How do women fare in business in this country? In American business the situation is even worse. Recently Fortune magazine made a study of women in big business. They took the thousand largest firms in America. They took the three top paid officers in each business, and added every director in the business who earned more than $35,000 a year. They thus assembled the 6,000 top people—the cream of American business. What did it show? Were 10 percent or 600 women? No. Were 1 percent or 60 women? No, again. There were only 11 women among these 6,000 policymaking officials in American business, and only 1 of those 11 had been able to work her way in the usual manner to a top position in the firm. The rest had inherited the position by birth or marriage.

We could make the same depressing case of overwhelming discrimination against women in the professions—in medicine, law, religion, television, newspapers. You name it. Wherever power is in this country. Men overwhelmingly occupy all or just about all the posts.

Why is this? Is it because women do not have it? Do they lack ability, intelligence, force, judgment? Of course not. The prime minister of Israel is a woman. Of India—another distinguished woman. In Russia most of the doctors are women.

Repeatedly, where given anything like a chance, women have shown they can do every bit as good a job as men.

Now this failure to use the talent of half of our population is a serious national waste.

All of us know how much we need leadership—intelligent, sensitive, competent leadership everywhere in America—in government, in the law, in medicine, in business. But by cheating women of the opportunity to contribute their ability we have been seriously weakening our country.

With all this bad news about what is wrong, how can I call this a speech about what is right with the Federal Government? The answer, of course, is that now at long last—just in the past few years we have begun—only begun—but that beginning represents a solid and vital contribution to women's rights and opportunities.

1961—STATUS OF WOMEN COMMISSION

In 1961 President Kennedy noted that—

> Continuing prejudice and outmoded customs act as barriers to the full realization of women's basic rights.

In an effort to change this situation, he established the President's Commission on the Status of Women to advise him on what we needed to do as a nation to overcome discrimination against women.

EQUAL RIGHTS AMENDMENT—1972

Today, just 13 years later, I believe that this Nation can take pride in the progress we have made toward achieving full legal equality and economic opportunity for American women. State and local laws that discriminate against women are being challenged in the courts and overturned. Congress has passed the Equal Rights Amendment to the Constitution, and it has already been ratified by 33 States. The Equal Employment Opportunity Commission has enforcement powers with which to stop discrimination against women on the job. Prohibitions against sex discrimination have been extended to employees of educational institutions, governmental agencies, and businesses and unions with more than 15 workers.

In fact, there has been something of a legal revolution in the field of women's rights in the last decade, and I would like to take some time today to summarize the most important changes and their impact on women's lives.

Mr. RANDOLPH. Mr. President, will my able colleague yield?

Mr. PROXMIRE. I am delighted to yield.

Mr. RANDOLPH. The Senator from Wisconsin (Mr. PROXMIRE) is correctly sketching developments within our country from the standpoint of opportunities for and contributions of women in many spheres of public, and certainly civic and private endeavors.

It is appropriate, as a point of historical perspective, to add a footnote illustrating the progress that has been made in achieving political and economic justice for women. In 1854, three young women employed as copyists in the U.S. Patent Office were threatened with loss of their jobs. A member of Congress wrote to the Secretary of the Interior, Robert McClelland, on behalf of one of them, and received the following response:

> There is every disposition on my part to do anything for the lady in question except to retain her, or any of the other females who work in the rooms of the Patent Office. I have no objection to the employment of females in the performance of such duties as they are competent to discharge, but there is such obvious impropriety in the mixing of sexes within the walls of a public office that I have determined to arrest the practice.

The "lady in question" lost her job. But she went on to distinguish herself a few years later in a job situation considered exclusively male. The lady's name was Clara Barton. Her work on the Civil War battlefields and as founder of the American Red Cross made her one of the most illustrious women in our Nation's history.

Mr. PROXMIRE. I thank the distinguished Senator from West Virginia for this dramatic demonstration of contributions that women have made in the past, in spite of the enormous prejudice they have suffered for so long. The Senator has been a leader in the efforts to secure equal opportunity for women.

EQUAL PAY ACT—1963

Two pieces of legislation in particular have contributed enormously to ending economic discrimination against women in the past 10 years. The Equal Pay Act of 1963 requires men and women to be paid equally for jobs requiring equal skill, effort, and responsibility. Although it originally applied only to those persons covered by the Fair Labor Standards Act, the Higher Education Act of 1972 extended its protection to executive, administrative, and professional employees, including teachers. Furthermore, a landmark decision by the Supreme Court in 1970 held that women performing work which is "substantially" equal to that of men should receive the same pay, a decision which greatly broadened the scope and authority of the act.

Under the Equal Pay Act, which is administered by the Wages and Hours Division of the Department of Labor, complaints can be handled quickly, often without litigation, and the name of the complainant can remain anonymous. From June 1964 to June 1972, $44.5 million was found due to 108,000 employees under this statute.

The Equal Pay Act does not cover equal opportunity, hiring, firing, promotion, seniority, or conditions of employment. These areas come under the prohibitions against sex discrimination by employers, public and private employment agencies, labor unions, and labor-management programs included in title VII of the Civil Rights Act of 1964.

EQUAL EMPLOYMENT OPPORTUNITIES ACT OF 1972

The Equal Employment Opportunity Act of 1972 extended the coverage of title VII to Government employees and employees of nonreligious educational institutions. In addition, it granted the Equal Employment Opportunities Commission (EEOC), which administers title VII, the power to file suit against employers in Federal District courts in cases of sex discrimination if its efforts at conciliation fail. Previously the authority of EEOC was limited to investigations. It now has enforcement powers.

The EEOC has issued guidelines on sex discrimination which bar hiring based on sex stereotypes, classifications, or labeling of "men's jobs" or "women's

jobs," and advertising under male or female headings. The guidelines also specify that exemptions for jobs in which sex is a bona fide qualification should be interpreted very narrowly. For example, it is legal to advertise for a female actress to play a female part, but not to advertise for female secretaries on grounds that women are better secretaries than men. Furthermore, the guidelines prohibit employers from using so-called State "protective" laws which limit or prohibit women's employment in certain jobs, hours, and working conditions, as a reason for refusing to hire women for such jobs.

In the 9 years since title VII went into effect, the EEOC has declared a number of discriminatory practices, illegal under the Civil Rights Act. Employers are no longer permitted to refuse to hire women with pre-school age children unless they also refuse to hire men with pre-school age children. Separate pension plans for men and women are illegal, as are separate seniority lists for male and female employees. Moreover, an employer must treat a woman's pregnancy as a disability—she can no longer be fired or forced to resign at any specified month in her pregnancy.

The Equal Employment Opportunity Act of 1972 extended the coverage under title VII to all Federal employees, but women in the Federal service are also protected by a series of Executive orders banning sex discrimination by all Federal agencies, and in contracted Federal projects as well. Under an Executive order issued in December 1971, contractors with 50 or more employees, and a contract of $50,000 or more, must take affirmative action to set goals and timetables for the employment of women in job categories where they have been underutilized. The Office of Federal Contract Compliance has the power to withhold valuable contracts from firms which do not comply with the Executive order's provisions.

OTHER FEDERAL ACHIEVEMENTS

These are the major Federal legislative achievements to date. In addition, there have been a number of smaller, but important victories for women's rights. The separate women's branch of the Coast Guard Reserve has been eliminated, creating one Reserve composed of both men and women who are enlisted and commissioned under exactly the same conditions.

The Small Business Administration Act has been amended to prohibit the Small Business Administration from practicing sex discrimination.

And the Comprehensive Manpower Act prohibits discrimination against women in the expenditure of Federal "manpower" funds.

The Equal Rights Amendment to the Constitution is in a class by itself. Introduced in every Congress since 1923, it reads:

> Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

The Congress passed the Equal Rights Amendment in March 1972, and in the following months many State legislatures have acted quickly to ratify it. Although the drive for ratification has been slowed by a mobilized opposition, 33 States have already ratified the amendment. Eighteen have either tabled it or voted it down; and only one State, Nebraska, has rescinded its ratification. Only five more ratifications are needed for adoption—six, if Nebraska's action is upheld.

A significant part of the opposition to the equal rights amendment has come from organized labor, which feared giving up the protective laws regulating working hours and conditions for women. However, many States are already reviewing their wages and hours regulations, extending equal protection to men, or revising statutes to insure that they discriminate against neither sex. Last fall, the AFL–CIO reversed its position and promised to support the drive for ratification. Labor support for the amendment has already proved crucial to its success in several States.

Of course, laws cannot eliminate deeply rooted attitudes and social prejudices overnight. But taken together the statutes and Executive orders of the last decade have had a profound effect on the elimination of discrimination against women. More legislation is needed—particularly in the area of pension and retirement benefits and in the extension of retail credit and mortgage transactions—but today women have a choice. They can fight illegal discrimination with the authority of the law on their side. The report of the President's Commission on the Status of Women summed up the ideal toward which we are working. It concluded that—

> Women can only be given real opportunity by being offered real choices, each one under written by fair laws and fair practices and a social climate that ensures that each life pattern will be considered a feasible and dignified one.

To sum up, this country has lost much in leadership and talent by 20 years of consistent discrimination against women. That discrimination continues in an overwhelming exclusion of women from positions of real power and influence in America. But now, at last, the Federal Government has began to act.

The Equal Pay Act of 1963, the Equal Opportunities Act of 1972, and the Equal Rights Amendment of 1972 have set this Government squarely on the path of full protection of women's rights and the legal basis for an explosion of women's opportunities. We will be a better country because of it. Once again the Federal Government has done something right and provided another basis for Americans to be proud of their Government.

ORDER OF BUSINESS

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

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

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. 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. MANSFIELD. Mr. President, how much time remains to the distinguished senior Senator from Wisconsin?

The ACTING PRESIDENT pro tempore. One minute.

Mr. MANSFIELD. If the distinguished Senator from Wisconsin will allow me to yield that 1 minute to the distinguished senior Senator from West Virginia, I will yield the 15 minutes allotted to his colleague from West Virginia (Mr. ROBERT C. BYRD), and the Senator will have ample time to speak this morning on a subject dear to his heart.

Mr. RANDOLPH. I thank the distinguished majority leader.

SENATOR RANDOLPH ADVOCATES INCREASED USE OF COAL AS MAJOR ANSWER TO NATION'S ENERGY NEEDS—URGES ACTION NOW ON ENERGY EMERGENCY LEGISLATION

Mr. RANDOLPH. Mr. President, I address these remarks to the very important subject of coal—coal in vast supply, coal capable of being mined and processed for the benefit of the people of the United States in the years ahead. I feel that it is important to document this record, rather than to speak quickly or even to have colloquy, as I have been privileged to have in the past in the Senate during certain debates.

I know that we realize—Members of Congress and a large portion of the population which is knowledgeable on this subject—that coal will have an increasingly important role in determining the future energy strength of our country. We know that we have a chemically rich, abundant coal supply throughout the United States. This coal base can be strengthened if we are enlightened and move forward on a broad front, with further technology development, but increased use of this fossil fuel.

Today the domestic energy void is largely filled in our country by oil imported from the Middle East and other sections of the world. We must have help as we move to the forefronts of technology, because our goal is attainable but it is not yet attained, and with the capability of coal to meet the self-sufficiency, in large degree, of the American people in fuels and energy, this goal can be achieved. We have—and I stress this with vigor—though I do not speak loudly, Mr. President, but I speak earnestly—underground in this land of ours one-half of the known coal reserves of the entire world. I would ask that Senators visualize this situation, and they will understand that enough coal is here to satisfy our energy needs for at least 500 years.

Mr. President, we are not talking about something that has only a value in easing the energy crisis, or whatever we call it, with which we have been afflicted for many months. We are familiar with the fact that the United States has only 5 percent of the world's crude oil reserves, while the Middle East holds a mammoth 67 percent. I repeat: We have in this country only 5 percent of the crude oil reserves. The Middle East, I emphasize, has 67 percent.

But I hope we will also consider, when we have weighed those figures, that America has four times more energy

available in coal than the Middle East has in oil. I repeat, Mr. President, that in this country we have four times more energy available through coal than the Middle East has in all its oil deposits.

If we are determined to move away from the influence—frankly, the domination, the captivity—of oil-rich nations overseas, we are going to have to do in this country that which we should have done long ago: have a major shift to electricity generated from coal as well as nuclear power. It is necessary that this be done. It is inevitable that it be done.

Coal is now used for only 17 percent of our energy needs. It can serve as the chemical feed stock for the production of synthetic premium fuels. These include, of course, natural gas and oil and methanol.

Any high degree of energy self-sufficiency will require unprecedented growth in coal production from today's 590 million tons to almost 2 billion annual tons by 1985. Such potential growth presents a staggering challenge to the coal industry; but it is comparable to that for nuclear electric power.

Simply stated, the coal industry is technologically deficient and this deficiency is becoming more apparent as Americans demand more coal to meet our country's energy needs. Expert skills are needed in systems analysis, research management, and technical areas as diverse as process chemistry and environmental monitoring. Frankly, the coal industry lacks the technology to mine enough coal. And, once coal is mined, the technology to make its use completely acceptable is still lacking.

Technological deficiency is only one reason why a nation so rich in coal now finds itself short of energy. There are also many complex social, economic, and political factors slowing coal's expanded use and we must clear them away. Unless we can quickly advance the technologies for mining, transporting, and burning coal and then master the techniques for converting it to synthetic natural gas and oil, our energy self-sufficiency cause is lost. There then would be insufficient fuel of all kinds to meet this Nation's needs.

Research programs underway ultimately should provide the solutions to these problems. And I personally believe that decisions being made today in Washington, and in corporation boardrooms across the land, will accelerate the pay-out of the lengthy research and development cycle.

I question whether money will be a major obstacle—at least if recent experience is an indication. Last December, for example, the Chairman of the Atomic Energy Commission, Dr. Dixy Lee Ray, submitted a report to the President outlining how $10 billion can be most profitably spent on energy research—not on atomic research but on energy research—in the United States.

Many of the programs that she selected, Mr. President, had their focus on coal, and many of the recommendations have been included in the Federal budget.

What is more important, perhaps, is the virtual unanimity on this program in what I call the circles that include the Congress of the United States and those within the administration at various levels who have studied these matters. We have had, of course, the more or less current discussions within Congress, and we have had in those discussions sometimes very severe confrontations as we have come, let us say, into a certain problem with the President of the United States on energy research funding.

Whether we spend $10 billion, as Dixy Lee Ray has indicated, or whether we spend $20 billion, as I have advocated, over a period of 10 years rather than $10 billion over 5 years, is not the crux of what I am indicating here today. It is, however, a challenge that we have the development of results-oriented institutions brought into this picture. We must meet the challenge, and there are several possibilities that are now under active consideration in the Congress, leading to what I believe will be the eventual creation of a Federal Energy Research and Development Administration. An interim step is, of course, the Senate's national fuels and energy policy study which has been proposed as an interdepartmental energy research management project.

Industry and the utilities have, of course, through the Electric Power Research Institute, stated their strong views and made their contributions.

There remains, however, the monumental task of resolving their respective roles in the centralized national programs which I know, in the interest of efficiency and the dollars being well spent, must come into being.

Past research efforts in the United States, for example, have been seriously flawed by the inability of officials to assess the coal industry as a coal delivery system—it is important to underscore this—that the coal delivery system extends from the mine face to the point of the end-use product—a concept that is inherent in nuclear power development. As a result, most of the efforts have been aimed at only a fraction of the industry's technology needs—utilization—even though key subsystems, such as extraction, call for major improvement.

We lost time and momentum when, in the early 1950's, the administration in power during that period stopped funding and thereby stifled the then ongoing research into synthetic liquid fuels and into coal gasification. These programs had been authorized and funded by the U.S. Congress in the middle 1940's, during that period of World War II when the German submarines were rapidly destroying much of our fuel and energy supplies in oceanic transportation.

Mr. President, I say to you only as a matter of record that I remember that period because it was my responsibility as a member of the House of Representatives to sponsor with the late and great Senator from Wyoming, Mr. O'Mahoney, this program of the development of synthetic fuels. At that time we were faced with the menace of the U-boats along the eastern coast of the United States and other coastal and deeper waters. The U-boats were stopping the flow, then, of needed oil into the United States. When Senator O'Mahoney and I authored this legislation, it promised a real breakthrough.

It is not too important, but I remember that on Monday I read in the Chicago Daily News a news story and saw a photograph indicating that Governor Walker of Illinois was placing gasoline into an automobile, the gasoline having been made by Illinois coal, and after doing so, he drove off and apparently had a pleasant ride.

I am not comparing West Virginia alongside of Illinois in a development of this kind, but more than 30 years ago we were using West Virginia coal in aircraft which was processed into aviation fuel. I recall very well with Arthur C. Hyde, flying from Morgantown, W. Va., 175 miles, to the Washington National Airport in a single-engine plane fueled with aviation fuel made from West Virginia coal.

The Senator now presiding, (Mr. STEVENSON) knows, of course, of the vast coal deposits yet untapped in Illinois.

I mention that development for the purpose of indicating that what we were doing then was stopped—stopped as it has always been in the United States of America, apparently when a crisis passes. People become complacent and apathetic. They say, "Let us go back to doing business as usual."

Yes, those programs were broad in nature, programs which touched Colorado oil shale, programs which touched West Virginia coal, programs which touched gasification in Alabama, projects in different parts of the country. We had breakthroughs and the pilot projects were in being but the funding was stopped because the problem of World War II was over.

The Presiding Officer (Mr. HASKELL) has knowledge of the vast oil shale areas of his State.

So today I feel strongly the necessity for doing that which it will be easier not to do. It will be easy to say that the energy crisis has abated.

Yes, of course the Arab embargo is lifted, but I say to you, Mr. President, it is only a probationary embargo. Even the leaders of those countries of the Middle East indicate that they will try it out only until June. In other words, they can do exactly what they want to do. They have the power to do it. That power is not retained in the United States of America.

In 1961, when pleading for action in the Senate, I said that each year we delayed was perhaps 1 year nearer disaster from the standpoint of the energy requirements of the United States. We knew then that Kuwait could fail us, that Venezuela could fail us, and that the Middle Eastern countries could fail us.

That, in part, is exactly what happened.

I have no desire to speak of those who are at fault. We have failed, including the administrations, the Congresses, those who produce our energy supplies in this country. And certainly to a degree the American people must be held responsible because they have recognized, even though they do not always speak of it, that this condition which I have delineated in part, the problems then, and now could have been settled by positive programs.

Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. HASKELL). The Senator has until 10:19, which will be 14 minutes from now.

Mr. RANDOLPH. I thank the Chair.

Mr. President, because past research priorities have failed to match the industry's needs, production now acts as a major bottleneck in the American coal delivery system. Today, this subsystem is strained to its limits and unless better extractive tools are developed—and developed soon, customer demand for doubled production in 1980—that is what we hope for—and trebled production in 1985—the consensus estimate of future demand—will surely be unachieveable if not ignored.

Such failures dramatize why system analysis—the discipline that made space flight and nuclear power development possilbe—must share a vital role in shaping future energy research programs. This capability must be strengthened in our national research institutions to guarantee the smooth performance of our coal delivery system. We must not, at this crucial time, allow bottlenecks in coal's expansion toward the goal of energy self-sufficiency.

Redundancy and overlapping in research efforts must also be eliminated, except that in attaining so imperative a goal it is necessary to pursue parallel paths.

We do not need to move ahead in one program as opposed to another. Yes, our task is enormous. The stakes are very high for the strength of this country and the well-being of our people. Each new discovery gives us not only the opportunity, but the challenge to coordinate is here.

Our task is so enormous and the stakes are so large that we must build on every discovery. We cannot afford to waste scarce time and talent reinventing work already in process or that has been completed by others. Perhaps our major handicap is assuming it has to be American if it is of any value. In fact, prevailing attitude unfortunately is to discount international developments. For example, intermediate grade synthetic gas or ammonia is being produced from coal by the Koppers-Totzek system at some 20 overseas locations. Since 1970, eight gasifiers have been built in India, one in Greece, and six in South Africa. The Office of Coal Research is pursuing one demonstration project that is only partially related and the Atomic Energy Commission is pumping $4 million into the Livermore Radiation Laboratory to develop a coal research capability.

It is essential that we utilize existing facilities and build on current research programs to the maximum extent possible. For example, encouraging decisions have been made within the Department of the Interior to expand coal gasification programs at the Morgantown, W. Va., Energy Research Center, where significant gasification research has been done over a period of years. In this regard, I am gratified that Secretary of the Interior Rogers C. B. Morton will be visiting Morgantown tomorrow to tour this center and review its vital projects.

Meanwhile, there is work to be done on several needed systems for the longer term—such as the magnetohydrodynamic—MHD—generator. It is so great that perhaps the most efficacious mechanism eventually may be to spread this development among the coal-producing nations. If this system is to be successfully developed major breakthroughs will have to be made in technique and materials. Through cooperative ventures timely advances in technology of this scale can be achieved.

But we must develop the research institutions and funding mechanism so we can proceed not 5 years from now but in 1974. There is, for example, no task more important than civilizing coal combustion so that its impact on the environment is minimized. This is imperative, for until coal can be used without endangering human health or property, only that fraction of our coal reserves that is low in sulfur can contribute to easing the energy shortage.

We must upgrade our technologic capability for removing sulfur from coal before it is used and from the flue gas after combustion.

In the short term, it appears that a flue gas scrubber—ideally, one that reuses its reagents and yields a useful byproduct—will provide the best interim solution to this very complex problem. The Federal Government, therefore, must assure that the large sums of money required to prove-out these technologies are available as soon as possible so that coal's traditional customers can continue to use coal and that coal can be used in the degree I have mentioned today, a tremendously important instrument for the strength of this country.

I find the conclusions of the Environmental Protection Agency's hearings on sulfur oxide control technology disturbing. Our national objective is successful achievement of equitable energy and environmental goals. This will require the cooperation of the electric utility industry. The Environmental Protection Agency concluded in January 1974, however, that—

(1) . . . some utilities . . . have applied greater efforts to defending their lack of progress or to attempting to change existing emission requirements than they have in controlling SO_x emission.

(2) . . . Vendors . . . generally offer guarantees for these systems that are comparable to the guarantees provided for other equipment purchased by a utility . . . guarantees now offered vendors are appropriate; . . . the utility creating the pollution must assume the remaining risks associated with control of that pollution.

(3) . . these costs, while substantial, are reasonable and will not impose an undue burden on either the electric utility industry or its customers.

Such a "wait and see" attitude I cannot defend. I find it very difficult to understand. I believe there is ample basis for reassessing whether present air quality and emission standards will have what some people call an "overkill."

We must not stand by and watch large numbers of our coal production base evaporate because there are some unreasoning people who will not accept the facts.

There is a clear need for an examination of the scientific evidence that serves as the basis for present ambient air quality and emission standards.

In August 1973, the Senate Public Works Committee contracted with the National Academy of Sciences-National Research Council to examine this evidence for sulfur oxides, particulates, carbon monoxide, nitrogen oxides, and photochemical oxidants—hydrocarbons. Their report, which is due in July 1974, will serve as a basis for an in-depth review by the committee and Senator MUSKIE's Subcommittee on Environmental Pollution.

But in the long run, we must develop the means of removing the impurities from the coal prior to combustion—if coal products are to replace the oil and natural gas used by the majority of our industries today. I am encouraged by the potential I mentioned for low-Btu coal gasification in removing the impurities from the coal and converting coal to a form suitable for the needs of large industrial customers. This would free significant quantities of natural gas and oil distillates for high priority uses.

I am also encouraged by the immediate potential of solvent refined coal for steam boiler use. This semisolid product—manufactured by dissolving coal in a coal-derived solvent, filtering out the ash and chemically removing the sulfur—is, of course, low in sulfur, low in ash, and provides about 16,000 Btu's per pound. What is more, its technology is sufficiently advanced to permit rapid commercial use.

But while we push for the early development and commercial marketing of these technologies, there are many applications for the use of coal in its natural state.

The White House has implemented regulations that would prohibit utilities from switching from coal to oil and also bar increases in oil blending. These regulations are a positive step in the development of a rational energy policy consistent with the goal of what I have called the need for energy self-sufficiency—but they are only a first step. I believe that, in the final analysis, steps should be taken leading toward the use of coal as the primary fuel under every large utility and industrial boiler capable of burning coal, unless air quality is so endangered as to present a threat to public health—which I, of course, would be against. To this end, legislation is under active consideration by Congress that would require such conversions be made to the extent practicable, after balancing energy needs against environmental requirements. However, no source would be allowed to "materially contribute to a significant risk to public health," and all sources would have to comply with applicable emission limitations as soon as an adequate coal supply with a suitable sulfur content would become available.

I also submit that every new large industrial unit constructed should have a coal-burning capability. Industrial uses account for the largest fraction of the Nation's energy use. A program of industrial conversion to coal would go far in conserving petroleum fuels and feedstocks. In order to enable the maximum use of coal for power generation

and to accomplish the conversions from oil back to coal, however, we must be in a position to meet demand for this fuel—consistent with equitable environmental policies.

According to press reports, the American Public Health Association estimates that if utilities switch to coal without adding pollution controls, some 21 million people in urban areas face the risk of a 45-percent increase in chronic respiratory disease. On the other extreme, full installation of flue gas treatment by 1980, which is impracticable, would cost an estimated $5.4 billion.

As you realize, I have been talking in generalities about supply and demand. But there is a recent Cornell University study commissioned by Dr. Dixy Lee Ray and the Atomic Energy Commission that goes far in quantifying coal's future role in meeting the Nation's energy needs.

It stresses that if the United States is to meet projected 1985 demand of 124.9 quadrillion British thermal units per year and hold oil and gas imports to their 1970 level, 43.1 quadrillion of those British thermal units must come from coal. And, the report is careful to emphasize this contribution from coal—which translates into a trebling of last year's 590 million ton production needed even after oil production is increased 25 percent and nuclear reactors are brought on line as fast as possible.

As a result of the shift back to coal, questions about the coal industry no longer focus on market demand. Rather, the hard question being asked is: What is the coal industry's capacity to expand?

Production will not be as easy to expand as in the past, for we no longer have a large "surge" capability. Massive unemployment no longer characterizes coal regions—unemployment that would provide a ready pool of labor for crisis-type expansion.

Being a complex, machine-oriented mining technology—with its attendant safety, engineering and geological restrictions—coal mining no longer lends itself to rapid expansion.

We should know that the implementation of the Coal Mine Health and Safety Act—as necessary as its passage was and continues to be—dealt a blow to underground mine productivity. Output per man hour dropped precipitously with the passage of the act in 1969 to about 30 percent below its historical level.

If we are to meet the future demand attendant to self-sufficiency, new technologies must be developed to counteract this trend. Such a doubling or trebling of production cannot be achieved with a 20-year-old technology that is—by today's standard—well into its sunset years. Means must be found to funnel more Federal, industry, and vendor dollars into needed technologies in this vital sector of the coal system.

These developments include: Continuous transportation; automated continuous mining that resolves the problems of roof control, protection from explosion, and a control system that eliminates the need for miners at the face; rapid extraction technology, degasification of both the coal seam and the strata ahead of mining; explosion suppression and fire control devices; and alternate energy sources for mobile equipment—everything, in essence, needed to make mining as safe and efficient as possible.

Finally, the Nation cannot afford to lose any current production if a serious strain is necessary to nearly triple our production by 1985. But that is the implicit threat posed by surface mining bills now before the Congress. I am concerned as we work to finalize legislation. What I fear is that, in the guise of regulation, the Congress will pass a bill that will prohibit the extraction of coal in many regions where realistic and responsible reclamation is possible.

As threatening as prohibitory surface mining legislation may be to coal's production base, there is already in effect a law which, if enforced vigorously, will have an even more chilling effect on the Nation's fuel supplies. I refer to the Clean Air Act of 1970, and more importantly, to the even more stringent State air quality implementation plans already approved by the Environmental Protection Agency.

According to a study commissioned by EPA, the sulfur emission standards imposed by the States under the act, if enforced, will, by 1975, prohibit the burning of 324 million tons of coal which normally would be burned that year. Such tonnage is 54 percent of the coal expected to be consumed in 1975 and its replacement by oil would seriously worsen the national energy emergency.

The gross misuse of desperately needed fuel, stemming from the act's implementation is a major reason why pressure is building on the Public Works Committee for a relaxation of air quality standards and compliance schedules. Citizens should not be cold so that oil and natural gas needed to heat homes and power diesels can be burned under boilers in powerplants and factories. Nor can we afford to bar coal in utility plants when there is no oil to spare.

This, I suggest, is the regulatory environment that must be developed if the coal supply system is to meet our country's energy demands. Truly, the required national commitment to coal is significant and possessed of a very high priority.

Again, it is my conviction that the United States can meet the projected national demand for coal, but I am presupposing the availability of the three central factors of production—men, capital, and reserves.

Given the national will to develop coal, our reserves are not a deterrent to expansion. The reserves are so vast that they are equal to any foreseeable demand level.

Manpower, however, is quite another story. Attracting, training, motivating, and retaining the skilled work-force capable of manning the coal supply system of the future is a crucial problem the coal industry must face. This is especially true in the underground segment, particularly in skilled and professional classifications. There were, for example, less than 200 mining engineers graduated last year—so few that one coal mining company was willing to hire all the graduates. Something must be done to bridge this critical shortage and the shortages of supervisors and skilled underground workers as well.

Capital attraction is also a troubling concern. National Petroleum Council projections set capitalization requirements for coal mining at $9 to $14 billion by 1985. Added to this is projected coal transportation investment needs of $6 billion—or about one-sixth of the total capital funds the railroads must spend in this period.

When you consider present capitalization of the industry—about $4 billion—the raising of these sums seems at first to be almost an impossible task. But, with coal's strengthening market position, this level of investment appears to be achievable.

The coal industry now realizes that it can no longer rely on its traditional mainstay for growth; that is, the internal generation of capital. It knows it must turn to the money markets for its capital needs, and it believes that given the energy demand associated with energy self-sufficiency, coal should become attractive for equity investment of debt financing.

From my perspective, these are the central areas that must be covered as we consider coal through 1985. There are few major industries that can equal its potential. But there are many loose ends we in Congress must tie before this growth becomes a certainty.

Reason dictates that at some point coal will be the cornerstone of the Nation's energy policy. We have but two real choices for meeting our incremental energy demand. There has been a turning to nuclear electric power, but there are genuine restraints which must be weighed. And there remain nonelectric energy demands. Coal, however, provides a guaranteed supply of energy free from the threat of political or military disruptions. We have not discovered or developed in this age of energy shortages its equal in terms of abundance or chemical richness. Coal can be burned as a solid or converted into gas and liquid products ranging from the crudest of oils to aviation jet fuel and petrochemical feedstocks. And, with expanded R. & D. programs, coal promises to supply significant quantities of future synthetic and environmentally acceptable fuels.

More importantly, through a permanent national commitment to coal as our country's primary fossil fuel, this abundant, relatively untapped domestic energy resource can provide the critical constant which, to now, has been missing in our energy supply/demand equation. When this commitment is consummated, both by Government and the consuming public, we will have signaled to the world our resolve to solve the U.S. energy problems and not only assure more energy supplies and security but, also, to permit cooperation with other nations.

Mr. President, today we are recognizing the opportunity for the use of coal that will not be damaging to environmental quality. There are approximately 46, 47, or 48 power generating plants along the east coast of the United States, and of that number approximately 23 can

be converted from oil to the use of coal without any detrimental health effects or impairment of environmental quality. We have had a voluntary program of some 10 plants to do this. But of the 46 or 47, with the 23 I have mentioned, we can release approximately 200,000 barrels of oil—not a month, not a week, but a day. It is possible that with other power-generating plants throughout the United States, we can release—that is, we can conserve—approximately 500,000 barrels of oil a day.

Mr. President, I have felt the responsibility to discuss this important problem in the Senate.

Mr. President, I remind colleagues who have an intense interest and who are studying this problem, that in the United States of America we must realize that it is important today to pass reasonable emergency energy and fuels legislation. If it was important a month ago, if it was important 2 months ago, if it was important 6 months ago or a year ago, it is important today. It will be important tomorrow.

I say today that I am confident the Congress will approve another energy emergency bill despite continuing disagreement between the administration and congressional sponsors on the provisions of the legislation. And I make this statement after having participated yesterday in a late afternoon negotiating session in which I joined Senator HENRY JACKSON, Representative HARLEY STAGGERS, and other Members of Congress in meeting with Federal Energy Administrator William Simon and Budget Director Roy Ash.

Subsequent to the President's disheartening veto of the Energy Emergency Act, those of us who were involved in writing this measure have carried forward extensive negotiations with the administration to develop a measure which could be passed by Congress and approved by the President. Our conferences have concluded and there is agreement on many provisions. However, there is disagreement between sponsors of the bill and the administration on fundamental issues of public policy, including provisions for unemployment compensation, protection of service station dealers and distributors, and loans to small businesses and home owners. These are provisions strongly supported in Congress and designed to aid persons caught in the squeeze of the energy emergency. Despite these disagreements, I am confident the Congress will act swiftly to approve another measure which will include a standby emergency authority to cope with the energy crisis.

I reiterate, the lifting of the oil embargo is conditional. It could be reimposed at any time. The need for action to cope with the energy crisis is as great now as in months past. It is a challenge that calls for cooperation and reasoning. The American people have a right to expect that we act in the interest of the public welfare—and we act now.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 10 minutes with statements limited therein to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that remarks made during the transaction of routine morning business be limited to 5 minutes instead of 3 minutes each.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 941) making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 941) making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

IMPEACHMENT PROCEDURES

Mr. GRIFFIN. Mr. President, I intend to address myself for a few minutes to the matter of the possibility of an impeachment trial in the Senate of the United States.

I confess that I approach the particular point of my remarks with some reluctance because I realize that it is unusual for a Member of one House of Congress to comment on procedures in the other House of Congress. However, the impeachment process under the Constitution is an extraordinary and unusual process—much different from the legislative process established under the Constitution.

Surely, there is no question that if the House of Representatives were to impeach the President of the United States and if there were to be a trial in the Senate of the United States, that would be a very traumatic experience—not only for the Congress—but for the country and, indeed, the whole world.

Few in or out of the Senate would deny that the Nation and the world can do without that experience—unless it is necessary. And it should be recognized that whether a trial in the Senate becomes necessary could depend to a significant degree on how the House discharges its responsibilities and the procedures that it chooses to follow in discharging those responsibilities.

The 14th amendment to the Constitution may not be strictly applicable in the case of the possible impeachment of a President of the United States. But surely most Americans—and particularly those who are ardent advocates of civil rights—should be interested in the concept of due process for anyone who is accused—even the President of the United States.

I make these points by way of approaching an issue now pending before the House Judiciary Committee that presumably will be decided in the near future. Let me emphasize that I venture to comment on this issue, not as a defender of the President and not as a spokesman for the President, but as one who in his own mind, at least, has tried to be objective in the past about this whole matter, and who will seek fervently to be objective in the future.

Aside from the legalisms and technical arguments that can be raised about whether or not the counsel for a person accused in an impeachment proceeding in the House of Representatives should be present and have the opportunity to cross-examine witnesses, it seems to me that it is in the national interest and in the interest of fairness to get to the truth as quickly as possible.

I do not think that anyone familiar with trials in any forum would deny that the opportunity for cross-examination does work very effectively in the interest of getting to truth and getting out the facts.

From time to time, I have been critical of the White House because it has not been forthcoming in providing some items of evidence which, at least, on the surface it would appear should have been provided. But just as it is appropriate to criticize the White House for not being as forthcoming as it might be, Congress is on trial too, as this very serious matter of impeachment is considered.

Mr. President, one major point of my remarks is to call attention to a document published on August 11, 1970, by the Committee on the Judiciary of the House of Representatives entitled "Legal Materials on Impeachment." In this Judiciary Committee document, there appears on pages 32 through 35 a memorandum concerning the role of counsel for the accused and related procedural matters.

I read now from a portion of that document:

"MEMORANDUM ON THE ROLE OF COUNSEL AND RELATED PROCEDURAL MATTERS

"This memorandum is submitted in response to the request of the Committee, and sets forth the views of counsel to Mr. Justice Douglas as to the function of Respondent's counsel in a House Judiciary Subcommittee inquiry under an impeachment resolution, and the proper procedure to be followed. In undertaking this task, we have examined among other things the actual transcripts of every such proceeding occurring in this century involving judicial officers, including those concerning Judges Archbald, Cooper, Louderback, Moscowitz, Ritter, Watson and Johnson.

"One point is overwhelmingly clear. The Judiciary Committee and its Subcommittees have established procedures which have proved remarkably effective in insulating these inquiries from partisan political influence and sensationalism. As the late Judge Sumners, who presided over most of these inquiries, repeatedly noted, the mission of the Subcommittee is to make a careful report disclosing the facts upon which the full Committee and, if necessary, the House can pass judgment.

"To achieve this goal, these rules have become well established in proceedings related to the impeachment power:

"1. Respondent and his counsel may attend every session at which evidence is taken,

or at which arguments are addressed to the Subcommittee.

"2. Respondent, personally and through counsel, may cross-examine all witnesses and call witnesses on his own behalf."

Mr. President, the memorandum is much more lengthy than that and contains other points. It was signed and submitted by Simon H. Rifkind, counsel for Justice Douglas. It was issued during the course of the House committee's consideration of an impeachment resolution directed at Justice Douglas. I ask unanimous consent that the entire document be printed in the RECORD immediately following my remarks.

Mr. President, based on the research of Justice Douglas' counsel, which was never challenged, the precedents clearly accord the accused's counsel the legal right to appear in such proceedings and to examine witnesses.

But, as I have indicated before—aside from legal arguments and the technical precedents—is it not in the interest of everyone to find out as early as possible, and on the best information available, whether a trial in the Senate is necessary?

That is why I venture to comment, although with reluctance, and call the attention of the Senate to this interesting and, I think, very important document. It is a document which I hope we will not need to review at some future time—when the Senate might be called upon, not only to examine charges presented in articles of impeachment, but also to examine whether or not the procedure followed in bringing those charges to the Senate has been in accordance with the Constitution.

Mr. President, I ask that an article which appeared in the March 26, 1974, edition of the Washington Post—and which, incidentally, did not mention the 1970 Judiciary Committee document—be printed following the earlier insertion.

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

MEMORANDUM ON THE ROLE OF COUNSEL AND RELATED PROCEDURAL MATTERS

This memorandum is submitted in response to the request of the Committee, and sets forth the views of counsel to Mr. Justice Douglas as to the function of Respondent's counsel in a House Judiciary Subcommittee inquiry under an impeachment resolution, and the proper procedure to be followed. In undertaking this task, we have examined among other things the actual transcripts of every such proceeding occurring in this century involving judcial officers, including those concerning Judges Archbald, Cooper, Louderback, Moscowitz, Ritter, Watson and Johnson.

One point is overwhelmingly clear. The Judiciary Committee and its Subcommittees have established procedures which have proved remarkably effective in insulating these inquiries from partisan political influence and sensationalism. As the late Judge Sumners, who presided over most of these inquiries, recently noted,[1] the mission of the Subcommittee is to make a careful report disclosing the facts upon which the full Committee and, if necessary, the House can pass judgment.

To achieve this goal, these rules have become well established in proceedings related to the impeachment power:

1. Respondent and his counsel may attend every session at which evidence is taken, or at which arguments are addressed to the Subcommittee.

2. Respondent, personally and through counsel, may cross-examine all witnesses and call witnesses on his own behalf.

3. Hearings are *judicial* in style, marked by a court-like eliciting of competent testimony from sworn witnesses, subject to rigorous cross examination. In no instance in this century has any witness[2] before a Subcommittee empowered to subpoena and swear witnesses been permitted to make a rhetorical statement or even to file a written statement of his views. Congressmen whose charges precipitated the inquiry have in no case testified as witnesses—presumably because they would not ordinarily have first-hand evidence to contribute. Such Congressmen have been allowed to address executive sessions solely for the purpose of providing lists of witnesses and stating what they are expected to testify to. Where this has occurred, Respondent and his counsel have been furnished with a transcript of those remarks prior to the resumption of hearings. *Cooper* Hearing, 69th Cong., 2d Sess., Feb. 23, 1927, pp. 104–105.

4. Respondent is free to make an unsworn statement, to be sworn and appear as a regular witness, or to respond exclusively through counsel. Choice of approach has always been left to him. In no case has a Respondent been *summoned* to a hearing, or called to the stand by an adverse party.

5. The question whether hearings are to be open to the public or not has likewise been left to Respondent and his counsel,[3] resulting in a general practice of holding *closed* hearings.

6. Documents submitted to the Subcommittee are kept in strictest confidence, protected against "general inspection." *Moscowitz* Hearing, 71st Cong., 1st Sess., March 18, 1930, p. 44. On one rare occasion when information from documents submitted to the Subcommittee was disclosed in the press, the Subcommittee indicated its extreme displeasure, and took action to insure there would be no repetition. *Moscowitz* Hearing, at p. 45.

7. Only those documents properly placed in the record after suitable scrutiny and testing become part of the "record" which becomes public only when published in final form by the Committee. All materials not so formally placed in the record remain confidential.

* * * * *

Since the established procedure is judicial in nature, with the usual safeguards afforded by our jurisprudence and with counsel fulfilling the same role it performs in civil or criminal litigation, the function of counsel is a familiar one. Counsel may:

1. Attend any hearing at which evidence is taken, or factual or legal arguments made.

2. Examine and cross-examine witnesses.

3. Adduce testimonial or documentary evidence, and make legal or factual arguments.

4. Have the benefit of process to compel the attendance of witnesses and the production of papers.

5. Examine all materials submitted to the Committee, including exculpatory or otherwise helpful matter.

6. Have timely access to previous statements by witnesses called to testify.

7. Receive free daily transcript of proceedings.

* * * * *

A prime function of the Judiciary Committee historically has been to separate the wheat from the chaff, promptly disposing of allegations which are baseless on factual or legal grounds. A great many of the more than fifty impeachment resolutions introduced in our history have been quickly and cleanly disposed of on the Judiciary Committee's finding that Respondent:

Has not been guilty of any acts which in contemplation of the Constitution were high crimes or misdemeanors,

The evidence does not call for the interposition of the constitutional process of the House with regard to impeachment.

In 1843, for example, President John Tyler was charged with "aiding to excite a disorganizing and resolutionary spirit in the country." The Committee wasted little time on that charge. During the Civil War, allegations against a member of the Supreme Court were handled so discretely that we do not now know his name or the nature of the charges. Following the war, wild charges by "Impeachment" Ashley that President Andrew Johnson was implicated in the assassination of Lincoln were exposed as baseless by the Committee.

In performing this mission, the Committee has available a broad spectrum of procedures. In this century, inquiries have focused upon specific, highly particularized charges that a judge had improperly shared a receiver's fee set for a former law partner, conspired with parties as to cases over which he later presided, wilfully evaded federal income taxes, or committed some other criminal act. The task was simply to ascertain the facts.

Where, however, charges are made which are not susceptible to factual exploration, as where there is no dispute about the facts or where the Subcommittee is called upon to construe uncomplicated documents, there is no need for hearings. Similarly, where charges have been made which, even if true, would not warrant impeachment, no lengthy fact-finding process is necessary.

Summary disposition of this kind of allegation is particularly important when Respondent is a member of the Supreme Court. Otherwise, intolerable opportunities for harassing individual Justices would be available to those wishing to hamstring the Court, punish Justices with whose decisions they disagree, or exploit charges for their publicity value or for partisan purposes.[4]

Accordingly, the Committee as a preliminary matter should ascertain which, if any, of the charges can be disposed of without further ado.

The allegation involving the Justice's recent book is surely one. The First Amendment to the Constitution flatly precludes inquisition by Congress into a book, or into any person's beliefs. In addition, the charges directed at the book are based upon a grotesque distortion of what it actually says, and no factual testimony is needed to resolve that issue. The Subcommittee members can read the book for themselves. Moreover, plain statements in the book itself, in Respondent's judicial opinions, and in his other writings decisively refute the contention that he has incited the Nation, or some part of it, to violent rebellion.

A second allegation which ought to be quickly disposed of concerns the reprint in *Evergreen Review*. Not only do the foregoing considerations apply to this allegation as well, but the documentary materials submitted to the Subcommittee conclusively prove that Respondent had nothing to do with the selection of *Evergreen Review*, as a publishing vehicle, and still less with choice of the other contents of that issue of the magazine.

Summary disposition is also appropriate

Footnotes at end of article.

with respect to the article in *Avant-Garde*. The suggestion that a Justice may not publish an article in a periodical owned by a person formerly convicted of crime is frivolous. Moreover, documentary materials submitted to the Subcommittee conclusively prove that when the decision to publish the article was made, Respondent had no reason to believe that one Ralph Ginzburg had any association with the magazine, and that when the link was later discovered, Respondent disassociated himself entirely from the publication. Totally untenable is the suggestion that in the absence of any substantial personal relationship between a judge and one who publishes a single article of his, the judge's participation in a later case involving another magazine is somehow an impeachable offense, or even a matter warranting criticism.

Indeed, each of the allegations whose crux is that Respondent ought not to have engaged in such extracurricular activities as writing, speaking, or service on behalf of charitable or educational enterprises must be dismissed as frivolous. We have shown that dozens of distinguished federal judges, including many now sitting, engage in precisely such practices, without criticism or censure. The Subcommitte would hardly be justified in conducting hearings into Justice Douglas' activities in this area when, for example, the present Chief Justice of the United States, while a federal judge, has served on the board of a charitable foundation and been compensated for such service, participates in programs of the same Center for the Study of Democratic Institutions, and speaks and writes widely on matters likely to come before him for adjudication.

And would it be not be unseemly for the Subcommittee seriously to entertain such charges when the Senate has just confirmed the nomination to the Supreme Court of a federal judge who admittedly served as a paid director of a profit-making corporation, as a trustee of three charitable foundations, and as executor of several estates for which he received $8500.

We do believe it would not be inappropriate for the Subcommittee, should it wish to do so, to hold hearings on the allegations that Respondent, through his association with the Albert Parvin Foundation, was somehow guilty of "the practice of law," "intervened" in the Dominican Republic on behalf of persons seeking gambling concessions, and is a close personal associate of "gangsters" and other underworld persons. Each of these allegations, while demonstrably false, is susceptible to fact finding. And those who have advanced the charges should have an opportunity, and indeed are under a duty, to produce competent evidence in support of those factual assertions—or else withdraw them. If they do not have the decency to do so, the Subcommittee should, after examining the evidence, lay the charges to rest in a fashion which will satisfy the American people.

We are prepared to do whatever is necessary to help the Subcommittee ascertain the truth. To do so is our client's instruction, and that has been the historical function of counsel in this kind of inquiry.

Respectfully submitted.

SIMON H. RIFKIND,
Counsel for Mr. Justice Douglas.

WASHINGTON, D.C., June 1, 1970.

Of Counsel:

GERALD D. STERN.
DANIEL P. LEVITT.

FOOTNOTES

[1] See, for example, his statement in the *Louderback* proceeding that

Its purpose is to try to discover the facts and to make a record upon which the Judiciary Committee, in the first instance, and the House, in the second instance, can pass judgment on the matter. Hearings, 72d Cong., September 6, 1932, p. 2.

[2] Other than the respondents.

[3] See Judge Sumners' statement in the *Louderback* proceeding, at pp. 2-3. In the inquiry into the conduct of Judges Johnson and Watson, Chairman Kefauver stated that the matter was up to the Subcommittee, but acceded to Respondents' wish that hearings be closed. Hearing, 79th Cong., 1st Sess., May 3, 1945, at pp. 5-6. In the *Moscowitz* inquiry, hearings were held in closed session at the request of Respondent's counsel, the reknowned John W. Davis.

[4] To demonstrate the vulnerability of the Court, we note that one right wing extremist group is now circulating scurrilous literature attacking the present Chief Justice of the United States, Warren E. Burger. Many of the charges precisely track those advanced against Mr. Justice Douglas. These include the allegation, accurate but meaningless, that the Chief Justice has been an active participant in functions of the Center for the Study of Democratic Institutions, and that in his extra-judicial activities, he has often commented upon matters likely to come before him for adjudication. To our knowledge, this group has not yet focused upon the Chief Justice's association with such elemosynary enterprises as the Mayo Foundation or the Smithsonian Institution. But the risk is clear: If the lodging of charges like those alleged against Mr. Justice Douglas must lead inexorably to full-length hearings, the courts, the Congress and the Nation face serious disruption.

PROBERS SEEK MIDDLE PATH ON ST. CLAIR

(By Richard L. Lyons)

The House Judiciary Committee is seeking a middle path past the unpleasant alternatives of appearing unfair or letting the President's lawyer share control of its impeachment inquiry.

The problem arose last week when President Nixon's counsel, James D. St. Clair, asked permission to cross-examine and present his own witnesses at committee hearings or at pre-hearing sessions where the staff takes sworn testimony.

This is a standard part of due process in court trials. But committee Chairman Peter W. Rodino (D-N.J.), insisted that the investigation is not an adversary proceeding like the court trial of a person accused, but an inquiry searching for truth. It is generally likened to a grand jury inquiry, where lawyers for those under investigation are not permitted to take part. If Mr. Nixon is impeached by the House, his trial would take place in the Senate.

Republicans solidly defended St. Clair's request to take part, and felt they could win public opinion on this issue of fairness, even if they could not on the White House's resistance to committee requests for tapes for its inquiry.

Rep. Jack Brooks (D-Tex.), one of the bluntest of committee members, said St. Clair shouldn't be permitted "to sit there putting the evil eye on witnesses, divulging what goes on and delaying proceedings. He hasn't been very helpful so far."

But there is a widespread feeling among members that the committee must not only be fair, but give the appearance to the country of being fair in its deliberations as to whether for the first time in history a President should be removed from office.

Public confidence in the committee's proceedings is vital to acceptance of its conclusions. Rep. James Mann (D-S.C.) said "legal purists" might say "Keep St. Clair out," but the need to be fair might require letting him in.

The comparison to a grand jury is inexact, because these bodies are chosen from all citizens by lot and operate in strict secrecy.

Rodino appears in no rush to force a decision on the issue and apparently will let it simmer until next week to see if an acceptable middle ground can be found. The committee staff is preparing a legal brief on the issue.

One proposal suggested in cloakrooms is to let St. Clair cross-examine and present witnesses in the late stages when the staff presents its evidence to the committee. He would not take part in the preliminary stages where the staff takes depositions sworn statements from witnesses that might be presented at committee hearings.

Rep. Charles Wiggins (R-Calif.) called this unfair, saying St. Clair could not cross-examine a statement.

Another proposal is for the staff to take no depositions but rest its case on tapes and documents. That would eliminate the issue of permitting St. Clair to take part in depositions.

Brooks suggested that St. Clair be permitted to send up a statement and suggest witnesses that the committee or its staff might call, but he would not give St. Clair equal standing with the committee staff as a participant.

A couple of the President's most outspoken critics suggested that St. Clair might be given access to the committee if the President in return turned over 42 tapes the committee had requested. But committee elders rejected a "deal."

Republicans do not claim that St. Clair has a legal right to participate but contend that the privilege has been extended in several impeachment cases involving federal judges.

Rep. David W. Dennis (R-Ind.) researched the precedents and sent a letter to committee colleagues saying that the privilege to appear and cross-examine has been "extensively granted, not as a matter of right, but as a matter of essential fairness, and in aid of a complete investigation."

In recent days, Vice President Ford and House Speaker Carl Albert spoke out on opposite sides of the issue.

Ford said in an interview that he thought the President could win this issue because the American people understand fairness. "While the public may not be with the President when he adamantly refuses a request for documents or reluctantly gives in to one," said Ford, "I think the President is on the right side of this issue."

Albert, interviewed on the Public Broadcasting Service last night, said: "The role of the White House attorney should be very limited . . . because there is no trial here. I have tried to keep the House from making this . . . an adversary operation.

Albert also turned down a request from Rep. John Conyers (D-Mich.) that he seek television time to respond to Mr. Nixon's criticism of the committee for requesting more White House information than he thinks it needs. Albert said he feared this would push the inquiry toward an "adversary confrontation."

Chairman Rodino said Rep. Edward Hutchinson (R-Mich), the committee's senior Republican, also rejected a proposal by Wiggins that the dispute over the 42 tapes be resolved by having Ford and Albert jointly screen out material not relevant to the inquiry Rodino and Hutchinson insisted that this was the responsibility of the committee. The suggestion for a neutral third party to screen the tapes was floated two weeks ago as an idea Mr. Nixon was considering.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

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

A resolution of the General Assembly of the State of Georgia. Referred to the Committee on Labor and Public Welfare:

"S. RES. 301

"A resolution urging Congress to repeal the Professional Standard Review Organization Law; and for other purposes

"Whereas, Section 249f, Title XI of the Social Security Act, Public Law 92-603, Professional Standard Review Organization (PSRO), was enacted by the Congress of the United States in 1972 without due consideration and careful deliberation by both its bodies; and

"Whereas, operation of Professional Standard Review Organization will cause great harm and financial hardship to the elderly and poor people of our country because of its unrealistic requirements on physicians to practice their profession based on standards and norms approved by the Department of Health, Education, and Welfare; and

"Whereas, these segments of our population will suffer greatly if denied medical care and hospitalization deemed necessary by their physician but not in conformance with HEW standards based on averages and medians rather than human needs; and

"Whereas, this law may well inhibit the great advancement seen in American medicine during this century of progress in conquering many of man's dread diseases.

"Now, therefore, be it resolved by the General Assembly of Georgia that this body notify the Congress of the United States that the Professional Standard Review Organization Law is ill-conceived legislation, harmful to the public and pernicious in its effect on the practice of medicine.

"Be it further resolved that the Congress be urged to repeal the Professional Standard Review Organization Law as quickly as possible to prevent the damage it will cause to the public and the American health care system.

"Be it further resolved, that this Assembly encourage Georgia physicians to continue the ethical practice of their profession, to maintain the privacy and confidentiality of their patients' records, to retain their right to make medical decisions based on their own professional judgement, and to support the existing system of peer and utilization review available in hospitals and nursing homes, medical societies and associations, and the Georgia Medical Care Foundation.

"Be it further resolved that the Secretary of the Senate is hereby authorized and directed to transmit an appropriate copy of this Resolution to the Secretary of the Senate of the United States, to the Clerk of the House of Representatives of the United States, and to each member of the Georgia Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, without amendment:

H.J. Res. 941. A joint resolution making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration and for other purposes (Rept. No. 93-759).

By Mr. CANNON, from the Committee on Rules and Administration, with an amendment.

S. Res. 295. Resolution authorizing supplemental expenditures by the Select Committee on Nutrition and Human Needs for inquiries and investigations (Rept. No. 93-761).

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

S. 1017. A bill to provide maximum Indian participation in the government and education of the Indian people; to provide for the full participation of Indian tribes in certain programs and services conducted by the Federal Government for Indians and to encourage the development of the human resources of the Indian people; to establish and carry out a national Indian education program; to encourage the establishment of local Indian school control; to train professionals in Indian education; to establish an Indian youth intern program; and for other purposes; (Rept. No. 762), together with additional views.

REPORT ENTITLED "'SMALL BUSINESS ASPECTS OF SELECTED RECOMMENDATIONS OF THE COMMISSION ON GOVERNMENT PROCUREMENT—REPORT OF A COMMITTEE (S. REPT. NO. 93-760)

Mr. HATHAWAY. Mr. President, I submit on behalf of the distinguished chairman of the Select Committee on Small Business (Mr. BIBLE), a report entitled "Small Business Aspects of Selected Recommendations of the Commission on Government Procurement." I ask unanimous consent that the report be printed together with individual statements of: The Senator from Georgia (Mr. NUNN), the Senator from Louisiana (Mr. JOHNSTON), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Colorado (Mr. HASKELL), and the Senator from Delaware (Mr. ROTH).

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

Mr. HATHAWAY. Mr. President, in conformance with Senate Resolution 58 of February 20, 1950, which created and authorized the Small Business Committee to conduct research and investigations of all problems of American small business enterprise, it herewith submits a report on its current investigatory work in the field of Government contracting. During the past year, among other things, the Government Procurement Subcommittee of the Small Business Committee concentrated on the recommendations of the Commission on Government Procurement bearing on small business. In hearings on May 17 and 18 and October 10 and 11, the subcommittee focused on certain specific recommendations concerning:

First, the establishment of new standards for measuring the performance of procuring agencies and their prime contractors in using small business;

Second, the small business subcontracting program;

Third, small business aspects of the Commission's recommendation for creation of a central Office of Federal Procurement Policy and the consolidation of the two primary procurement statutes.

As you will recall, the Commission on Government Procurement completed its 2½-year study with a report to the Congress early last year. The Commission had undertaken an extensive review of the procurement policies and procedures of all agencies carrying on contracting activities. As a result of this work, it made 149 recommendations contained in a four volume work covering all of the major aspects of the Government procurement field.

In a chapter of the report of the Commission entitled "Procurement from Small Business," the Commission made three recommendations. The first two of these—establishing new standards for annually measuring the performance of the procuring agencies and their prime contractors in using small business, and testing of mandatory small business subcontracting to determine feasibility—were specifically considered in the hearings and are discussed in detail in that report. A third recommendation which suggested the need for review of procurement programs to make small business participation more effective was addressed to the executive branch and did not appear appropriate or necessary for legislative consideration. Therefore, the subcommittee has undertaken and completed an immediate review of that part of the report which was most relevant and vital to small business procurement.

In addition to these recommendations on small business procurement, the subcommittee also turned its attention to two other general recommendations which were considered to have considerable small business impact. These are the recommendations for the creation of a central Office of Federal Procurement Policy and a consolidation of the Armed Services Procurement Act of 1947 and the Federal Property and Administrative Services Act of 1949. Both of these recommendations have far-reaching and valuable implications. The Senate has already taken action on the recommendation for the creation of an Office of Federal Procurement Policy in passing S. 2510 on March 1, 1974. The bill is currently under consideration in the other body, and it is my hope that it will shortly be acted upon favorably. As is discussed in our committee's report, we see great benefits to the procurement community generally and small businesses specifically in the creation of such an office.

Likewise, the consolidation of the two principal procurement statutes holds great promise in reducing unnecessary complexity and diversity. While it may not be possible to simplify the field of Government procurement to the extent we would really like, nevertheless this would surely be a significant step in the right direction.

In a total Government expenditure of about $50 billion on procurement, the share of contracts going to small businesses has been a constant and abiding concern to this committee. We have seen the total share rise and fall over the years. Various reasons are given to explain why or why not small business fared as it did in a particular year. Our position has constantly been, however, that the maximum effort should be expended to interest small business in Government contracts. We believe that basically Government contracts can and do

provide opportunities for a business to grow and contribute to the competitive marketplace. In this way the small business, the Government, and the economy are all helped.

It is in this context that we feel that the first recommendation concerning small business is so important. We wholeheartedly agree that new standards should be developed for determining what is a fair share of the contracts for small business as required by the Small Business Act. As is evident in the committee report and certainly in the hearings on which the report is based, this will not be easily accomplished. We agree that mere numbers and percentages based on the total procurement effort do not give a complete or accurate picture of how effective the small business procurement program really is. It does not reflect the contractual opportunities for small businesses never before placed in their reach. It does not reflect the money the Government saves in contracting with small business instead of its larger brethren. Nor does it reflect the numbers of small businesses which have tried and failed to contract with the Government because the Government was unaccustomed or unwilling to deal with small business for a particular service or commodity.

There are many small businesses that contract almost exclusively with the Government and thrive on these opportunities. At the same time, we know that there are many other small businessmen who could contract with the Government, but will not because of their unfamiliarity with, or their disdain for, the complexity of the procurement process. We are seeking, as was, I believe, the Commission on Government Procurement, to remove the unnecessary impediments in the contracting procedures so that more small businesses will be attracted to and receive the benefits of Government contracting. To this end, we submit our report entitled "Small Business Aspects of Selected Recommendations of the Commission on Government Procurement."

In conclusion, Mr. President, I ask unanimous consent that a synopsis of the report's findings and the Committee recommendations be printed in the RECORD at the conclusion of my remarks.

Without objection, it is so ordered.

I—CONCLUSION

The Subcommittee finds that there is indeed a need for new standards for determining whether small businesses are receiving a fair proportion of the total Government contracts as required by the Small Business Act. The general statistics of the percentage and value of contracts awarded to small business give little evidence of the real problems of a small businessman in seeking a Government contract.

They fail to disclose how small business is really faring in competing with large business.

I—RECOMMENDATION

Based on these findings and conclusions, the Committee recommends the procuring agencies commence assessing the proportion of contracts being awarded to small business contractors within individual industries, at least on a temporary limited test basis.

II—CONCLUSION

A report on procurement should be made in lieu of that now required of the Department of Defense in Section 10(d) of the Small Business Act. The report should include, as a minimum, the value of the total procurement for each agency; the value of the contracts awarded to small business; value of contracts to small business in such broad fields as construction, services, and supplies; the number of total and partial small business set-asides declared within the same broad fields identified above; the number of small business set-asides cancelled prior to award of a contract; the value of the contracts awarded to small business as a result of set-asides; and the number of certificates of competency issued.

II—RECOMMENDATION

Furthermore, it is recommended that legislation be adopted requiring a unified report from all procuring agencies of statistics pertaining to small business procurement and disposal sales on a semi-annual basis be made to the Congress.

III—CONCLUSION

The present standard contractual provision urging the prime contractor to use his best efforts in placing the subcontracts with small business has produced disappointing results. The statistics would indicate that the subcontracts which have been awarded to small business would probably have gone to those sources regardless of the contractual admonition.

The recommendation of the Commission on Government Procurement for further testing of the mandatory subcontracting contractual requirement has merit. Surely this technique should be used where appropriate. However, it appears to the Subcommittee that the circumstances under which it can be used are quite limited. It would not be appropriate in those contracts where the Government has little knowledge of the small business potential for obtaining subcontracts.

Nor do the other alternatives of goals, profit incentives, or subcontract set-asides provide the complete solution for encouraging the prime contractor to subcontract with small business whenever possible. Different alternatives might be used in different circumstances. Surely, the goal technique has greater latitude, yet it provides a lesser inducement to modify present subcontracting practices.

III—RECOMMENDATION

From these findings and conclusions, the Committee endorses the Commission's recommendation for further testing of the mandatory small business subcontracting concept, but recommends that other alternatives be explored. To this end, your Committee proposes that small business subcontracting be further encouraged, with greater emphasis being given to the contractor's past efforts in small business subcontracting in negotiated contracts as well as formally advertised contracts.

IV—CONCLUSION

The Committee finds substantial support for the proposed creation of a Federal Procurement Policy Office, so long as the Office is comprised of a small group of highly trained individuals who would confine their operations to procurement policy assessment and formulations.

IV—RECOMMENDATION

The Committee endorses the recommendation for the creation of an Office of Federal Procurement Policy. We agree with the reference in this statement that the Office should be created by legislation. We have not considered, however, and offer no comment on, the placement of the Office within the organizational framework of the Executive department.

V—CONCLUSION

The duality in the present framework of major procurement statutes creates a system from which flows multiple and diverse regulations. This substantially contributes to the complexity of the procurement process to the detriment of small business contractors. Consolidation of the Armed Services Procurement Act of 1947 and the Federal Property and Administrative Services Act of 1949 into a single procurement statute applicable to all procuring agencies would particularly benefit the small business segment of the contracting community.

V—RECOMMENDATION

Your committee supports the recommendation of the Commission on Government Procurement for the enactment of a single procurement statute.

EXECUTIVE REPORTS OF COMMITTEE

Mr. TUNNEY. Mr. President, as in executive session, I report favorably from the Committee on Commerce sundry nominations in the National Oceanic and Atmospheric Administration which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

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

The nominations, ordered to lie on the desk, are as follows:

Warren K. Taguchi, and sundry other persons, for permanent appointment in the National Oceanic and Atmospheric Administration.

By Mr. COOK, from the Committee on Commerce:

Robert I. Price, and sundry other officers, for promotion in the Coast Guard; and

Rear Adm. William F. Rea III, Commander, Atlantic Area, and Rear Adm. Joseph J. McClelland, Commander, Pacific Area, to be Commander, Atlantic Area, and Commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving.

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. HUGH SCOTT:

S. 3258. A bill to provide for displaying for public viewing at the Arlington National Cemetery, the names of certain deceased veterans. Referred to the Committee on Veterans' Affairs.

By Mr. TAFT:

S. 3259. A bill to amend the Rail Passenger Service Act of 1970 in order to authorize certain use of rail passenger equipment by the National Railroad Passenger Corporation. Referred to the Committee on Commerce.

By Mr. COOK:

S. 3260. A bill for the relief of Doctor Gustavo Scioville. Referred to the Committee on the Judiciary.

By Mr. TOWER:

S. 3261. A bill to reform the conduct and financing of Federal election campaigns, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. TAFT:

S. 3262. A bill to direct the Secretary of the Army, acting through the Chief of Engineers, to provide a facility for a whitewater canoe-kayak slalom course adjacent to the

site of Captain Meldahl Locks and Dam, Ohio River. Referred to the Committee on Public Works.

By Mr. PERCY (for himself and Mr. JAVITS):

S. 3263. A bill to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighting personnel, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. MATHIAS (for himself, Mr. EAGLETON, Mr. BARTLETT, Mr. DOMENICI, Mr. INOUYE, Mr. STEVENSON, and Mr. TUNNEY):

S. 3264. A bill to regulate the conduct of campaigns within the District of Columbia for nomination or election to the offices of mayor, councilman, and member of the School Board by establishing expenditure and contribution limitations applicable to such campaigns, by establishing requirements for reporting and disclosure of the financing of such campaigns, by establishing an independent agency of the District of Columbia to administer election laws generally, and for other purposes. Referred to the Committee on the District of Columbia.

By Mr. NELSON:

S. 3265. A bill to increase the fees and reduce the financial hardships for those individuals who serve on grand or petit juries in district courts. Referred to the Committee on the Judiciary.

By Mr. McINTYRE (for himself, Mr. SPARKMAN, Mr. BENNETT, Mr. TOWER, Mr. PROXMIRE, Mr. WILLIAMS, Mr. BROCK, Mr. BROOKE, and Mr. PELL):

S. 3266. A bill to establish a Commission on Electronic Fund Transfers. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. RANDOLPH, Mr. MUSKIE, and Mr. METZENBAUM):

S. 3267. A bill to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

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

S. 3268. A bill to authorize the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration to transfer or loan certain artifacts of the Nation's space program to the International Space Hall of Fame at Alamogordo, N.M. Referred to the Committee on Aeronautical and Space Sciences.

By Mr. CLARK:

S. 3269. A bill to amend title 38, United States Code, to increase the annual income limitations applicable to disability and death pensions and to dependency and indemnity compensation for dependent parents. Referred to the Committee on Veterans' Affairs.

By Mr. SPARKMAN (for himself, Mr. TOWER, and Mr. JOHNSTON):

S. 3270. A bill to amend the Defense Production Act of 1950, as amended. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MOSS:

Senate Joint Resolution 199. Joint resolution designating the square dance as the national folk dance of the United States of America. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGH SCOTT:

S. 3258. A bill to provide for displaying for public viewing at the Arlington National Cemetery, the names of certain deceased veterans. Referred to the Committee on Veterans' Affairs.

Mr. HUGH SCOTT. Mr. President, tomorrow is National Vietnam Veterans Day. I would like to express my personal admiration and thanks to the American veterans who served in that very difficult war.

On February 17, 1967, the Arlington National Cemetery changed its requirements for burial eligibility. The regulations for admission are now limited to the following persons: first, persons dying on active duty; second, recipients of the Medal of Honor; third, certain specified veterans who have held high elective or appointive government office; fourth, retired members of the armed service who are qualified to receive compensation and are carried on official service retired lists, and fifth, spouses and dependents of one to four above.

Many veterans have a strong desire to be buried at Arlington National Cemetery. Unfortunately, present space limitations severely limit those who may qualify. This means that many veterans of the Vietnam war and veterans of earlier service will never meet the present requirements. I feel very sincerely that all veterans of the armed services who have served honorably should be allowed the opportunity to be permanently memorialized in our principal national cemetery at Arlington.

Therefore, I am today introducing a bill which would provide for public display at the Arlington National Cemetery of the names of certain deceased veterans.

The bill provides that upon request of the spouse or next-of-kin of the deceased veteran, his or her name would be appropriately displayed at the cemetery. The only qualifications would be: the veteran must have died on active duty, or the veteran must have served on active duty at least 90 days and was discharged or released under honorable conditions, or the veteran was discharged or released from active duty for a service-connected disability, and his or her death must have occurred on or after February 17, 1967.

This recognition certainly should be available to those veterans who would not otherwise meet the burial requirements for Arlington National Cemetery.

I would like to call on all my fellow Senators, from both sides of the aisles, to join with me in sponsoring this bill.

By Mr. TAFT:

S. 3259. A bill to amend the Rail Passenger Service Act of 1970 in order to authorize certain use of rail passenger equipment by the National Railroad Passenger Corporation. Referred to the Committee on Commerce.

AMTRAK PASSENGER EQUIPMENT EMERGENCY ASSISTANCE BILL

Mr. TAFT. Mr. President, I introduced a bill to ease Amtrak's shortage of passenger cars by making available those cars still owned by railroads participating in Amtrak.

The energy crisis has simultaneously demonstrated the importance of adequate passenger rail service and put a severe strain on Amtrak's limited resources. As the price of gasoline soared and its availability became increasingly problematical, many people all over the Nation turned from their automobiles to passenger trains for intercity travel. Amtrak's revenue for November 1973 was over 50 percent higher than that for November 1972, and the trend continues.

This turn away from the automobile as a means of intercity travel is of advantage to everyone. For the traveler, the greater comfort and safety of the train permit a more pleasant journey. For the Nation, the enormous superiority of the train over the car, in terms of efficient use of fuel and reduction of pollutants, is of great benefit.

But, however desirable this change is, it has in fact created for Amtrak a serious shortage of passenger cars. In 1924, the United States had over 24,000 passenger trains each day; today, Amtrak has in its total inventory less than 2,000 railway passenger cars. And of these, so many are in poor condition that 500 are consistently out of service for rebuilding or repair.

This shortage is having a serious impact on the service Amtrak provides. Two weeks ago, Mr. Roger Lewis, the president of Amtrak, announced that two planned additional trains—one New York to Chicago, the other Chicago to Los Angeles—had been canceled because of lack of passenger equipment. Ohioans were looking forward to the additional service which the New York-Chicago train would have provided for them; I am certain the States represented by many of my colleagues were equally disappointed.

Amtrak is striving to locate and purchase additional equipment. However, in my investigation of this problem, I found one source of passenger cars which, under current legislation, Amtrak cannot touch: passenger cars which were retained for their own use by the railroads which joined Amtrak. Under current law, there is no way Amtrak can obtain use of these cars, even under the current emergency conditions.

Accordingly, I have introduced a bill which will amend section 402 of the Rail Passenger Service Act of 1970, so that under circumstances of urgent need the participating railroads must sell or lease to Amtrak any equipment they possess which Amtrak finds usable.

The current inventories of four such railroads—the Union Pacific, Burlington-Northern, Santa Fe, and Delaware and Hudson—contain 40 modern, lightweight cars: 17 coaches, 9 sleeping cars, 8 diners, and 6 lounge cars. All of these cars are in excellent condition, and suitable for immediate use without being shopped. These 40 cars alone would be of significant help to Amtrak during the current shortage—they would permit the institution of both of the trains Mr. Lewis recently canceled. Let me also note that none of this equipment is currently used in regular passenger service; and that other railroads, in addition to the four I surveyed, should also have some equipment available.

This bill is not intended to strip any railroad of equipment it wants to keep. I am aware that several railroads—the Union Pacific and Santa Fe in particular—desire to continue to own passenger equipment as symbols of their pride

in their railroads. This is well and good; and they would only be required to lease this equipment to Amtrak as an emergency measure, until Amtrak begins receiving new equipment within the next 2 or 3 years.

This bill will, I believe, be of significant assistance not only to Amtrak but to all the people of this Nation, as they seek alternatives to the automobile. In view of the emergency conditions, and the need to have this equipment available by this summer, I hope that my colleagues will support me, and that the committee will give it urgent consideration.

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

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

S. 3259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402(a) of the Rail Passenger Service Act of 1970 is amended (1) by inserting "(including rail passenger equipment)" after "facilities" in the first sentence, and (2) by inserting after "purposes of this Act" in the second sentence the following: "or in the case of rail passenger equipment if requested by the Corporation after determining there is an urgent need therefor".

By Mr. TOWER:

S. 3261. A bill to reform the conduct and financing of Federal election campaigns, and for other purposes. Referred to the Committee on Rules and Administration.

Mr. TOWER. Mr. President, today I am introducing the Federal Campaign Reform Act of 1974. The bill generally encompasses President Nixon's election campaign reform proposals as outlined in his message delivered to the Nation on March 8. As one package, it represents the most comprehensive set of reform proposals yet to be offered. It does not subject the political process to the abuses that would naturally flow from public financing of Federal elections as envisioned by S. 3044.

I need not dwell on the necessity for campaign reform that works. What I do wish to emphasize now are the specific ways in which this bill is in the Nation's best interest.

First, this bill requires each candidate to designate a single political committee, which would ultimately receive all contributions made in his behalf. That committee would make all expenditures by check from a designated federally chartered bank. These provisions would substantially ease the administrative burden of enforcing compliance with campaign laws.

Second, a candidate's political committee would be prohibited from accepting more than $3,000 from an individual donor in any Senate or House election, and not more than $15,000 in any Presidential election. All contributions from any kind of organization would be prohibited, except those made by national committees or political action groups.

Third, comprehensive and timely reporting and disclosure requirements are imposed upon political committees and political action groups. For example, political action groups would be required to disclose the ties their principal officers have to political parties.

Fourth, an independent Federal Election Commission is established with the independence necessary to effectuate the provisions of the bill.

Fifth, the bill provides real safeguards against express or implied intimidation or coercion used against corporate employees and union members in soliciting campaign contributions.

Sixth, specific prohibitions against so-called "dirty tricks" are provided. Such activities have no proper role to play in any campaign, and this bill successfully draws the line between constitutionally protected campaign activity, and activity which is universally recognized as intolerable.

Seventh, a shortening of Presidential campaigns, and a corresponding reduction in the costs of campaigning, are provided for by prohibiting the holding, before May 1 of an election year, of Presidential primaries or conventions at which delegates to the national nominating convention are selected.

A central theme of the bill is the restoration of the dignity and power of the individual donor to a proper role in political campaigns. For too long, big organizations have run roughshod over the wishes of their individual members. Implicit intimidation or coercion has often been used to compel contributions which cannot fairly be characterized as voluntary. Individual contributors have often been misled as to the true nature of the political action groups to whom they gave. Individuals have also felt of insignificant value in campaigns, because of the enormous contributions made by many organizations.

The ascendancy of the power of faceless organizations in campaigns is unhealthy. It leads to unfair and unrepresentative influence on the part of the few who manipulate the many. Individuality is a hallmark of America that has made it great. It promotes that diversity of thought and influence so necessary to a thriving and robust democracy.

This bill dignifies and encourages each individual to participate actively in Federal elections. It assures each voter that he will not be harassed, intimidated, or misled by political action groups representing narrow and special interests. It assures each voter that his contribution will count as much as others.

I must admit that I have philosophical reservations about placing limitations on an individual's privilege to determine the amount of his personal contribution. There even might well be constitutional problems with such a congressional mandate. However, as I have previously stated, excesses can and have occurred. Thus, absent judicial reversal of the concept, such limitations are inevitable and represent a significant part of this reform package.

Mr. President, I shall consider offering this bill as a substitute amendment for S. 3044 in substantially the same form as I am introducing it today. Therefore, I urge my colleagues to review it carefully. I ask unanimous consent that the text of the bill and section-by-section analysis be printed in the RECORD at this time.

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

S. 3261

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 "Federal Campaign Reform Act of 1974".

DEFINITIONS

SEC. 2. When used in this Act—

(1) "election" means (A) a general, special, primary, or runoff election, (B) a convention or caucus of a political party held to nominate a candidate, (C) a primary election held for the selection of delegates to a national nominating convention of a political party, (D) a primary election held for the expression of a preference for the nomination of persons for election to the office of President, and (E) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(2) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (A) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (B) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

(3) "Federal office" means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States;

(4) "political committee" means the committee designated by a candidate to receive contributions and make expenditures, on his behalf in connection with any election;

(5) "contribution" means—

(A) a gift, subscription, loan, advance, deposit of money or, anything of value, made for the principal purpose of influencing (i) the nomination for election, or election of any person to Federal office or as a presidential or vice-presidential elector; or, (ii) the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President; or, (iii) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States;

(B) a contract, promise, or agreement, in writing, whether or not legally enforceable, to make a contribution for any such purpose;

(C) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; and

(D) notwithstanding the foregoing meanings of "contribution", the word shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;

(6) "expenditure" means—

(A) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the principal purpose of influencing (i) the nomination

for election, or election, of any person to Federal office, or as a presidential and vice-presidential elector; or, (ii) the result of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President; or, (iii) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States; and

(B) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure;

(7) "national committee" means the duly constituted organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Commission;

(8) "person" means an individual, partnership, committee, association, corporation, labor organization, political action group, political committee, national committee, and any other group of persons;

(9) "State" means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

(10) "organization" means any group of two or more persons, except that such term does not include a political committee or a national committee;

(11) "foreign bank" means any bank not chartered by the United States or any State;

(12) "Commission" means the Federal Election Commission;

(13) "loan" means any extension of credit, including the extension of credit for goods furnished or services rendered;

(14) "major party" means a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

(15) "political action group" means any committee or association, other than a national committee or a political committee, which accepts or makes contributions in an aggregate amount in excess of $1,000 for elections in any calendar year;

(16) "supervisor" means any individual having authority, in the interest of an employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them or to adjust their grievances, or effectively to recommend such action, if in connection with the foregoing the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment;

(17) "union official" means any constitutional officer, any person authorized to perform the functions of president, vice president, secretary, treasurer, or other executive functions of a labor organization, any member of its executive board or similar governing body; any shop steward, any elected official or any key administrative officer, whether elected or appointed (such as a business agent, head of department or major unit, and organizer who exercises substantial independent authority), of a labor organization; and

(18) "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions or work.

FEDERAL ELECTION COMMISSION

SEC. 3. (a) There is established an independent commission to be known as the Federal Election Commission which shall be composed of the chairmen (or their delegates) of the national committees of all major parties who shall serve without the right to vote and five members who shall be appointed by the President with the advice and consent of the Senate. No more than three of the five apointed members shall be from the same political party.

(b) Appointed members of the Commission shall serve for terms of five years, except that, of the members first appointed—

(1) one of the members shall be appointed for a term of one year;

(2) one of the members shall be appointed for a term of two years;

(3) one of the members shall be appointed for a term of three years;

(4) one of the members shall be appointed for a term of four years; and

(5) one of the members shall be appointed for a term of five years.

(c) An appointed member may be reappointed to the Commission only once. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. No member shall be removed except for neglect of duty or malfeasance in office.

(d) (1) The Commission shall elect a Chairman and a Vice Chairman from among its members to serve for terms of two years each. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

(2) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commmission. A majority of the voting members of the Commission shall constitute a quorum, provided that no quorum may be composed entirely of members from one party.

(e) The Commission shall transmit annually a report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ; and shall make such further reports on the matters within its jurisdiction.

(f) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all of its powers in any State.

(g) The Commision shall appoint a General Counsel and an Executive Director without regard to the provisions of title 5, United States Code, governing appointments to the competitive service to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission.

(h) The Commission shall have an official seal which shall be judicially noticed.

(i) The Chairman of the Commission shall appoint and fix the compensation of such personnel as are necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code; except that five officers and employees may, under this provision, be compensated at rates not in excess of the rates prescribed for GS-18 under section 5332 of title 5, United States Code.

(j) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(k) The provisions of section 7324 of title, 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d) (3) of such section.

(l) Section 5315 of title 5, United States Code, is amended by adding the following paragraph:

"(98) Members, Federal Election Commission (5)"

(m) Section 5316 of title 5, United States Code, is amended by adding the following paragraph:

"(133) Executive Director, Federal Elections Commission."

POWERS OF COMMISSION

SEC. 4. (a) The Commission shall have the power—

(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine and no person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing any information required by the Commission;

(2) to administer oaths;

(3) to require, by subpoena, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by any deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay a witness the same fees and mileage as are paid in like circumstances in the courts of the United States;

(6) to prescribe rules and regulations, require the keeping of books and records, and conduct such examinations and investigations as it shall deem necessary to carry out the functions and duties imposed by this Act; and

(7) to delegate any of its functions or powers, other than the power to make regulations and the power to issue subpoenas, to any officer or employee of the Commission.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon application of the Attorney General, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) Until the appointment of all of the members of the Federal Election Commission and its Executive Director, and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as those titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its Executive Director, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as they exist on the day before the date of enactment of this Act.

DUTIES OF THE COMMISSION

SEC. 5. (a) It shall be the duty of the Commission—

(1) to develop and furnish to the person required by the provisions of this Act prescribed forms for the making of the reports

and statements required to be filed with it under this Act;

(2) to prepare, publish, and furnish to the person required to file such reports and statements a manual setting forth recommended uniform methods of bookkeeping and reporting;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this Act;

(4) to make the reports and statements filed with it available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit copying of any such report or statement by hand or by duplicating machine, as requested by any person, at the expense of such person: *Provided*, That any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(5) to preserve such reports and statements for a period of ten years from date of receipt, except that reports and statements relating solely to candidates for the House of Representatives shall be preserved for only five years from the date of receipt;

(6) to prepare and publish annual reports including compilations of (A) total reported contributions and expenditures for all candidates, political committees, political action groups and other persons during the year; (B) total amounts expended according to such categories as it shall determine and broken down into candidate, party, and nonparty expenditures on the National, State, and local levels; (C) total amounts expended for influencing nominations and elections stated separately; (D) total amounts contributed according to such categories of amounts as it shall determine and broken down into contributions on the National, State, and local levels for candidates and political committees; and (E) aggregate amounts contributed by any contributor shown to have contributed in excess of $500;

(7) to prepare and publish from time to time special reports comparing the various totals and categories of contributions and expenditures made with respect to preceding elections;

(8) to prepare and publish such other reports as it may deem appropriate;

(9) to assure wide dissemination of statistics, summaries, and reports prepared under this Act;

(10) to make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this Act, and with respect to alleged failures to file any report or statement required under the provisions of this Act; and

(11) to report apparent violations of law to the appropriate law enforcement authorities.

(b) The Commission shall encourage, and cooperate with, the election officials in the several States to develop procedures which will eliminate the necessity of multiple filings by permitting the filing of copies of Federal reports to satisfy the State requirements.

(c) It shall be the duty of the Commission to serve as a national clearinghouse for information in respect to the administration of elections. In carrying out its duties under this subsection, the Commission may enter into contracts for the purpose of conducting independent studies of the administration of elections. Such studies may include, but shall not be limited to, studies of—

(1) the method of selection of, and the type of duties assigned to, officials and personnel working on boards of elections;

(2) practices relating to the registration of voters; and

(3) voting and counting methods. Studies made under this subsection shall be published by the Commission and copies thereof shall be made available to the general public upon the payment of the cost thereof.

(d) (1) The Commission shall compile and furnish to the Public Printer, not later than the last day of March of each year, an annual report for each political committee and for each political action group which has filed a report with it under this Act during the period from March 10 of the preceding calendar year through January 31 of the year in which such annual report is made available to the Public Printer. Each such annual report shall contain—

(i) a copy of the statement of organization, together with any amendments thereto, of the political committee as required under section 7, or of the political action group as required under section 10;

(ii) a copy of each report filed by such political committee under section 8 or by such political action group under section 11 from March 10 of the preceding year through January 31 of the year in which the annual report is so furnished to the Public Printer.

(2) The Public Printer shall make copies of such annual reports available for sale to the public by the Superintendent of Documents as soon as practicable after they are received from the Commission.

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 6. (a) Each candidate shall designate in every election one political committee to receive campaign contributions. No political committee shall receive campaign contributions for more than one candidate. No political committee shall receive anything of value on behalf of any person seeking nomination or election to any State or local office. Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by a political committee at a time when there is a vacancy in the office of chairman or treasurer thereof. No expenditure shall be made by a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Each candidate shall designate one federally chartered bank as his campaign depository. The political committee of that candidate shall maintain a checking account at that designated depository. No expenditure may be made by a candidate's political committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (c).

(c) A candidate's political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $50 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission.

(d) Every person who receives a contribution in excess of $10 intended for a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All funds of a political committee shall be segregated from, and shall not be commingled with, any personal funds of officers, members, or associates of such committee.

(e) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the full name and mailing address (occupation and the principal place of business if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) except for petty cash disbursements as described in subsection (c) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(f) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure in a single transaction made by or on behalf of a political committee in excess of $50 in amount. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Commission.

(g) Any political committee shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

"NOTE: It is a violation of the Federal criminal code for any person to intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for either making a contribution, or failing to make a contribution, in any election."

"A copy of all reports filed with the Federal Election Commission are (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

(h) The political committee designated by a candidate nominated by a political party for election to the office of President shall be the political committee of the candidate nominated by that party for election to the office of Vice President.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 7. (a) Each political committee shall file with the Commission a statement of organization, within ten days after its organization. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Commission at such time as it prescribes.

(b) The statement of organization shall include—

(1) the name and address of the committee;

(2) the area, scope, or jurisdiction of the committee;

(3) the name, address, and position of the custodian of books and accounts;

(4) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(5) the name, address, office sought, and party affiliation of the candidate whom the committee is supporting;

(6) a statement whether the committee is a continuing one;

(7) the name and address of the federally chartered depository designated by the candidate who designed at the political committee;

(8) a statement of the reports required to be filed by the committee with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(9) such other information as shall be required by the Commission.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Commission within a ten-day period following the change.

REPORT BY POLITICAL COMMITTEES

SEC. 8. (a) Each treasurer of a political committee supporting a candidate for election to Federal office, shall file with the Commission reports of receipts and expenditures on forms to be prescribed or approved by it. Such reports shall be filed by each treasurer of a political committee during a nonelection year of the candidate who designated that political committee, on the tenth day of March, June, and September. Such reports shall be filed by each treasurer of a political committee, during an election

year of the candidate who designated that political committee, on the tenth day of each month and on the fifth day next preceding the date on which the election is held.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events (within the calendar year in an aggregate amount of value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising events; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(5) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (4);

(6) the total sum of all receipts by or for such committee or candidate during the reporting period;

(7) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an amount or value in excess of $50, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(8) the full name and mailing address (occupation and the principal place of business, if any) of each person to whom an expenditure for personal services, salaries and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(9) the total sum of expenditures made by such committee or candidate during the calendar year;

(10) the amount and nature of debts and obligations owed by or to the committee, in such form as the Commission may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished; and

(11) such other information as shall be required by the Commission.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee shall file a statement to that effect.

ORGANIZATION OF POLITICAL ACTION GROUPS

SEC. 9. (a) Every political action group shall have a chairman and a treasurer. No contribution shall be accepted or made by or on behalf of a political action group at a time when there is a vacancy in the office of chairman or treasurer thereof. No contribution shall be made for or on behalf of a political action group without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution in excess of $10 for a political action group shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address (occupation and the principal place of business, if any) of the person making such contribution, and the date on which received. All contributions received by a political action group shall be segregated from, and may not be commingled with, any other funds of that group.

(c) It shall be the duty of the treasurer of a political action group to keep a detailed and exact account of—

(1) all contributions made to or for such group;

(2) the full name and mailing address (occupation and the principal place of business, if any) of every person making a contribution in excess of $10, and the date and amount thereof;

(3) all payments made by or on behalf of such group; and

(4) the full name and mailing address (occupation and the principal place of business, if any) of every person to whom any payment is made the date and amount thereof.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every payment made by or on behalf of a political action group in excess of $100 in amount, and for any such payment in a lesser amount, if the aggregate amount of such payments to the same person during a calendar year exceeds $100. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for periods of time to be determined by the Commission officer.

(e) Each political action group shall designate one federally or State chartered bank as its campaign depository, and maintain a checking account thereat. No contribution may be made by a political action group except by check drawn upon that account.

(f) No supervisor or union official shall serve as a principal officer of a political action group.

(g) Any political action group shall include on the face or front page of all literature and advertisements soliciting funds the following notice:

"Note: It is a violation of the Federal Criminal Code for any person to intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for either making a contribution, or failing to make a contribution, in any election."

"A copy of all reports filed with the Federal Election Commission are (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402."

(h) No political action group shall use a name closely related or confusingly similar to the name of a labor organization or employer within the jurisdiction of the National Labor Relations Act, as amended, 49 Stat. 449 (29 U.S.C. 141, et seq.).

REGISTRATION OF POLITICAL ACTION GROUPS: STATEMENTS

SEC. 10. (a) Each political action group which anticipates receiving contributions or making contributions during the calendar year in an aggregate amount exceeding $1,000 shall file with the Commission a statement of organization, within ten days after its organization or, if later, ten days after the date on which it has information which causes the group to anticipate it will receive contributions or make contributions in excess of $1,000. Each such group in existence at the date of enactment of this Act shall file a statement of organization with the Commission at such time as he prescribes.

(b) The statement of organization shall include—

(1) the name and address of the group;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the group;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) a statement of any payments received by a principal officer from a political party organization during the last five years;

(7) a statement of any office or formal leadership position held by a principal officer in a local, State, or national political party organization during the last five years;

(8) a statement of all principal officers who, during the last five years, served as a delegate in any local, State, or national political party caucus or convention. Such statement shall specify the nature of each political party caucus or convention attended, and the place and dates of such attendance;

(9) a statement of the approximate number of unpaid hours worked in the most recent calendar year by each principal officer on behalf of a local, State, or national political party organization. Such statement shall specify the name and address of each political party organization for whom each prinpal officer worked without compensation.

(10) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election, or election to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(11) a statement whether the group is a continuing one;

(12) the disposition of residual funds which will be made in the event of dissolution;

(13) name and address of the depository designated by that group;

(14) a statement of the reports required to be filed by the group with State or local officers, and, if so, the names, addresses, and positions of such persons; and

(15) such other information as shall be required by the Commission.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Commission within a ten-day period following the change.

(d) Any group which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make contributions during the calendar year in an aggregate amount exceeding $1,000 shall so notify the Commission.

REPORTS BY POLITICAL ACTION GROUPS

SEC. 11. (a) Each treasurer of a political action group supporting a candidate or candidates for election to Federal office shall file with the Commission reports of contributions received and contributions made on forms to be prescribed or approved by it. Such reports shall be filed on the tenth day of March, June, and September, in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January. Such reports shall be complete as of such date as the Commission may prescribe, which shall not be less than five days before the date of filing.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and principal place of business, if any) of each person who has made one or more contributions to such group (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount of value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to such group during the reporting period and not reported under paragraph (2);

(4) the total amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event; (B) mass collections made at such events; and (C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(5) each contribution rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (4);

(6) the total sum of all receipts by such group during the reporting period;

(7) each contribution made to a political committee;

(8) the amount and nature of debts and obligations owed by or to the group, in such form as the Commission may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished; and

(9) such other information as shall be required by the Commission.

(c) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions have been accepted or made during a calendar year, the treasurer of the political action group shall file a statement to that effect.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 12. (a) A report or the statement required by this Act to be filed by a treasurer of a political committee or political action group shall be verified by his oath or affirmation, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period of time to be designated by the Commission in a published regulation.

(c) Consistent with the purposes of this Act, the Commission shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures shall be reported.

Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

REPORTS ON CONVENTION FINANCING

SEC. 13. Each committee or other organization which—

(1) represents a State, or a political subdivision thereof, or any group of persons, in dealing with officials of a national political party with respect to matters involving a convention held in such State or political subdivision to nominate a candidate for the office of President or Vice President, or

(2) represents a national political party in making arrangements for the convention of such party held to nominate a candidate for the office of President or Vice President, shall, within sixty days following the end of the convention (but not later than twenty days prior to the date on which presidential and vice-presidential electors are chosen), file with the Commission a full and complete financial statement, in such form and detail as it may prescribe, of the sources from which the committee or other organization derived its funds, and the purposes for which such funds were expended.

CONTRIBUTIONS

SEC. 14. (a) No political committee, national committee, or political action group shall accept a contribution exceeding $10 in value unless it is accompanied by a form, authorized by the Commission and completed by the donor, which indicates: (1) the donor's name and address; (2) the political committee or national committee which is to receive the contribution; or, in the case of a contribution received by a political action group, an express authorization for the political action group to use the contribution in any election as it sees fit; (3) when the contribution is not cash or its equivalent, a description of the contribution and a good faith estimate of its reasonable value; and (4) such other information as the Commission may require.

(b) All contribution forms completed pursuant to subsection (a) shall be given to the appropriate political committee or national committee or political action group. All such forms shall be retained or delivered to the Commission as it may require.

(c) No political committee, national committee or political action group shall receive a contribution in the form of property whose value exceeds its basis for income tax purposes under the Internal Revenue Code of 1954.

(d) No political committee, national committee, or political action group shall receive a cash contribution in excess of $50.

(e) Except for individuals, political action groups and national committees, no person shall make any contribution.

(f) No person shall make a contribution in the form of a loan. However, this subsection shall not prohibit a candidate from receiving a loan of money from a federally or State chartered bank made in accordance with the applicable banking law and regulations and in the ordinary course of business.

(g) No person shall make a campaign contribution in the form of a check, or other commercial instrument, drawn on a foreign bank.

(h) No person shall directly or indirectly make a contribution in the name of another person, and no political or national committee or political action group shall knowingly accept a contribution made by one person in the name of another person.

(i) No political action group shall make a contribution except from funds received in the form of individual contributions.

(j) No political action group shall make a contribution except in the form of cash or its equivalent.

CONTRIBUTION SOLICITATION

SEC. 15. (a) No supervisor or union official shall solicit contributions on behalf of a political action group, national committee, or political committee.

(b) No person shall intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for either making a contribution, or failing to make a contribution, in any election.

CONTRIBUTION LIMITATIONS

SEC. 16. (a) No political committee shall receive any contribution from any individual which, when added to the sum of all other contributions made by that individual, exceeds $3,000 in connection with any election, except as provided in subsection (b).

(b) No political committee shall receive a contribution from any individual, which when added to the sum of all other contributions from that individual exceeds $15,000 in connection with an election in which the candidate seeks nomination for or election to the office of President or Vice President of the United States. For purposes of this subsection, contributions to a candidate seeking election to the office of the Vice President shall be attributed to a candidate of the same political party seeking election to the office of the President. For purposes of calculating the $15,000 limit, all contributions made to a candidate in all elections in which he seeks nomination for the office of the President shall be aggregated.

(c) No individual shall make a contribution to a political action group during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

(d) This section shall not apply to a contribution given by a candidate or his immediate family as defined in section 608 of title 18, United States Code.

EXCESS CONTRIBUTIONS

SEC. 17. (a) Any contribution received in excess of the limitations established in Section 16 shall be forfeited to the United States Treasury.

(b) Any political committee having unexpended funds within seven days after a general election shall either give that excess to the United States Treasury, or to a national committee.

EXPENDITURE LIMITATIONS

SEC. 18. No person shall make any expenditure on behalf of a candidate except a political committee.

VOTER REGISTRATION

SEC. 19. Any organization that registers voters with the aid of paid workers and intends to make payments exceeding $1,000 during a calendar year shall be subject to the following reporting and disclosure rules:

(1) Every such organization shall file a statement of organization with the Commission, within ten days after its organization. Each such organization in existence at the date of enactment of this Act shall file a statement of organization with the Commission at such time as it prescribes. The statement of organization shall include: (A) the name and address of the organization; (B) the name and address of the chairman and treasurer; and (C) the name, address, and position of other principal officers.

(2) Every such organization shall have a chairman and a treasurer;

(3) The treasurer of such organization shall keep a detailed and exact account of anything of value given to the organization, and anything of value spent in conducting a voter registration drive.

(4) The treasurer of such organization shall maintain a list of all persons who in aggregate give anything of value exceeding $500 to the organization during a calendar year, and a list of all persons to whom aggregate payments were made exceeding $500 in value during a calendar year. Such lists shall be disclosed to the Commission, at least once yearly, but the Commission may require more frequent reporting by regulations. The Commission may require the treasurer of an organization to provide such additional information as it deems necessary. The Commissioners shall make public all information received from organizations pursuant to this section in a form it deems proper.

This section shall not apply to registration drives conducted by a State or any other unit of government.

CAMPAIGN PRACTICES

SEC. 20. No person shall commit any of the following acts in any election with the specific intent of either misleading voters or disrupting a candidate's campaign, provided that those acts are likely to succeed in either misleading voters or disrupting a candidate's campaign:

(1) directly or indirectly convey false instructions to a campaign worker;

(2) place misleading advertisements in the communications media, as that latter term is defined in section 102 of the Campaign Communications Reform Act. P.L. 92-225, 86 Stat. 3;

(3) impede or obstruct the entry of any person lawfully entitled to attend a campaign rally;

(4) utter a false oral or written statement concerning any material fact about a candidate;

(5) order goods and services on behalf of a candidate without his authorization;

(6) prevent a candidate from speaking through the use of loud and boisterous noise.

OBSTRUCTING AN ELECTION OR RESIGNATION

SEC. 21. No person shall knowingly:

(1) obstruct, impair, or pervert the lawful conduct of an election or the registration to vote at an election;

(2) offer, give, or agree to give anything of value to another person for or because of any person's voting, refraining from voting, voting for or against a candidate, or registering to vote at any election;

(3) solicit, demand, accept, or agree to accept anything of value for or because of any person's voting, refraining from voting, voting for or against a candidate, or registering to vote at any election; or

(4) give false information to establish his eligibility to vote at any election.

CRIMINAL PENALTY FOR KNOWING VIOLATIONS

SEC. 22. The knowing violation of any provision of this Act is punishable by a fine of not more than $100,000, imprisonment for not more than ten years, or both.

PRESIDENTIAL PRIMARY ELECTIONS AND NOMINATING CONVENTIONS

SEC. 23. No primary election, convention, or caucus of a political party for the selection of delegates to a national nominating convention in which a Presidential candidate shall be nominated shall be held in any State before May 1 of a year in which a Presidential election shall be held.

MISCELLANEOUS AMENDMENTS

SEC. 24. (a) Title III of the Federal Election Campaign Act of 1971, Public Law 92-225, 86 Stat. 3, is hereby repealed.

(b) Section 610 of title 18, United States Code, is hereby repealed.

(c) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting after "public office" in the first sentence thereof the following: ", other than Federal elective office (including the office of Vice President)."

(d) Title I of the Federal Election Campaign Act of 1971, Public Law 92-225, 86 Stat. 3, is amended by substituting "Federal Election Commission" for "Comptroller General" wherever that latter term may appear.

EFFECT ON STATE LAW

SEC. 25. Nothing in this Act shall be deemed to invalidate or make inapplicable any provision of any State law, except where compliance with such provision of law would result in a violation of a provision of this Act.

PARTIAL INVALIDITY

SEC. 26. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 27. The provisions of this Act shall become effective on December 31, 1974, or sixty days after the date of enactment of this Act, whichever is last.

SECTION-BY-SECTION ANALYSIS

Section 2 is the definition section. Several of the definitions are taken from the Federal Election Campaign Act of 1971, such as "election", "candidate", and "Federal office." § 2(1), (2), (3). "Contribution" is defined generally speaking, as anything of value made for the *principal* purpose of influencing certain elections § 2(5). That definition is intended to exclude from its coverage gifts made to encourage persons to register and to vote, or other gifts to "issue oriented" groups or national committees whose principal purpose is not to influence the election of a particular candidate, but to affect elections or the election process as a whole. "Expenditure" is similarly defined. § 2(6).

Additionally, "contribution" is defined to exclude vague and uncertain oral commitments to make a contribution § 2(5)(B).

The terms "national committee", "organization", "foreign bank", "Commission", and "loan", are specially defined. § 2(7), (10), (11), (12), (13).

"Political committee" and "political action group" have specialized meanings. § 2(4)(15). The former is defined as a candidate's sole campaign committee, and the latter is defined as a parallel organization that may collect and make contributions, but not expenditures.

"Supervisor", "union official", and "labor organization" are also new definitions in the bill, and are defined largely in language taken from the National Labor Relations Act and the Landrum-Griffith Act. § 2(16), (17), (18).

Section 3 would establish a five-member bipartisan independent Federal Election Commission with the chairman of the national committees of the major political parties serving as non-voting members.

Section 4 enumerates the powers of the Commission. It would have full authority to investigate all campaign and election offenses, promulgate rules and regulations, publish reports, and issue subpoenas, which would be enforced by the Attorney General.

Section 5 sets forth the duties of the Commission. It would publish reports of contributions, expenditures, and payments and statements required to be made by political committees and political action groups. It would audit such reports and report apparent violations of law to the Department of Justice. Additionally, the Commission would make studies and serve as a clearinghouse for information in respect to the administration of elections.

Section 6 sets forth the required organization of a political committee. A candidate may have only one such committee which would ultimately receive all contributions made on his behalf; that committee could act only on behalf of that candidate. Each candidate would designate one federally chartered bank to serve as the campaign depository for the political committee. Except for petty cash expenditures of $50 or less, all expenditures would be made by check drawn on a checking account at the campaign depository.

The treasurer of a political committee would be required to keep detailed records concerning every person making a contribution in excess of $10, and all expenditures made.

On the face of all solicitation literature, a political committee would be requested to notify the recipient that any threats or coercion used against him for either making or failing to make a contribution violates federal law; and that a copy of all reports filed with the Federal Election Commission would be publicly available for purchase.

It is also required that the political committee of a presidential candidate be the political committee of his vice presidential running mate. No such requirement is imposed in primary campaigns.

Section 7 imposes upon a political committee a duty to register and to file statements disclosing its officers and the campaign depository used by it.

Section 8 imposes upon political committees a duty of reporting to the Federal Election Commission. Generally speaking, such reports must disclose the names and addresses (occupation and the principal place of business, if any) of all persons either making aggregate contributions in excess of $100, or to whom expenditures have been made exports must be filed in March, June, and September during non-election years, and monthly during election years.

Section 9 imposes organization requirements on political action groups. Those groups must have a chairman and treasurer, and keep records of all contributions received or made by them in excess of $10. A detailed record of payments must also be maintained.

A political action group must designate a single federally or state chartered bank to serve as its campaign depository. All contributions made by a political action group must be made by check drawn on its account.

No supervisor of employees or union official may serve as a principal officer of a political action group. That prohibition is designed to minimize the likelihood of implied intimidation or coercion in the solicitation of contributions from employees or union members.

All literature and advertisements of political action groups in soliciting funds must contain the same notice as is required of similar solicitations by political committees, as described in Section 6.

No political action group may use a name closely related or confusingly similar to the name of a labor organization or employer.

Section 10 imposes a duty upon political action groups to register and to file statements with the Federal Election Commission. A statement must contain a full disclosure of the relationship between principal officers of the group and political party organizations. Other information required in a statement is of a routine nature.

Section 11 imposes upon political action groups a duty of reporting to the Federal Elections Commission similar to the duty imposed upon political committees. Such reports must be filed quarterly, and contain a list of all persons making contributions in excess of $100 in aggregate amounts, together with the amount and date of such contributions. All contributions made by political action groups must also be reported.

Section 12 establishes certain formal requirements respecting reports and statements.

Section 13 requires certain reports to be filed with the Federal Election Commission concerning convention financing.

Section 14 imposes the following rigorous restrictions upon the making of contributions:

(1) All contributions in excess of $10 must be accompanied by a form authorized by the Commission and completed by the donor, which indicates: (1) the donor's name and address; (2) the political committee or national committee which is to receive the contribution; or, in the case of a contribution received by a political action group, an express authorization for the political action group to use the contribution in any election as it sees fit; (3) when the contribution is not cash or its equivalent, a description of the contribution and a good faith estimate of its reasonable value; and (4) such other information as the Commission may require;

(2) No contribution shall be received in the form of appreciated property;

(3) No cash contribution shall be received in excess of $50;

(4) Only individuals, political action groups, and national committees may make contributions;

(5) No person, except a candidate, may make a contribution in the form of a loan;

(6) No person shall make a campaign con-

tribution in the form of a check, or other commercial instrument, drawn on a foreign bank;

(7) No person shall directly or indirectly make a contribution in the name of another person, and no political or national committee or political action group shall knowingly accept a contribution made by one person in the name of another person; and

(8) No political action group shall make a contribution except from funds received in the form of individual contributions.

Section 15 prohibits a supervisor or union official from soliciting contributions on behalf of a political action group, political committee, or national committee. Section 15 also makes it a crime to intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any person for either making a contribution, or failing to make a contribution, in any election.

Section 16 establishes the following contribution limitations:

(1) No political committee may receive individual contributions in excess of $3,000 in any Congressional election or in excess of $15,000 in any Presidential election. Contributions in Presidential primaries are aggregated for purposes of calculating the $15,000 limit.

(2) No individual can make a contribution to a political action group during any calendar year which, when added to the sum of all other contributions made by that individual during that year, exceeds $25,000.

(3) These limitations would not apply to a contribution given by a candidate or his immediate family. Existing law, which is not repealed, places limits of $25,000, $35,000 and $50,000 respectively on the amount a candidate for nomination for or election to Representative, Senator, or President may receive from his personal funds and the funds of his immediate family.

Section 17 provides that illegal contributions be forfeited to the United States Treasury. It also provides that any political committee having unexpended funds seven days after a general election either give that excess to the United States Treasury, or to a national committee.

Section 18 prohibits any person, except a political committee, from making expenditures on behalf of a candidate.

Section 19 requires certain organizations that conduct voter registration drives with the use of paid workers to file certain reports of organization and financing with the Federal Election Commission.

Section 20 makes it a crime to commit so-called "dirty tricks" with the specific intent to mislead voters or disrupt a campaign coupled with a likelihood of success. The following acts committed with the requisite intent and the requisite likelihood of success are specifically prohibited:

(1) directly or indirectly convey false instructions to a campaign worker;

(2) place misleading advertisements in the communications media, as that latter term is defined in section 102 of the Campaign Communications Reform Act. P.L. 92-225, 86 Stat. 3.

(3) impede or obstruct the entry of any person lawfully entitled to attend a campaign rally;

(4) utter a false oral or written statement concerning any material fact about a candidate;

(5) order goods and services on behalf of a candidate without his authorization;

(6) prevent a candidate from speaking through the use of loud and boisterous noise.

Section 21 makes it a crime to obstruct, impair, or prevent any election or the process of registration.

Section 22 establishes severe criminal penalties for the knowing violation of provisions of the Act. Maximum punishment is a $100,000 fine and 10 years imprisonment.

Section 23 prohibits holding Presidential primaries or conventions at which delegates are selected before May 1 of a year in which a Presidential election is held.

Section 24 repeals the Equal Time Amendment of the Communications Act of 1934 for federal elections. Other minor changes in existing law are also made.

Sections 25-27 are all technical provisions.

By Mr. PERCY (for himself and Mr. JAVITS):

S. 3263. A bill to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighting personnel, and for other purposes. Referred to the Committee on Post Office and Civil Service.

LEGISLATION TO INCREASE RETIREMENT BENEFITS FOR FEDERAL LAW ENFORCEMENT PERSONNEL

Mr. PERCY. Mr. President, today I am introducing legislation which will increase the retirement benefits now accorded to Federal law enforcement personnel, and as a result, offer the hope of improving our law enforcement efforts at the Federal level.

Federal law enforcement is basically a young person's profession. Because of the constant risks involved, young men, with quick but calm reactions, are necessary both for their own safety and for the safety of others. Thus, it has been the policy of Federal law enforcement to encourage keeping the personnel young by encouraging early retirement. This policy was adopted by the Congress in 1948 when it provided a computation formula for their retirement more generous than that available to other Federal employees. This was done not as a reward for hazardous duty, but rather as a means to make early retirement, with resultant shorter service, economically feasible.

Therefore, in 1948, when the computation multiplier for Federal employees in general was 1½ percent of the average salary for each year of service, the Congress enacted legislation providing a 2-percent multiplier for law enforcement personnel. This provided a 33-percent differential between the multiplier factor for regular Government employees and that of the Federal law enforcement personnel. In 1969, the law was changed to provide that the percentage would be multiplied by the average of the high 3 years of pay instead of the average pay over the entire number of years of service.

Since 1948, the computation formula has been upgraded for regular Government employees to almost 2 percent, while the initial 2 percent for law enforcement personnel remained unchanged. As a result, the differential over 30 years of service is only 7 percent, or 3¾ percent over 20 years.

At the present time, very few law enforcement personnel retire prior to age 55, because for them it is not economically feasible. This results in older men staying on, sometimes performing with considerably less than peak efficiency, but unable to be dismissed because of civil service. This is contrary to the purpose of having a relatively young force.

The underlying purposes of the legislation I am offering today can be summarized as follows:

First, to assist Federal law enforcement agencies and offices in maintaining a relatively young, vibrant, and effective work force. To achieve this objective, we must make it economically feasible for law enforcement personnel to retire at an early age.

Second, to make the recruitment programs for these agencies and offices competitive with local, State, and county law enforcement agencies and firefighting agencies.

It is not the purpose of this legislation to reward our law enforcement and firefighting personnel for performing their duties well; rather it is to acknowledge that the everyday physical and psychological stress which they must endure all too often results in early fatalities and serious injuries, not ordinarily encountered by other dedicated public servants.

In addition, the responsibilities of certain classes of law enforcement officials covered by this legislation cause them to be exposed to physical assault and violence almost unparalleled in the history of the affected agencies. John R. Bartels, Jr., Administrator of the Drug Enforcement Administration, speaking before the Treatment Alternatives to Street Crime Conference meeting at the White House on September 11, 1973, noted:

> Despite our progress, the narcotics traffic continues on the street and *violence* is becoming endemic to it. Incidents of shootings and other deadly assaults appear regularly on my daily operations reports. Within the past year, two agents, Frank Tummillo of New York and Emir Benitzi of Fort Lauderdale, Florida, were murdered in the line of duty. Other DEA agents have been wounded and permanently disabled. The violence not only affects law enforcement officers but has involved drug users, and occasionally, innocent bystanders. "Ripping off" a buyer has become commonplace. Another indication of the new violence is the sharp rise in the number of firearms seized in conjunction with drug arrests. *It is my firm belief that drug law enforcement is the most difficult and most hazardous law enforcement activity undertaken today.* (Emphasis added.)

Based on figures compiled by DEA, assaults on Federal narcotic officers have increased from 9 in fiscal year 1969 to 24 in fiscal year 1973. Already in the first 8 months of fiscal 1974, 31 agents have been the victims of assaults. The rate of assaults per agent in the field have increased from 0.129 in fiscal year 1969 to more than 0.2 presently. The assault rate on a monthly basis has increased from less than 1 per month in the period of 1968-71, to 1.75 in fiscal year 1972 and 2 per month in fiscal year 1973. The following two charts break down those figures in a manner that illustrates all too clearly the rising trend in assaults of DEA officers:

Assaults over time

Fiscal year 1969	9
Fiscal year 1970	10
Fiscal year 1971	11
Fiscal year 1972	21
Fiscal year 1973	24
Fiscal year 1974 (to Mar. 10, 1974)	31
Total	106

	Number of assaults	Number of agents (end of fiscal year)	Rate of assault incidents per agent in field
Fiscal year:			
1969	8	618	0.0129
1970	10	730	.0137
1971	11	1,162	.0095
1972	21	1,210	.0174
1973	24	1,190	.0202
1974 (to Mar. 10)	31		

Mr. President, I ask unanimous consent that a detailed explanation of these figures—found in "Violence in Drug Law Enforcement," a special report just released by DEA—be appended at the close of my remarks.

Such violence is not confined to the investigative activities of drug enforcement agents employed by DEA. A recent report issued by the FBI entitled "Analysis of Assaults on Federal Officers—1973 Uniform Crime Report"—a copy of which is attached for the RECORD—amply demonstrates the widespread growth of violence encountered by special agents of the FBI in the performance of their official duties.

One hundred and seventy-three special agents of the FBI were assaulted in the line of duty during 1973 as compared to 126 special agents assaulted in 1972. In 1972, there was also a corresponding increase over 1971 when 95 special agents were assaulted. These assaults can be severe, and tragic. One agent last year was victimized by a hand grenade thrown into the living room of his home. Another agent was shot and killed in the line of duty while pursuing bank robbery fugitives.

In light of the problems of violence encountered by a substantial number of our Federal investigators on almost a daily basis, as well as other unique hardship situations, it is critical that our agencies maintain a staff of relatively vigorous and young men and women capable of carrying out the Government's criminal law enforcement programs. Similarly, our Federal firefighters often risk their lives on what might be considered routine responses to a fire on Federal property or elsewhere. Older personnel, because of the stringent physical requirements of their position and the unusual mental, emotional stresses encountered in the performance of their duties, often cannot perform at peak efficiency. What is needed is a strong incentive for comparatively early retirement. It is to this end that I offer this legislation.

There now is substantial experience and data which demonstrate that the objective of legislation which Congress enacted 25 years ago has not been realized. The incentive has been removed. Only a small number of eligible employees have taken advantage of the early retirement opportunity at age 50 or prior to reaching age 55. The reason is eminently clear—it is not financially worthwhile for law enforcement and firefighting personnel to retire with 20 or 25 years of service at the present rate of computation. Most of these individuals are thought to be too old, by contemporary standards, to begin a second career; at best, they have fewer opportunities even in less demanding occupations. This bill will make it economically feasible for these employees to retire before reduced proficiency and stamina make them greater risks to themselves and others.

The measure is designed to benefit approximately 56,000 Federal personnel. If enacted, it would accomplish the following five objectives, all of which I consider desirable and necessary:

First: The bill changes the method of computing retirement annuities, increasing the computation rate from the present 2 percent of average pay multplied by the years of service to 2½ percent for 20 years of service plus the same figure of 2½ percent for every year over 20.

Second: The bill includes uncontrollable overtime worked by law enforcement officers as part of their base pay credited to them.

Third: The bill would require mandatory retirement for an otherwise eligible law enforcement officer or firefighter at age 55, or upon completion of 20 years of service, whichever occurs later. It does, however, allow the agency to retain an employee until age 60 if it so desires.

Fourth: The bill will not cause any serious drain on our already overburdened Federal treasury. The cost of this legislation is estimated at $778 million (plus interest) over a 30 year period, or approximately $48.2 million per year. At the same time there is a corresponding increase in employee contribution from 7 percent to 7½ percent. The present unfunded liability of the retirement fund will not be increased by the total amount since the existing financing provision of the law will amortize the cost, thus precluding any growth in fund deficiencies attributable to this bill.

Fifth: The bill gives the Federal agency or office employing law enforcement or firefighting personnel the authority to set minimum and maximum entry ages.

Mr. President, I am aware of action taken by the House on September 20, 1973, approving a similar bill, H.R. 9281, by an overwhelming vote of 299 to 93. The measure I am introducing differs in three respects, two major and one minor:

(a) Whereas the House bill would provide only a 2 percent multiplier for every year after 20 years service, this bill would continue the 2½ percent multiplier for that period.

(b) The uncontrollable overtime feature of the House-passed bill is made retroactive to 1/1/70. This should be an added incentive to some of the agents of advanced years to retire. Since 1970, there has been a great deal of uncontrollable overtime as drug-related law enforcement activity has increased.

(c) The effective date of the bill is changed from 12/31/73 to 12/31/74 due to the delay in enactment. This is purely technical in that it makes the application of the bill prospective rather than retrospective to last year.

Mr. President, in view of the unique public interests involved in the enactment of this bill, I would respectfully suggest that this legislation is deserving of expeditious consideration.

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

[From the Office of Public Affairs, Drug Enforcement Administration, Mar. 15, 1974]

VIOLENCE IN DRUG LAW ENFORCEMENT

I. Introduction.
II. Statistical breakdown.
III. Causative factors—assaults on agents: Arrest, robbery, compromise of agent identity, surveillance, and others.
IV. Alleged assaults by agents.
V. DEA training to protect agents and public: Basic agent classroom instruction, practical application, firearms training, and in-service and advanced training.
VI. Regulations under which special agents operate.
VII. Conclusion.

I. INTRODUCTION

During the last several years, policy makers have become increasingly sensitive to the changing patterns of abuse and traffic in narcotics and dangerous drugs. This report deals with another developing trend in the drug traffic which has thus far attracted less attention; that is, the increasing risk of violence incident to the enforcement of the nation's drug laws. This problem is of special concern to the Drug Enforcement Administration because DEA * Agents have been victims of numerous assaults—including severe physical beatings, shootings, and deaths.

This study was designed to provide the most comprehensive data available concerning assault trends and patterns over a five-year period. It also includes data concerning several instances in which Drug Enforcement Agents have been accused of unprovoked assaults on citizens. Hopefully, it will provide a total context in which the problem of violence in drug law enforcement can be studied.

Sources

In an effort to study the assault problem, two primary sources were searched. The first of these was the Shootings File maintained by the DEA Office of Inspection. This file contains reports of all discharge of firearm incidents by Special Agents and includes several assault cases. However, assaults in which Agents did not fire their weapons were not covered in this source. Thus, a second primary data source, the Assaults on Agents File, a compilation of all assault incidents, was also studied. These two sets of files were the most tangible and comprehensive sources that could be found.

DEFINITION

Since the Shootings File and Assaults on Agents File included accidental shootings and assaults on Agents independent of their official duties, a definition of what constituted a true "Agent assault" was formulated. Within the scope of this paper, an assault to a DEA Agent is defined as the intentional use of physical force or weapon against an Agent or the attempted use of force or weapon against an Agent who is on duty. This includes all work done from the initial contact with a suspect, to negotiation, surveillance, arrest and any other related enforcement work.

Using this definition, 106 assault incidents were identified in the two sources studied. No assaults were omitted which fit the above definition. It is important to note, however, that the definition includes attempted assaults as well as those which resulted in actual injury. In many cases in which an assault was attempted, the Agent escaped serious injury only through a last-minute reaction to the assault or because of extremely good fortune. For instance, in many cases guns were fired at Agents but missed their mark. In other cases, weapons were aimed at Agents but mis-fired. To avoid discussion of such potentially deadly circumstances would be to overlook many cases relevant to the whole assault picture. Once the assaults were identified via the two basic sources, the corresponding case file in which the assault was identified was studied.

* In view of the reorganization which merged the Bureau of Narcotics and Dangerous Drugs, Bureau of Customs narcotics experts, and other agencies into DEA, all references to activities of BNDD prior to July 1, 1973 will nevertheless be referred to as DEA activities.

II. STATISTICAL BREAKDOWN

The 106 assault incidents reviewed provided certain basic overall statistics. Although the most revealing statistics concern the circumstances of the assault, it is worthwhile to begin this review with some basic figures.

Assaults over time:	
Fiscal year 1969	9
Fiscal year 1970	10
Fiscal year 1971	11
Fiscal year 1972	21
Fiscal year 1973	24
Fiscal year 1974 (to 3-10-74)	31
	106

Every domestic DEA region experienced at least one assault between 1968 and the present. There were geographical concentrations noted, however, in New York, Miami, and California.**

Three points can be made concerning assaults over time. First, DEA experienced monthly assault rates of 1.75 and 2.00 in FY 72 and FY 73. Second, this rate of nearly two assaults per month over a two-year period is considerably higher than the monthly assault rate of .79 which DEA averaged from May 1968 through June 1971. Third, when looking at the number of DEA Special Agents assigned to regional offices or task-force duty, these statistics indicate that from FY 69 through FY 73, DEA had the highest assault rate per Agents in field offices in FY 73. This is demonstrated in the following chart:

	Number of assaults	Number of agents (end of fiscal year)	Rate of assault incidents per agent in field
Fiscal year:			
1969	8	618	0.0129
1970	10	730	.0137
1971	11	1,162	.0095
1972	21	1,210	.0174
1973	24	1,190	.0202
1974 (to Mar. 10)	31		

Situation

A significant statistical breakdown in the assault cases concerns the situation breakdown. In most of the incidents, the assault that occurred fell into one of several larger patterns, usually dependent on the phase of enforcement activity that was going on. The categories themselves and the number of assaults in each are listed below.

Situations:	*No. of assaults*
Arrest	56
Robbery of agent	25
Surveillance	6
Compromise of agent identity	7
Other	12
Total	106

Place of assault

Private residence	28
Motel	3
Auto	28
Outdoor area	31
Other	16
Total	106

**Although DEA Agents assigned abroad have been frequently assaulted and some severely injured, no data relative to these incidents is included in this paper. The quasi-operational status accorded to DEA Agents by some foreign countries—often on an informal basis—precludes DEA from detailing the violence encountered on these assignments.

Weapons used by defendants

Firearm	70
Auto	11
Physical attack	18
Other	7
Total	106

Injuries

The number and type of actual injuries sustained by DEA Agents and cooperating officers are listed as follows:

Death	3
Gunshot wound	20
Physical attack	30
Total	53

III. CAUSATIVE FACTORS—ASSAULTS ON AGENTS

The situations in which Agents are subject to possible assault have been broken into categories which generally follow the development of a narcotics or dangerous drug enforcement case. Selected case situations are presented in this Section, subdivided into the following categories: Arrest, Robbery, Compromise of Agent Identity, Surveillance, and Other.

Arrest

Analysis of available statistics indicate that Agents are most often in peril during arrest situations. This appears logical in that potential defendants have the most to lose at this particular point in the case being developed against them. They are at once confronted with the startling fact that they have made the gross error of dealing with undercover Agents instead of bona fide criminals, that they are soon to be deprived of their freedom, and that they will probably lose a substantial part of their illicitly-gained wealth.

A significant number of assaults committed upon Agents during arrest situations occur in defendants' residences. Section 6641.12 of the Agents Manual provides that all persons to be arrested should be considered as potentially armed and dangerous and states that persons prone to violence (which potentially is everyone) should be arrested at a time and location that would minimize the possibility of violence and guarantee the arresting officers the necessary superiority, DEA urges its Agents to follow these guidelines, but recognizes that satisfactory development of a prosecutable case often necessitates that the Agent enter the potentially dangerous lair of the defendant. Likewise, arrests of defendants from automobiles is potentially dangerous and discouraged, but nevertheless necessary on occasion.

Below are synopses of selected cases in which the Agent—and often accompanying police officers—was assaulted at the time he was effecting arrest of defendants.

Arrest situations (examples)

During a joint DEA/Los Angeles Police Department investigation, two armed men were observed taking a package into a West Hollywood apartment and saw activities indicating the "cutting up" of a large quantity of powder. Officers obtained a search warrant and made a forced entry into the apartment, at which time one defendant faced them with a M-2 carbine. A second defendant, armed with a Luger, also was in the apartment. Officers fired, killing one defendant and wounding the other, who jumped from a window of the third-story apartment. The defendant who jumped is in custody at a hospital. Seized at the apartment were almost 5 pounds of brown heroin, more than 5 pounds of cutting material, and a .38 automatic with a silencer. Subsequent investigation led to the seizure of about 25 additional pounds of cutting material in a nearby apartment. (Los Angeles, California—March 10, 1974)

On March 4, 1974, Special Agents of the Detroit Regional Office arrested three defendants and seized 12 ounces of Mexican heroin and four ounces of cocaine at Toledo, Ohio. DEA was assisted by Toledo, IRS, Secret Service and city and county narcotics units. One Special Agent, acting in an undercover capacity, was physically assaulted during the arrest and required brief hospital treatment. No shots were fired.

Following two previous sales of PCP to an undercover Agent, an attempt was made to arrest two suspects. As a DEA Agent identified himself and approached the driver's side of the Dodge van in which they were riding, the suspect accelerated. The DEA Agent jumped aside to avoid being struck but a Michigan State Police Officer, approaching the vehicle from the other side, was dragged several feet before he could release his grip on the passenger door handle. A Detroit Police Officer, seeing the other Officers in trouble, fired one round from his pistol at the van. A rear tire subsequently deflated completely immobilizing the vehicle after it had traveled a short distance. The suspects resisted arrest, were subdued, and required treatment for minor cuts on the head. No one was injured as a result of the shooting. (Detroit, Michigan—February 15, 1974)

Three cocaine traffickers opened fire on arresting DEA Agents and Las Vegas Police. Police Officers returned fire and the suspects, when apprehended, were in possession of two hand guns and six ounces of cocaine. No one was injured and no shots were fired by DEA Agents. (Las Vegas, Nevada—February 11, 1974)

A DEA Special Agent met two defendants in the basement of their residence for the purpose of purchasing three ounces of heroin. The Agent left the residence on the pretext of getting the money for the heroin. As he reapproached the residence, he gave the arrest signal and one defendant was arrested at the door. The Agent then entered the basement with gun in hand, announced his presence as a Police Officer, informed the second defendant that he was under arrest and ordered that he place his hands on the wall. The defendant reacted violently and then thrust himself at the Agent. During the grappling battle that ensued, the Agent's weapon discharged striking the floor, causing no injuries. During the altercation, the defendant made an attempt to reach and destroy the evidence which was on the table. He was finally subdued with the assistance of two other Agents. (Detroit, Michigan—January 24, 1974)

A routine traffic check of a Texas licensed vehicle by the Coos County Sheriff's Department, Oregon, revealed the vehicle was registered to a Texas DEA fugitive. Surveillance of the vehicle resulted in issuance of two Oregon State search and seizure warrants. Nine defendants, four men and five women, were apprehended, including two DEA fugitives. Approximately forty firearms were seized from the two residences. These include two machine guns, one revolver with a silencer and one sawed-off shotgun. Three pipe bombs and an electronically detonated bomb were also seized. (Oregon—January 19, 1974)

During negotiations undercover DEA Agents were able to persuade two defendants to bring along their source of supply to be a party to the anticipated transaction. When the arrest signal was given and after the undercover Agents identified themselves as DEA Special Agents, the source of supply reached for his loaded .25 caliber Titan automatic pistol in his waistband and attempted to resist arrest. The undercover Agents were able to prevent him from discharging his weapon. The Agents had accepted delivery of one pound of brown heroin and two ounces of cocaine. (Phoenix, Arizona—January 9, 1974)

One Special Agent and two state and local police officers were serving a search warrant and arrest warrant on a defendant. Intelli-

gence was received that firearms were probably located in the residence where the search and arrest were to take place. After surveillance was established, the Agent and state and local police officers entered the house. The Agent saw the defendant facing him with an automatic pistol in his hand. The Agent identified himself and the defendant tried to shoot him. In a brief gunfight the defendant was wounded in the hand. An expended round was found in the breech of his weapon. (San Francisco, California—June 1, 1973)

Three DEA Agents and one Customs Agent were attempting to arrest a fugitive as he was seated in his car with the motor running. The Agents, who had access to two vehicles, parked one car behind the defendant and one to his left. Approaching the subject from his driver's side, two of the Agents announced their identity. At this time, the fugitive pulled a gun, fired at the Agents, and sped away in his car. (Puerto Rico—July 5, 1972)

Three Special Agents and two FBI Agents entered the house of a dangerous defendant to make an arrest. The defendant, who was hiding in the closet, began firing at them. In an ensuing gun battle the Agents were shot and the defendant killed. (Miami, Florida—October 18, 1970)

Three DEA Agents and two state and local officers entered a house to arrest a man and woman who were part of a heroin operation. After identifying themselves the Agents began searching for the violators in the house; one of the defendants fired at the Agents from the bedroom door. In this case, one of the state and local officers was injured. (Kansas City, Missouri—May 20, 1970)

Special Agents had planned to surveil a suspect as he picked up a package containing heroin in an apartment building and arrest him as he left the building with the drugs on his person. When he reached his car, the arresting Agents pulled along side of the suspect and announced to the violator that he was under arrest. The government vehicle passed the defendant and one Agent jumped from it in front of the suspect's vehicle in an attempt to arrest him on foot. The suspect accelerated his own vehicle and attempted to run the Agent down. Although the Agent was not injured in this case, the defendant's motive was clear. (New Orleans, Louisiana—August 24, 1969)

A narcotics investigation is frequently concluded when a defendant makes delivery of a controlled substance to an undercover Agent and the defendant is placed under arrest. There are several commanding reasons for a case to be ended in this manner, among them being the reduced necessity for placing large sums of government money in the defendant's hands. Once given over to the defendant, the money then becomes an evidentiary exhibit and is not available for further use by DEA until the case is concluded in the Courts.

There are numerous incidents which occurred when defendants directly involved in negotiation resisted arrest. In several of these cases the suspects reacted by reaching for their guns, creating a volatile set of circumstances in which someone, either defendant or Agent, was always shot. In other cases, the defendants were not armed and used whatever was available to them to counter the arrest. In some instances the resistance was physical. In one case an Agent was hit with a mop handle, and in another a defendant let two police dogs loose to attack the Agents.

There is a second pattern which concerns defendants not involved in the buy itself but who attacked the Agents. In some cases the attack was made by a defendant who was working a counter-surveillance against the Agents, and in other cases Agents were assaulted in an immediate follow-up attempt to make a further seizure and/or arrest.

Robbery

Another major category of assaults is the robbery of undercover Agents during negotiations for a drug purchase. Incidents of this type resulted in several serious injuries, including the killing and wounding of Special Agents and officers of other agencies.

The most dramatic factor about all of the robbery assaults is that in each of the incidents a gun was drawn on the enforcement officers, and in a large majority of the cases shots were fired

In the most serious incident, an Agent was killed in a hotel room as defendants tried to rob him of $160,000. An Agent was seriously wounded in this case also. (New York City—October 12, 1972) In each of the other cases, defendants tried to rob the Agents by pulling weapons on them, creating a situation of potential injury or death even in those cases in which Agents were not injured.

An undercover DEA Special Agent was robbed of $850 official advance funds and his service revolver while attempting to purchase one ounce of cocaine. Two violators were involved, one of whom was armed with a revolver. Defendants were apprehended and $751 of official advance funds and the Agent's service revolver were recovered the following day. (Bronx, New York—February 28, 1974)

DEA Agents were working with local police who were utilizing a local police department $10,000 flash roll. During the undercover meeting, the suspects attempted to rob the undercover Agent. When the DEA Agents and officers closed in for the arrest, one of the defendants drew a weapon and fired one round at a DEA Special Agent, missing him. The Agent then fired back at the defendant, also missing. At this point, the local officers opened fire on the defendants and their vehicle. One defendant was shot in the arm (not seriously) and all three then gave themselves up with no further resistance. Recovered from the defendants' vehicle was a .32 caliber automatic with one round expended. (San Mateo, California—February 8, 1974)

A DEA Task Force Agent was robbed of $1250 by two armed subjects while attempting an undercover purchase of heroin. A number of shots were exchanged between the defendants and Agents. Both defendants were subsequently arrested after fleeing in a government vehicle which they crashed. They were charged with attempted murder and armed robbery. At one point during the robbery, a gun was held at the head of the DEA Agent. He escaped from the subjects by jumping out of the car; one subject attempted to shoot the Agent at very close range but the weapon mis-fired. The subjects fired at the Agent as they were fleeing in the government car and attempted to run over one of the surveilling Agents. The Agents returned the defendants' fire. (Chicago, Illinois—January 9, 1974)

Compromise of agent identity

Another major assault category concerns those cases in which the Agent's identity was compromised. At one point in these incidents the suspected trafficker either knew or suspected that the person he was dealing with was, in fact, a narcotics Agent.

Seven of the 106 assault cases fell into this compromise category and resulted in seven Agent injuries including two Agents shot. However, as in the other categories, the potential for injury was even greater than the injuries received by the Agents. In addition to actual compromise assaults, several threats against Agent lives were also found in the sources studied. These were not included because no actual assault was attempted. Still, it should be stated that the number of compromises of Agent identity is not limited to the seven assaults noted here, and that the scope and seriousness of this problem is not completely contained in this Section.

With few exceptions, all of the compromise assaults took place during some sort of negotiation. At least three of these instances occurred in or near bars frequented by personnel sympathetic with the defendant. In one of these cases the bar was owned by the defendant's father. The assault occurred when four defendants, apparently suspicious of the two Agents they were dealing with, beat them up. A gun was pulled on the Agents and a murder was attempted, but the gun misfired. (St. Louis, Missouri—December 30, 1968) In another case the negotiation broke down when the suspect accused the Agent of being a "Fed" and hit the informant with a club. Other personnel in the bar came to the defendant's assistance in the ensuing struggle. (Jersey City, New Jersey—December 29, 1970) In the third incident an Agent was working in an area frequented by several persons under investigation. The Agent was talking with a subject outside a bar in an attempt to arrange a drug purchase, when two acquaintances of the suspect walked by and compromised the Agent's identity; the Agent was then struck in the face by the subject. (Des Moines, Iowa—February 17, 1973)

One compromise assault occurred independent of a negotiation. In that incident an Agent was trying to verify the address of a defendant whom he had helped to arrest about a month before. The Agent went to the apartment house to obtain this verification from the mailbox, and was spotted by the defendant who started to fight with him. (New York City—April 17, 1972)

Surveillance

This category concerns those assaults made against surveillance Agents. These cases resulted in several Agents being injured, one of whom received a fractured skull. In a minority of the cases firearms were used and in all of the cases the potential for serious injury was present. The assaults in this category differ from those previously discussed because they did not occur through direct contact between Agents and suspects; rather they grew out of the fact that a surveillance Agent became noticed, not necessarily as an Agent per se, but as some suspicious person.

One of the most significant items in the surveillance assaults is that the assault was attempted by the defendant in a minority of the cases. In one incident an Agent following a defendant in his car was spotted as being suspicious and shot at by the man he was surveilling. (Miami, Florida—May 18, 1970) In another, a Special Agent recognized a defendant and also began following him in his car. The suspect, becoming aware that he was being followed, forced the Agent to the side of the road and hit him in the head with a tire iron, causing a skull fracture. (New York City—September 21, 1972) In other cases the Agents were attacked, not by the suspects, but by hostile personnel in the area. One took place when a group of DEA Agents and state/local police were surveilling a club frequented by the defendant. The undercover Agents were also at the scene. However, the assault itself took place when the Agents aroused some of the patrons, who shot and threw rocks at one of the Agents. (Austin, Texas—February 14, 1970)

Another case occurred when a group of surveillance Agents were watching a street in a Mexican section of a large city. Two Agents and a state/local officer were in their car when some of the citizens in the area came out of the apartments and began to physically attack the Agents. (Los Angeles, California—September 26, 1969)

Finally, two Customs Agents were conducting a surveillance in a joint Customs/DEA case when two carloads of young men parked next to their car, jumped out, and yelled obscenities. One of the subjects detected that the Agents were law enforcement

officers and began a physical assault. Other Agents had to be called in to stop the incident. (December 28, 1972)

Other assault categories

The final category of assault cases consists of twelve incidents, many of which proved to be extremely serious. In several episodes DEA Special Agents and other officers were shot, and in others Agents were beaten, including one who received a fractured skull. Also included is one case in which a DEA Agent was shot and killed.

Two Special Agents were working on a surveillance when they noticed a reckless driver who almost ran down two pedestrians. The Agents halted the car and arrested the driver. Upon arrival at the police station the defendant refused to exit the car, became violent, and struck one of the Agents. (Baltimore, Maryland—April 19, 1972)

Agents attempted to arrest two men who had just beaten a third individual. The defendants resisted arrest and one of them hit an Agent's head with his fist, causing a cut that required four stitches. (Seattle, Washington—September 13, 1972)

A defendant managed to obtain official funds, through an informant's error, without delivery of the drugs. When the Agent tried to recover the funds, the defendant shot at him. (New Orleans, Louisiana—October 13, 1972)

A more serious assault took place along the Mexican border when a DEA Agent and a Customs Agent were negotiating with two defendants for a purchase of a kilogram of heroin and a half pound of cocaine. At this meeting, both parties understood that no money was to be exchanged but that the narcotics would be brought so the Agents could see them. When the Agents picked up the drugs to examine them, one of the defendants thought he was being robbed and shot one Agent in the arm, the other in the hip. (Yuma, Arizona—July 6, 1972)

An Agent was at a phone booth when a defendant with two accomplices approached the Agent and hit him with a blackjack. This assault was provoked by the Agent having earlier prevented the defendant from severely beating, and perhaps killing, an informant. (Kansas City, Missouri—November 11, 1972)

A defendant struck a Special Agent following a preliminary court hearing. In this case, the incident was provoked because the Agent, upon leaving the courtroom, noticed a woman (the defendant's girlfriend) taking his picture. When he approached the woman, the defendant struck him. (Gainesville, Florida—August 4, 1972)

A lone individual approached and began to physically attack four Special Agents who were walking together on a sidewalk. The attack came without provocation. During the assault, the assailant became self-destructive, hitting his head against a car while yelling for sympathy from a gathering crowd which was hostile to the Agents. The local police had to be called in to break up the incident. (Baltimore, Maryland—October 28, 1972)

IV. ALLEGED ASSAULTS BY AGENTS

Throughout the history of DEA and its predecessor agencies, several allegations of wrongful conduct by Federal Agents have been made. The most recent cases have been widely covered by the media and DEA has made only careful and abbreviated response in deference to the rights of all concerned. Some of the matters covered in the synopses below are still under investigation. Nevertheless, the circumstances surrounding the incidents are set out as objectively, impartially, and completely as possible.

Kearny, New Jersey—Febfuary 28, 1974

An informant advised DEA Special Agents and New Jersey State Police officers that a fugitive named John Tully, possibly using the name "Carmine," lived in an apartment at 111 Windsor Street, Kearny, New Jersey. Tully is wanted on a Federal warrant charging sale of cocaine and on State warrants charging him with five murders.

On February 28, 1974, an individual who strongly resembled Tully was seen by a state officer entering the Kearny, New Jersey address. The suspect's name was listed on utility company and motor vehicle records as Carmine Ricca.

No attempt was made to apprehend the man inside the confined spaces of the apartment building, since he was already a suspect in five murders. At about 8:00 P. M., February 28, 1974, the man left the area of his residence driving a Volkswagen Kharman Ghia. When he was followed, he began speeding and running red lights and stop signs.

As he apparently was attempting to turn the wrong way on a one-way street, he was blocked by a vehicle occupied by two DEA Special Agents and a State Police Officer. All officers approached the suspect vehicle, identified themselves verbally and with badges and told the man to get out of his car. The man nodded as if he understood and then accelerated, spinning one DEA Agent around and knocking the other into the air with the left front of the vehicle. The second Agent, who earlier drew his service revolver, discharged one round from the weapon when he was knocked into the air by the car. The suspect vehicle continued around a corner for about 25 yards and came to a stop after striking two parked cars.

It was then noted that the man in the Kharman Ghia had been struck in the left side of the face with the bullet from the DEA Agent's gun. The man was hospitalized and was found not to be the fugitive Tully.

Both Agents struck by the car were treated and released from the hospital; but the second Agent struck was later admitted to the hospital overnight for further treatment of bruises, abrasions and shock.

Mr. Ricca has been charged with assault on two Federal officers.

Hammond, Indiana—February 8, 1974

On February 8, 1974, Agents assigned to the DEA Task Force in Hammond, Indiana, conducted surveillance of the Smith Bizzell Funeral Home in Gary, Indiana. The purpose of the surveillance was to gather intelligence relative to an organization known as the "Family." "Family" members were expected to be present at the funeral of Van Lott. Lott was slain on February 5 and his funeral was scheduled for 1:30 P.M. on February 8.

Two Special Agents arrived in the vicinity of the funeral home at about 2:10 P. M. One Agent got out of the official Government vehicle which was driven by a second Agent. He walked to a position opposite the funeral home and began taking video tape recordings of individuals coming out of the side door of Smith Bizzell. Several news photographers and reporters standing on the east side of Washington Street were approached by one or more men who had come out of Smith Bizzell. According to witnesses, the newsmen were verbally berated and told to leave the area. The DEA Agent witnessed the confrontation and began walking toward Washington Street so that surveillance officers would be in a better position to cover him.

The DEA Special Agent-In-Charge (SAIC) for Hammond was parked in his official vehicle in an adjacent parking lot. He became concerned for the Agent's safety and got out of his car and walked toward the general area where the Agent was photographing. The SAIC reports that he saw several individuals carrying what he believed to be concealed weapons. He also stated that he heard verbal abuse being directed at the newsmen. The SAIC attempted to signal the Agent to leave the area. The Agent saw the SAIC walk near his position, but did not hear him. When the SAIC got to the southeast corner of 23rd and Washington, he was confronted by a man later identified as William Hanyard. Hanyard was accompanied by an unidentified black man. According to the Agent, Hanyard pushed him and then punched him. The Agent stated that he ducked to avoid Hanyard's punch and was struck a glancing blow on the lower lip. The Agent recalled that he heard a gunshot immediately after Hanyard's punch. The SAIC said that he saw Hanyard assault the Agent and also observed a man standing to the rear of the Agent. According to the SAIC, the man behind the Agent was holding a gun. The SAIC took his service revolver out of his coat pocket and aimed it at the man behind the Agent. The SAIC recalled that his gun then discharged. He felt that the gun fired as a result of his being pushed or struck from behind by an unidentified person.

William Hanyard stated that he pushed the Agent, but did not take a swing at him. He said that he pushed the Agent with his left hand and then looked slightly to his left where he observed a black man pointing a gun at him. Hanyard ducked to avoid being shot and heard the gun discharge.

The bullet from the SAIC's gun creased Hanyard's right hip and struck Albert Griffin (Elimi Olorunfunmi) in the chest. Griffin had been standing on the west side of Washington, south of 23rd Street. Hanyard was taken to Methodist Hospital where he was treated for a slight gunshot wound and released. Griffin was pronounced dead on arrival at Methodist Hospital.

Collinsville, Illinois—April 23, 1973

Special Agents of the former Bureau of Narcotics and Dangerous Drugs, then assigned to the former Office of Drug Abuse Law Enforcement, and local officers have been accused of wrongfully entering residences in search of narcotics and otherwise terrorizing residents.

The entire Collinsville matter was investigated by the Federal Bureau of Investigation, the United States Attorney's Office, and a United States Grand Jury. The Agents involved have been indicted by a Federal Grand Jury and are currently on trial before an Illinois Federal Court for violation of civil rights and perjury. The trial began March 6, 1974 and is on-going. Further comment at this time would be inappropriate.

Humboldt County, California—April 4, 1972

An April 4, 1972, based on evidence that Mr. Dirk Dickenson was involved in a conspiracy to illegally manufacture a controlled substance, a warrant of arrest was issued by a United States magistrate. During undercover discussions with a co-conspirator, it was learned that Dickenson had a cabin in an inaccessible area and that he was in possession of fire-arms. In order to quickly reach the location of the suspected clandestine laboratory, the officers utilized a helicopter clearly marked "U.S. Army."

As the helicopter was landing, Dickenson was observed outside the cabin. The officers pinned their badges on their jackets and coats. When the officers left the aircraft to serve the warrant a combination of cracking noises of the engine and the falling down of a State officer led three others to conclude that he had been shot by gunfire from the cabin.

The officers ran to the cabin, and Dickenson was seen to go out the rear door, jump from a porch to the ground and run away. Special Agent Clifton shouted for Dickenson to stop, saying "Halt—police." As explained by Special Agent Clifton, believing that an officer had been shot, that Dickenson was armed and that he was headed for a wooded area where it would be difficult and dangerous to apprehend him, the Agent fired one shot from his service revolver which struck Dickenson.

Subsequently, a full investigation was conducted by DEA's Office of Inspection, by the United States Attorneys Office in San Fran-

cisco, and by Humboldt County Prosecutor's Office. Based on the investigation and a thorough research of the applicable law, the Federal agencies concerned, that is, DEA, the United States Attorney, the Civil Rights Division and the Criminal Division of the Department of Justice, concluded that no Federal criminal charges should be brought against Special Agent Clifton.

However, Special Agent Clifton has been indicted by the State of California in Humboldt County on charges of second degree murder and involuntary manslaughter. The case is now pending before the California courts and Special Agent Clifton has been placed on restricted duty, which does not involve any enforcement activities.

V. DEA TRAINING TO PROTECT AGENTS AND PUBLIC

Basic agent classroom instruction

During the ten-week Basic Agent Training Program students receive a total of 530 hours of instruction for an average of over 10 hours per working day. These trainees receive 200 hours of classroom work of which 49 hours are in the law-related subjects of Rules of Federal Criminal Procedure, Law of Arrest, Evidence, Search and Seizure, Trial Practices, and Mock Trial.

As part of the instruction, students are provided with a copy of the handbook on the *Law of Search and Seizure* prepared by the Criminal Division of the Department of Justice. Students are also provided with a copy of the Agents Manual in which all enforcement policies and procedures are comprehensively outlined. In conjunction with detailed instruction on the legal subjects mentioned above, students receive instruction which emphasizes the need for thorough prior planning and detailed briefing of all Agents prior to a raid; the need to exercise good judgment; the extent of an Agent's authority and restrictions upon it; pre-raid reconnaissance; the need for the establishment of clear-cut lines of command and control at a raid site; proper visual identification of participants, and other related topics. In summary, the instruction stresses that raids must be carried out in a manner that is legally correct, with full respect for the civil rights and human dignity of persons involved, and in such a way so as not to reflect discredit upon DEA.

Practical application

In addition to the classroom instruction a substantial portion of the 330 non-classroom hours is devoted to problems which simulate actual field situations and are designed to teach the trainees the practical application of the legal and constitutional theory they learn in the classroom. Two full days of training are devoted to exercises on Raid Planning and Execution. In order to successfully complete the training program, in addition to academic proficiency, students must demonstrate an ability to apply the instruction they received in realistic situations while operating under psychological and physical stress. Students are continuously observed and evaluated by counselors, instructors, class coordinators, and supervisory personnel of the National Training Institute. Any indication that a student might be prone to disregard legal and/or moral considerations while carrying out enforcement duties in an exercise situation would be considered valid grounds for removal. An average of 10% or more of the students in each program have been asked to resign or have been terminated based primarily on the results of this close observation and evaluation effort.

Firearms training

An Agent's use of firearms is the ultimate use of force in the accomplishment of his mission. This is an area which is most susceptible to civil liability, and throughout the nation, the negligent or improper use of firearms by law enforcement personnel has received attention from the courts and citizenry. DEA has not only a moral obligation, but a legal responsibility, to insure that its Agents are properly trained in how to use, and most importantly, when and when not to use, a firearm to execute their constituted authority. In this regard, firearms training conducted at the National Training Institute has as its ultimate goal, to train personnel undergoing Basic Agent training in the justifiable, proper and safe use of firearms for the protection of the Agent and public whom he is serving and protecting. In accomplishing this goal, the training conducted is progressive; it provides initially for familiarization with the weapons, their safe handling and the fundamentals of marksmanship; secondly, developing reflexive actions and responses supplementing the initial phases of training; and finally decision-making in various types of situations, including physiological and psychological stress in which visual and auditory cues are given to elicit a reaction or response from the trainee. In this latter phase, considered the most important, the trainee utilizes all previously acquired knowledge and skills in situations requiring them to make a determination whether the use of their firearm is justified and if so, the most effective way to use it.

In-service and advanced training

To reinforce the job-related knowledge of our Agents in the field, the National Training Institute provides post-graduate training in key subject areas as part of the inservice training program. Supervisors and potential supervisors attend a two-week supervisory training school conducted at the Adult Education Center of the University of Maryland sponsored by the National Training Institute. Some of the areas covered in the curriculum include applications of the Controlled Substances Act and a panel discussion with members of the Office of Chief Counsel concerning legal matters pertinent to the participants' enforcement duties.

VI. REGULATIONS UNDER WHICH AGENTS OPERATE

A substantial part of the DEA Agents Manual deals with the issue, care, and use of firearms by DEA Special Agents. Excerpts from pertinent Sections of this Manual are quoted below and require no explanation.

Section 6163. Normally, while on enforcement duty, Agents will be armed at all times. Undercover work, appropriate compliance investigations, or other unusual circumstances, may, at times, exempt Agents from the requirement that they be armed. Agents will be expected to use discretion and good judgment in this matter.

Section 6163.2(A). It will be the duty of the Regional Firearms Officer to insure that the Agents of his Region are properly trained to utilize those firearms which they are authorized to carry and use. Before any Special Agent is authorized to carry or utilize any firearms, Administration owned or personally owned, the Regional Firearms Officer will certify in writing that the employee is competent and proficient in the use of the firearm.

Section 6163.33(A)(1). Shotguns will be authorized for use only in specific enforcement situations.

Section 6163.35(A)(1). Semi-automatic rifles, automatic rifles, and sub-machine guns will not be authorized for use in normal enforcement situations. The occasion where the use of these weapons would be justified would be so rare as to be unique in the history of the Administration. The use of these weapons cannot be justified by the lack of previous proper investigative planning or the lack of suitable, less lethal, weapons. (Their use must be approved by the Regional Director in every case.)

Section 6163.35(A)(2). Semi-automatic rifles, automatic rifles and sub-machine guns will never be utilized solely for the purpose of "show of force" or any other type of intimidation.

Section 6163.37(B). An Agent in an undercover situation or some other enforcement activity may carry more than one sidearm providing that the Agent's proficiency with the firearms and the firearms themselves have been certified by the Regional Firearms Officer.

Section 6163.5. Any Agent will not shoot at any person except to protect his own life or that of some other person. Agents will not fire at fleeing suspects or fleeing defendants. Agents will not fire at a fleeing automobile being used simply as a means of escape. The firing of warning shots is prohibited. Agents will not remain passive in a threatening situation. However, the Agent will insure that he has made an accurate assessment of the situation in considering the use of firearms. Firearms will not be utilized to coerce or intimidate suspects or defendants who are not threatening an Agent or another person. An Agent who is not carrying an authorized firearm in an enforcement situation (including an undercover operation) will notify the other personnel involved in the situation of that fact. Otherwise, in an enforcement situation all Agents may presume that their fellow personnel are armed.

Section 6163.51(A). An Agent who discharges a firearm and wounds any person, suspect or otherwise, will make a detailed oral report of the incident to his Regional Director immediately subsequent to fulfilling any demands the situation requires. Such demands may consist of (but are not limited to) pursuing uncaptured suspects, seeking medical aid for the wounded, and securing evidence. Immediately subsequent to orally reporting to the Regional Director, the responsible Agent will prepare a fully-detailed report of the incident on a DEA–6, Report of Investigation. (B) Firearms utilized in a shooting incident will be surrendered to another law enforcement agency at the scene of the shooting, if required by local law. Diplomacy must be utilized by the Agent in this type of situation to prevent an unnecessary breach of rapport between DEA and the law enforcement agency in question. Anytime an Agent surrenders a firearm to other law enforcement officials he will obtain a receipt for that firearm. If such firearm is not immediately surrendered to another law enforcement agency the firearm and the spent cartridges will be placed in an identified lockseal evidence envelope, and turned over to the appropriate Regional or District Evidence Custodian who will retain them pending any investigations of the shooting. At the conclusion of any investigation the firearm will be released under receipt to the Regional Firearms Officer for disposition. If such firearm is not surrendered at the scene of the shooting, it will be surrendered along with the spent cartridges at a later appropriate time as requested by another law enforcement agency. (C) An Agent involved in a shooting incident should respond only to proper inquiries of other authorities and restrict comments only to the facts. (D) The Regional Director, at his discretion, may take custody of any firearm, DEA-owned or DEA authorized, which was utilized by an agent in a shooting incident. (E) The Regional Director will report to the Assistant Administrator for Enforcement by telephone any injuries resulting from a discharge of firearms involving DEA personnel. Such reports will be confirmed by teletype. The Regional Director or his designee will also notify the Office of Inspection at Headquarters or the local Inspection Field Office by telephone. (F) When a person is shot by a DEA Agent, the Agent will be placed on limited duty. Such duty will consist of no participation in surveillance, arrests, or searches; no development of new enforcement matters; maintaining a presence within the DEA office; and such other restrictions that may

be dictated by the Administrator. Limited duty will continue for an appropriate period of time, dependent on the circumstances and investigation necessary to determine the facts of the incident. These investigations are highly sensitive in nature and will be afforded top priority for timely completion. The placement of an Agent on limited duty after a person has been shot by him is not to be construed as a disciplinary action; this is done for the protection of both the Agent and DEA. (G) Initial assignment to limited duty for an Agent will not exceed thirty days. Extensions beyond that period must be approved by the Administrator, or in his absence the Deputy Administrator, and will be limited to fifteen day intervals.

Section 6163.52(A). Whenever an Agent discharges a DEA authorized firearm, either on or off duty, he must immediately make on oral report to his Regional Director. The only exception to this rule is when discharging of the firearm is a part of normal firearms training or practice. (Accidental firings occurring during training or practice will be reported if personal injury or property damage results.) The Regional Director will make a telephone report to the Office of Inspection at headquarters or call the local Inspection Field Office. The responsible Agent will follow up his oral report with a detailed written report on a DEA-6, Report of Investigation, setting forth the reasons for firing the weapon. (B) When an officer of another law enforcement agency accidentally or intentionally discharges a firearm during a joint investigation (with DEA) the Office of Inspection at Headquarters or the local Inspection Field Office will be notified by telephone or TWX. (C) When appropriate, local authorities should be notified of the circumstances surrounding the discharge of firearms.

Section 6163.53(A). The Agent shall refrain from making any unnecessary display of his sidearm or holster. However, it is not intended that the Agent shall necessarily keep his firearm concealed during an imminent arrest situation. (B) On those occasions when Agents are authorized to carry shoulder weapons (such as shotguns or rifles) great caution must be taken to avoid an unnecessary display of these weapons in public. (C) Agents engaged in undercover operations must use good judgment in displaying any firearms they may be carrying. Display of firearms in an undercover situation can provoke a shooting incident, can tip off the suspect as to the location of the firearm on the Agent's body, and can serve as the basis for an entrapment defense by the suspect. (D) Care should be taken by all Agent personnel in displaying firearms or holsters in those areas of DEA offices where the public is permitted. (E) Dry firing of any firearm in DEA offices is prohibited. (F) Promiscuous flourishing of firearms is prohibited.

VII. CONCLUSION

Although DEA, and its predecessor agencies, have expanded in size since 1968, the statistics indicate that the relative frequency of assaults on Agents is increasing at an even greater rate. It is difficult to assign specific causes for this increased violence, but review of case files by DEA Headquarters experts indicates that violence is frequently encountered in cases dealing with low-echelon violators and relatively small amounts of drugs as well as in those cases involving significant traffickers and drug quantities. Likewise, violence is often encountered when undercover transactions of the so-called less dangerous drugs are involved. DEA Agents have learned the hard way that the marihuana dealer is just as likely to be armed and dangerous as the heroin wholesaler. Fear of arrest is probably the most compelling reason for a defendant to perpetrate an assault on an Agent; but this is closely followed by the intense profit motive which is characteristic of all dealers in narcotics and dangerous drugs.

The statistics reflected in this report are disturbing. But it is more disturbing to try and estimate the true number of assault incidents. Narcotics Agents have become somewhat cavalier about the dangers of their profession. For example, DEA does not define assault in this paper to include mere threats on an Agent's life. Agents are so frequently threatened that it would be impractical to maintain the statistics. Likewise, there are surely a large number of cases—again, never reported—when a defendant points a gun at an Agent and the Agent merely tells him to put the thing down. These things happen frequently during undercover negotiations and they are not considered within the strict definition of assault which we have employed for the purposes of this paper. Further, Agents are continually exposed to danger simply because of their proximity to the most violent elements of society. DEA files are replete with reports detailing assaults on Agents when the only provocation was their presence within a hostile community.

In addition to its domestic responsibilities, DEA also maintains offices in 39 foreign countries and in 59 foreign cities. Agents assigned to these offices have also been assaulted and injured. The quasi-operational status accorded DEA Agents by some foreign governments, often on an informal basis, though, precludes DEA from detailing the violence encountered on these assignments.

As indicated in the Training and Regulations Sections of this paper, DEA is doing everything possible to teach its personnel how to avoid a dangerous confrontation and how to handle one if it is unavoidable. The very nature of narcotics investigation, however, does not allow Agents the contentment of security. Every assignment, no matter how routine, is potentially dangerous—and often deadly. DEA Agents are expected to react to these explosive situations in a calm and reflexive manner. To do otherwise not only imperils their safety, the safety of their fellow Agents, but often the public as well. Agents must make instant decisions—often life and death decisions—without the luxury of time which others may later have to analyze their conduct.

By Mr. MATHIAS (for himself, Mr. EAGLETON, Mr. BARTLETT, Mr. DOMENICI, Mr. INOUYE, Mr. STEVENSON, and Mr. TUNNEY):

S. 3264. A bill to regulate the conduct of campaigns within the District of Columbia for nomination or election to the offices of Mayor, Councilman, and member of the School Board by establishing expenditure and contribution limitations applicable to such campaigns, by establishing requirements for reporting and disclosure of the financing of such campaigns, by establishing an independent agency of the District of Columbia to administer election laws generally, and for other purposes. Referred to the Committee on the District of Columbia.

Mr. MATHIAS. Mr. President, I introduce for myself and every member of the Committee on the District of Columbia including the chairman, Senator EAGLETON, Senator BARTLETT, Senator DOMENICI, Senator INOUYE, Senator STEVENSON and Senator TUNNEY, the "District of Columbia Election Finance and Conflict of Interest Act," a bill to regulate the conduct of campaigns within the District of Columbia for nomination or election to the offices of Mayor, Councilman, and member of the School Board by establishing expenditure and contribution limitations applicable to such campaigns, by establishing requirements for reporting and disclosure of the financing of such campaigns, and by establishing an independent agency of the District of Columbia to administer election laws generally and financial disclosure requirements for candidates and elected officials of the District of Columbia government. Mr. President, I ask unanimous consent that this measure be referred to the Committee on the District of Columbia.

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

Mr. MATHIAS. Mr. President, on May 7, the citizens of the District of Columbia will go to the polls for the purpose of deciding whether or not they shall exercise some measure of self-government over their own affairs. I know it is the hope of the overwhelming majority of the Senate and the other body that a representative local government as embodied in the Home Rule Charter will be adopted by the citizens of our Nation's Capital on May 7. First of all, with the adoption of the charter, the Congress will be relieved of the responsibility for the day-to-day government of the District of Columbia. But more significantly, the adoption of the charter will mean that a substantial degree of necessary political reform will occur within this city. Unfortunately, the era of political reform will not actually commence in the District of Columbia until January 1975 when the newly elected government takes office. Between now and then, however, District citizens, conditioned upon their approval of the Home Rule Charter, will undertake the process of electing the members of the new Mayor-Council form of government. And it is the impending electoral process which gives rise to this bill. For the fact is that the current District of Columbia election laws are dangerously weak or silent when it comes to the regulation of election campaigns for the newly established offices.

I am delighted that this bill enjoys bipartisan support and the cosponsorship of each member of the Committee on the District of Columbia. I would like to emphasize at this point that we are not introducing this bill because we think it is perfect as it stands, but because each of us endorses the view that regulation of the upcoming election campaigns is a task of the Congress that cannot be left undone; that it is in the interest of all the citizens of the District and the Nation to have the integrity of the electoral process of the Nation's Capital insured; and that not only must this new election system be fair, honest, and open, but it must also be believed to be so.

One of the greatest problems facing our Nation today is the eroding confidence of the American people in our political system. We cannot ignore the fact that our current political campaign process corrupts our principles, our leaders and ourselves. Neither can we be blind to the fact that too many of our citizens across this Nation believe, rightly

or wrongly, that government at all levels is operated mainly for the benefit of big money interests who contribute enormous sums to political campaigns.

Having taken the step toward providing a substantial delegation of administrative and legislative authority to an elected mayor and council, the Congress now has an obligation to make certain that the progression from a Government appointed by the President and confirmed by the Senate to one selected by the people and responsible to the people is not marred by abuses which could shake public confidence in the new government that is supposed to serve the people. I would hope and expect, however, that after the new mayor and council members are in office they would promptly review campaign financing laws we shall enact this year and initiate, where appropriate, any changes which they find necessary or desirable based on their experience in this year's campaigns. But in 1974, the Congress must take on this responsibility.

The objectives of this bill are very simple. First, to establish campaign financing practices which will generate confidence among District citizens in the integrity of the officials they select to govern them. Second, to insure that qualified candidates will not find their access to the political arena seriously conditioned by their financial resources. Third, to create an electoral process which promotes broad and active participation in the political system by citizens. Fourth, to remove a large part of the corrosive influence of big money and the abuses rooted in secrecy from the political campaigns and the new governing process. And fifth, to provide financial disclosure for candidates, elected officials and certain other officials of the District government as a means for lessening public distrust and improving the political process.

SUMMARY OF MAJOR PROVISIONS

Creates and assigns specific authority and tasks to a District of Columbia Elections and Ethics Commission as an independent agency of the District of Columbia Government. It is composed of seven members who shall serve for a term of 6 years each. Members are appointed by the Mayor with the approval of the Council, except for the appointments taking place in 1974. The 1974 appointments which expire upon action by the elected Mayor and Council are as follows: three members shall be appointed by the Commissioner; three by the Chairman of the Council with the approval of the Council; and one by the Comptroller General. Appointments in succeeding years will be made by the Mayor with the approval of the Council. The Mayor shall appoint members of the Commission from a list of nominations furnished to him by a nominating committee established by this bill.

Gives new and specific definition to: candidates, political committees, contributions, expenditures, and related terms.

Establishes new reporting procedures for the election process.

Establishes financial disclosure requirements for candidates, and public officials (including elected and certain appointed officials of the District Government).

Requires each candidate to designate one political committee as his or her central campaign committee and defines the role of this committee.

Establishes limits on contributions by an individual to a candidate and a limit on total political contributions by an individual during a calendar year.

Limits campaign expenditures of a candidate, including the amount a candidate or his or her family may make from personal funds, and the amount a person may expend on behalf of a candidate.

Limits cash contributions to $20 and requires candidates and political committees to report cash contributions weekly to the Commission.

Requires that expenditures must be made by check or money order—other than petty cash expenditures not in excess of $50.

Declares that elective and public office is a public trust and that any effort to realize personal gain through official conduct is a violation of that trust, and sets forth certain actions which must be taken in potential conflict-of-interest situations.

Mr. President, I recognize that there may be some who will come forward to say that this bill is too strong and that some may feel that it does not go far enough. I would only say that we look forward to receiving additional constructive comments on this legislation during public hearings which will be conducted by the Senate District of Columbia Committee. I might add that what we are seeking through this legislation is a standard which will make democracy in the District of Columbia more democratic. For myself, I will say that the only way to surmount the criticism raised by a public which has become distrustful of all politicians and is losing faith in our political process is to undertake meaningful political reform. As I have advised this body on an earlier occasion, I personally plan to take the following steps in my own campaign this year:

First, I will accept no cash contributions for my own campaign.

Second, I will permit no cash expenditures by my campaign organization by others on my behalf.

Third, I will solicit small contributions only.

Fourth, I shall not accept any contribution of more than $100 from any one individual.

Fifth, I will accept contributions from groups or organizations only if such contributions represents donations of $100 or less from specified individuals, or if the organization certifies that its contribution does not include more than $100 from any single individual.

Sixth, I will not accept the benefit of any donation in excess of $100 given to any group or organization and earmarked for my campaign.

Seventh, I will report every contribution—no matter how small—to the appropriate Federal and State authorities at regular intervals throughout the campaign.

Eighth, I will report every expenditure, no matter how small, to the appropriate Federal and State authorities at regular intervals throughout the campaign.

Ninth, I will establish one central campaign committee, and it will control all receipts and expenditures of my campaign.

Tenth, I shall abide by the expenditure ceilings—10 cents per voter in the primary and 15 cents per voter in the general election—which were passed by the Senate in July and now languish unattended in the House.

I am convinced that if the Congress will enact a serious campaign financing reform bill this year then we shall be taking a giant step toward guaranteeing that the election system in the District of Columbia shall remain fair, open, and honest.

By Mr. NELSON:

S. 3265. A bill to increase the fees and reduce the financial hardships for those individuals who serve on grand or petit juries in district courts. Referred to the Committee on the Judiciary.

THE JURY FEE SYSTEM

Mr. NELSON. Mr. President, Congress should act now to correct one of the little-noticed, but fundamental inequities of our Federal judicial system: The financial hardships endured by those who serve on juries. This inequity has been dramatized most recently by the Watergate scandals. It is not difficult to understand.

Those who serve on Federal grand and petit juries normally receive $20 a day for their public service. The operative law provides that the court overseeing the jury's work may raise the fee to $25 after the jury has been sitting for more than 30 days on one case. But that meager sum represents the absolute maximum which any individual can receive for service on a Federal grand jury or a petit jury.

For some people—especially those who are retired, unemployed or living on subsistence wages—a maximum daily fee of $25 may not cause additional financial hardship.

Nor will that fee cause additional hardships for those, such as Federal Government employees, whose employer continues to pay the individual his full salary or wage while he sits on the jury. But many, if not most people do not share this good fortune. For these individuals, the $20 represents not only their only income while they sit on a jury; it also represents a substantial decrease in their average daily income. The results are predictable. For these individuals and their families, jury service requires personal financial sacrifices. These financial sacrifices can be quite considerable when the individual's jury service extends for many months.

The experience of the Watergate grand juries provides a dramatic illustration of the problem. The first grand jury was empaneled in early June 1972 and is still sitting. During its first 17 months of deliberations, the jurors were paid only $20 for each day they sat. In November, 1973, the Court authorized an increase in the juror's fees to $25 a day. For some

this daily fee has been their only source of income for each day of sitting. Others have tried to maintain their regular employment by working after normal business hours. But for most, the daily fee means a substantial decrease in the income the juror was earning before he began jury service.

For these individuals, the economic strain has been difficult—and, in some cases, unbearable. Already two jurors have been forced to leave their regular jobs. Another juror on the second Watergate grand jury—which was empaneled in early 1973—was forced to resign from the grand jury because his regular business "was going down the drain."

The experiences of the Watergate grand jurors confirm two basic points about jury service in general. First, for those who do serve on juries, a personal financial sacrifice is often required. This sacrifice can become considerable if, as in the case of the Watergate grand juries, the jury sits for a long time. Second, the limited juror's fee means that many citizens in the middle and upper income levels can be—and often have been—excused from jury service because the personal financial sacrifice is just too great. The result is that juries frequently do not reflect a true cross section of the community. This, in turn, means that a primary purpose of the jury system—to include all segments of the community in the judicial process—is frequently frustrated.

This situation should not be tolerated by Congress. The Watergate grand jurors—like those who serve on other grand and petit juries—play a fundamental role in our judicial system. These individuals are the ones who make basic decisions as to whether a fellow citizen should be prosecuted for a serious crime, whether an accused should be found guilty of a crime, and, in civil cases, whether an injured party can find some relief in the courts.

Individuals should not be required to endure financial hardship in order to exercise one of the great privileges and duties of American citizenship. Service on grand and petit juries should be a realistic opportunity for every citizen—regardless of his or her earning power. Yet, as a practical matter, service on a jury is often feasible only if a citizen is willing to accept personal financial sacrifice—a choice which many citizens cannot and will not make.

To correct this situation, I am introducing legislation today which would virtually eliminate the financial obstacles to a citizen's service on a Federal grand or petit jury. Specifically, this legislation would affect two basic changes in the operative law.

First, the legislation would gear the juror's daily fee to his earning power. Jurors would be paid $25 for each day of service—a slight increase from the $20 authorized in the preinflationary law—unless the juror's average daily earned income is greater than that at the time he is selected for jury service. In the latter case, the juror will receive a daily fee which amounts to his daily earned income. But in no event could the jury fee exceed $100 a day.

Jury service, however, should never become a profitmaking venture. In some cases employers continue to pay their employees while they sit on a grand or petit jury. To prevent abuse, and waste, the juror's fee would not be paid if he were paid or earned his normal income for those days he serves on a jury. This provision would thus insure that no citizen receives more than his regular earned income when he sits on a jury.

Second, the legislation would raise the level of reimbursement for expenses which the juror incurs.

The present law provides only 10 cents a mile for every mile traveled by the juror from his home to the courthouse. In the District of Columbia, where bus fare is 40 cents, this means that the juror has to live at least 4 miles from the courthouse before he can be reimbursed for a bus ride to the courthouse. The reimbursement schedule contrasts with the Senate's own rules, which allow each witness who appears before a committee 20 cents a mile for the distance traveled. (Senate rule 69.)

The legislation would also increase the subsistence allotment if a juror is required to remain away from home at night. The present law provides $16. In today's inflationary times, this is inadequate to insure each juror a decent meal and a decent place to stay overnight. Accordingly, the bill would increase the subsistence allotment to $20 for each day the juror is required to stay away from his home. At a time when annual inflationary rates of more than 8 percent have resulted in skyrocketing prices, this small increase seems entirely reasonable.

It is impossible, of course, to forecast precisely how much this legislation will cost. However, based on past experience and the income scales of those eligible for jury service throughout the Nation, this legislation will probably cost no more than $10 million—a small sum to preserve a fundamental privilege and duty of citizenship.

I. THE CONSTITUTIONAL IMPORTANCE OF JURIES

There can be little question that the present schedule of jury fees requires change. To understand fully the need for this change, it is first necessary to recognize the importance accorded to grand and petit juries in our constitutional scheme of justice. When the Founding Fathers drafted the Constitution in the late 18th century, the jury system was well established in England. The basic purpose of the jury system was to insure that a group of ordinary citizens, chosen at random from among the community, would determine the facts which would govern decisions in both criminal and civil trials. Writing in the 17th century, the English historian Blackstone had praised the use of juries in criminal trials as part of a strong barrier "between the liberties of the people and the prerogative of the Crown" because "the truth of every accusation . . . [must] be confirmed by the unanimous suffrage of twelve of his equals and neighbors indifferently chosen and superior to all suspicion." (4 W. Blackstone, *Commentaries on the Laws of England*, 349–50 (T. Cooley ed. 1899).) Juries provided the same barrier against arbitrary actions in civil cases when a citizen was sued by the government or a fellow citizen.

The Founding Fathers, like Blackstone, recognized that a just legal system requires the use of juries. The Constitution reflects that recognition.

The fifth amendment provides, in pertinent part, that—

> No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; . . .

It is thus the constitutional responsibility of a grand jury to determine whether probable cause exists to believe that a crime has been committed. In making that determination, the grand jury must consider all the available evidence; it must weigh that evidence and judge whether, on balance, a particular individual has in fact probably committed a crime.

The significance of the grand jury's role in our judicial system should not be underestimated. The grand jury insures that a group of citizens representing a cross section of the community will investigate serious crimes and decide which ones shall be prosecuted. Every individual suspected of committing a serious crime is thereby assured that the initial and critical judgment of whether to prosecute is made by his fellow citizens. As a Federal court has stated:

> The constitutional requirement of an indictment or presentment as a predicate to a prosecution for capital or infamous crimes has for its primary purpose the protection of the individual from jeopardy except on a finding of probable cause by a group of his fellow citizens, and is designed to afford a safeguard against oppressive actions of the prosecutor or a court." *United States* v. *Cox*, 342 F. 2d 167, 170 (5th Cir. 1965).

The roles of the petit jury are equally important in rendering final judgments in criminal and civil cases. As with the grand jury, the functions of the petit jury are mandated by the Constitution.

Article III, section 2 of the Constitution provides that:

> The trial of all crimes, except in cases of impeachment, shall be by Jury; . . .

The sixth amendment adds, in pertinent part, that:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed . . .

An accused is therefore assured that the question of his innocence or guilt will be decided by a group of his fellow citizens. A conviction cannot be secured through the machinations of a prejudiced judge or an overzealous prosecutor.

The Supreme Court recently articulated the fundamental importance of this function of a petit jury in a criminal case:

> The guarantees of jury trial in the Federal and State Constitutions reflect a profound judgment about the way in which law should be enforced and justice administered. A right to jury trial is granted to criminal defendants in order to prevent oppression by the Government. Those who wrote our constitutions knew from history and experience that it was necessary to pro-

tect against unfounded criminal charges brought to eliminate enemies and against judges too responsive to the voice of higher authority. The framers of the constitutions strove to create an independent judiciary but insisted upon further protection against arbitrary action. Providing an accused with the right to be tried by a jury of his peers gave him an inestimable safeguard against the corrupt, overzealous prosecutor and against the compliant, biased or eccentric judge . . . [T]he jury trial provisions . . . reflect a fundamental decision about the exercise of official power—a reluctance to entrust plenary powers over the life and liberty of the citizen to one judge or to a group of judges. Fear of unchecked power . . . found expression in the criminal law in this insistence upon community participation in the determination of guilt or innocence. *Duncan* v. *Louisiana*, 391 U.S. 145, 155-56 (1968).

In short, the jury in criminal cases helps protect against the development of a police state where the legal process can be manipulated to attain arbitrary criminal convictions.

Juries also play a valuable role in the disposition of civil cases. Again, the jury's responsibility here is set forth in the Constitution. The seventh amendment states that:

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right to trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

Thus, in civil controversies, just as in criminal cases, the jury determines the facts which govern the court's judgment. Here, too, every citizen is guaranteed that the ordinary citizen's sense of fairness—not a technical or arbitrary reading of the law—will be the foundation of the legal process. The historic and critical importance of this right to trial by jury was explained almost 40 years ago by Supreme Court Justice Sutherland:

The right of trial by jury is of ancient origin, characterized by Blackstone as "the glory of the English law" and "the most transcendent privilege which any subject can enjoy" (Bk. 3, p. 379); and as Justice Story said (2 Story on the Constitution § 1779), ". . . the Constitution would have been justly obnoxious to the most conclusive objection if it had not recognized and confirmed it in the most solemn terms." With, perhaps, some exceptions, trial by jury has always been, and still is, generally regarded as the normal and preferable mode of disposing of issues of fact in civil cases at law as well as in criminal cases. Maintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with utmost care. *Dimick* v. *Schiedt*, 293 U.S. 474, 485-86 (1935).

The importance of grand and petit juries in our judicial system, then, is not a mere abstraction. It is a fact of life.

II. CONGRESSIONAL CONCERN WITH JURY FEES

Congress has long been concerned with the personal financial sacrifices which jury service can impose on citizens. Decades ago, Congress decided that, as a matter of statutory policy, the Federal Government should pay daily fees for those who serve on Federal juries. See for example, 44 Stat. 323 (1926). Periodically, these fees have been increased to account for rises in the cost of living. See, for example, 63 Stat. 411 (1949); 82 Stat. 62 (1968).

Two basic concerns have motivated Congress to provide fees for citizens who serve as jurors.

First, a citizen should not endure undue economic burdens when he or she serves on a jury. As the Supreme Court has observed:

Jury service is a duty as well as a privilege of citizenship. *Thie* v. *Southern Pacific Co.*, 328 U.S. 217 (1946).

This service, moreover, is not an option available to citizens to choose if and when they please. Nor can a citizen negotiate a salary or the terms under which he will operate. Jury service, and the conditions under which it is performed, are made compulsory by law.

For these reasons, numerous courts have held that jurors are not employees of the Government. (See, for example, *Silagy* v. *New Jersey*, 105 N.J. Super. 507, 253, A.2d 478 (1969); *Hicks* v. *Guilford County*, 267 N.C. 364, 148 S.E. 2d 240 (1966); *Jochen* v. *County of Saginaw*, 363 Mich. 648, 110 N.W. 2d 780 (1961); *Seward* v. *County of Bernalillo*, 61 N.M. 52, 294 P.2d 625 (1956); *Bd. of Commissioners* v. *Evans*, 99 Colo. 83, 60 P.2d 255 (1936). But see *Industrial Comm.* v. *Rogers*, 122 Ohio St. 134, 171 N.E. 35 (1930).) Juror's fees, then, are not compensation for services performed; rather, juror's fees are a gratuity granted by the Government to help defray the expenses incurred by jury service. (*Jochen, supra*, 363 Mich. at 668, 110 N.W.2d at 784 (concurring opinion).)

This purpose of juror's fees is reflected in the legislative history of laws which provide fees for Federal jurors. In 1949, Congress decided to raise a juror's fee—not because the Government is obligated to compensate jurors for their service but because, as a matter of policy, the Government should minimize the personal financial sacrifice which a citizen endures when he or she serves as a juror. In reporting out legislation, a House committee explained this purpose of increased jury fees:

The Committee is convinced that existing rates of jury allowances are clearly inadequate. . . . Indeed, the unreimbursed personal expenses of service on Federal juries have been so great that it is becoming increasingly difficult for the courts to obtain suitable jurors, truly representative of the community, without subjecting the citizenry to severe financial hardships. The situation has been found to be particularly acute for workers who earn their livelihood by the day and who must for that reason forego their regular earnings during the time while they are serving as jurors. It is essential that these people should be called for jury service if the jury system is to function properly.—House Rept. #960 (June 30, 1949), as quoted in 1949 *U.S. Code Cong. Service*.

Jury fees were raised most recently in 1969. During the House debate on the proposed legislation, it was made clear that fees were increased not to compensate jurors for their service but, as Representative Machen explained, so that jury service would be "less burdensome and exemptions because of economic hardship might be reduced to a minimum." (114 CONGRESSIONAL RECORD 3999 (1968).)

In other words, juror fees are intended to reduce the personal financial losses incurred by those who serve on juries.

Juror fees are also designed to serve a second primary purpose: to help assure that juries represent a true cross section of the community. To appreciate the importance of this second purpose, it should be remembered that a jury must be impartial if it is to fulfill its constitutional role. The Supreme Court has held that impartiality can be assured only if juries are chosen under a system which would enable the jury to represent a cross section of the community. (*Williams* v. *Florida*, 399 U.S. 78, 100 (1970); *Brown* v. *Allen*, 344 U.S. 443, 474 (1953).) A jury selection system which arbitrarily excludes one class of citizens from jury duty undermines the ability of juries to represent a fair cross section of the community. (*Norris* v. *Alabama*, 294 U.S. 587 (1935).) Moreover, the effect is the same even if the exclusion is not intended. (*Smith* v. *Texas*, 311 U.S. 128, 130-32 (1940).)

To insure that juries do represent a cross section of the community and that all citizens do have the opportunity to serve on juries, the Judicial Conference of the United States proposed in 1967 that jury fees be increased. The Conference stated that the increased fee "will make it possible for many citizens of modest means to perform jury duty without undue financial hardship. Consequently juries will become more representative of the entire community." (42 F.R.D. 353, 367 (1967).) In response to the Conference's proposal, Congress amended the existing law in 1968.

The basic purposes of the amendments are set forth in a declaration of policy:

It is the policy of the United States that all litigants in Federal Courts entitled to trial by jury shall have the right to grand and petit juries selected at random from a fair cross section of the community in the district or division wherein the court convenes. It is further the policy of the United States that all citizens shall have the opportunity to be considered for service on grand and petit juries in the district courts of the United States, and shall have an obligation to serve as jurors when summoned for that purpose. 28 U.S.C. § 1861.

The amendments made many changes in the jury selection process. The amendments also increased the juror's fees. In explaining these amendments, a House committee stated that their—

. . . aim is to assure all litigants that the potential jurors will be selected at random from a representative cross section of the community and that all qualified citizens will have the opportunity to be considered for jury service. . . .

As long as there are significant departures from the cross-sectional goal, biased juries are the result—biased in the sense that they reflect a slanted view of the community they are supposed to represent.

House Rept. #1076 (Feb. 6, 1968), quoted in 1968 *U.S. Code Cong. and Admin. News*.

The legislative history thus makes clear that the increased juror fees were designed, among other things, to limit the number of citizens who would be ex-

cused from jury service because of financial hardship.

The sad fact is that congressional concerns with jury fees have failed to produce legislation which really does eliminate the basic financial burdens of jury service. Under existing law, those who will serve on Federal juries—like those who have served on the Watergate grand juries—will be subject to personal financial risks. For some, the financial hardship may prove considerable. For others, the prospect of personal financial loss may entirely preclude their selection as jurors. As a result, many juries do not represent a true cross section of the community.

III. CONCLUSION

Congress should no longer condone this state of affairs. Jury service was never intended to be a financial albatross of citizenship. Jury service was never designed to require each citizen to make a difficult choice between fulfilling a constitutional obligation and earning the income to which he or she is accustomed.

Rather, jury service was designed to be an honor and a responsibility which would devolve upon every citizen—regardless of his or her earning power. People do not have to pay needed money out of their own pockets in order to exercise the right to vote or other duties and privileges of citizenship. Jury service should not be an exception. Jury service should be a real opportunity for every citizen so that juries can be impartial bodies representing a true cross section of the community.

Unless Congress moves expeditiously to change juror's fees, however, the viability of this constitutional purpose remains in doubt.

Mr. President, I ask unanimous consent to insert in the RECORD the text of the legislation offered today.

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

S. 3265

A bill to increase the fees and reduce the financial hardships for those individuals who serve on grand or petit juries in district courts

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 "Jury Fee Act of 1974".

SEC. 2. (a) The first sentence of section 1871 of title 28, United States Code, is amended to read as follows:

"Grand and petit jurors in district courts shall receive the following fees, except as otherwise expressly provided by law:

"For actual attendance at the place of trial or hearing and for the time necessarily occupied in going to and from such place at the beginning and end of such service or at any time during the period of such service, $25 per day, or, if greater, the juror's average daily salary, wage, or other earned income received during the twenty work days immediately preceding the beginning of such juror's service, except that any juror receiving not more than $25 per day who is required to attend more than thirty days of hearings on the same grand or petit jury may be paid, for each day after the thirtieth day of such hearings, in the discretion and upon the certification of the trial judge, or, in cases involving grand juries, the chief judge of the district court for the district in which the grand jury is sitting, an additional fee of $5 per day. The additional fee may be paid retroactively by way of reimbursement. In any case in which a juror is paid a daily fee based on his average daily salary, such fee shall be reduced if the juror is paid by his employer or otherwise earns income, or both, for those days in which such juror is required to sit on the jury by an amount which is equal to the amount paid by his employer or otherwise earned on each such day. Notwithstanding the preceeding provisions of this section, no grand or petit juror shall be paid any amount in excess of $100 per day for service on a grand or petit jury."

(b) Section 1871 of such title is further amended—

(1) by striking out "10 cents" both places it appears and inserting in lieu thereof "20 cents"; and

(2) by striking out "$16" and inserting in lieu thereof "$20".

SEC. 3. The amendments made by this Act shall apply in the case of any grand or petit jury impaneled on or after the date of enactment of this Act.

By Mr. McINTYRE (for himself, Mr. SPARKMAN, Mr. BENNETT, Mr. TOWER, Mr. PROXMIRE, Mr. WILLIAMS, Mr. BROCK, Mr. BROOKE, and Mr. PELL):

S. 3266. A bill to establish a Commission on Electronic Fund Transfers. Referred to the Committee on Banking, Housing and Urban Affairs.

INTRODUCTION OF LEGISLATION TO ESTABLISH AN ELECTRONIC FUND TRANSFER SYSTEMS COMMISSION

Mr. McINTYRE. Mr. President, I am today introducing legislation establishing a Commission on Electronic Fund Transfers. I am pleased to add the names of my distinguished colleagues, Senator SPARKMAN, Senator BENNETT, Senator PROXMIRE, Senator TOWER, Senator WILLIAMS, Senator BROCK, Senator BROOKE, and Senator PELL. It is significant to note the bipartisan support that this measure has drawn. I am hopeful that this atmosphere will prevail as the bill moves through the legislative process.

Our payments mechanism—the system used to transfer funds from one individual or business to another—is constantly changing and developing. The concept of electronic funds transfer systems is the newest of a long series of developments. In early times, affairs of finance were conducted through bartering. Then came coins, currency, checks, and finally credit cards. Each has advantages over the other, yet all have substantial drawbacks. Currency is not safely transmitted through the mail, nor is it practical in transactions involving large sums. The sheer volume of checks that pass through our banking system is staggering. It has risen from 16 billion in 1966 to 23 billion a year currently, not including the billions of checks issued by the Federal Government.

Faced with this situation, both industry and government have made attempts to apply modern computer and communications technology to the needs of the payments mechanism. Experimental programs and pilot projects are already in progress in various locations. In some of these programs, computers and data transmission systems are being utilized to perform some of the traditional functions of clearinghouses which sort and process paper checks. Thus, for example, some individuals are today receiving payroll deposits and are paying some of their bills electronically. Experiments involving the use of this technology in retail transactions are also in progress. Results to date are inconclusive.

The future of EFTS is a matter on which the experts disagree. Some contend that we are about to enter into a cashless and checkless society. They stress the possible cost savings available through the use of electronic transfers. The total annual cost of clearing paper checks and using cash in our economy has been approximated at $10 billion, or about 1 percent of our gross national product. At present, the average paper check is cleared through a multistage process involving a substantial amount of manual labor. Processing costs have been estimated to be at least 16 cents per check.

Others say that the changes will come more slowly and that the older methods will always continue to play a dominant role. They argue that paper systems may ultimately prove to be more efficient than certain electronic systems. Moreover, the advantages which the average consumer can expect to receive are by no means clear, and early marketing studies have not demonstrated a strong demand for at least some of the possible electronic services. For example, many consumers are concerned about computer errors and a possible loss of financial control which automation may cause. They like to see their paycheck and review their bills before they are paid. Many would be upset to see computers take over full control of these functions. Only time, and the free play of the marketplace, can decide which electronic services are truly needed and desired by consumers.

But however fast things may change, there is nothing simple about the issues which are posed by these developments. Moreover, no single source can supply whatever answers may ultimately emerge. Consumers, businesses, and government are all properly concerned. Among the business organizations necessarily involved are not only banks and thrift institutions, but also retailers, insurance companies, credit card issuers, equipment suppliers, communications common carriers, and indeed every business entity which is at all involved in offering or using payments services. State and Federal regulatory agencies concerned with banking, communications, and a number of other industries will also play a role. Of paramount importance are the interests and needs of individual consumers, as well as business users.

The questions which must be resolved are as varied as the interests which make up our society. How can the individual protect his financial privacy from unauthorized intrusion if a computer is capable of recalling every transaction in which he was involved at the touch of a button? How is he to be protected against errors and various fraudulent practices which may develop? Will the new electronic systems be developed to meet the needs of the ultimate users,

or merely to simplify the work of those operating the systems? How will competition among those affected by EFTS developments be preserved?

The Congress is also properly concerned with another group of questions—those concerning the appropriate role for the Government to play in these developments. To what degree should various Government agencies be involved in either operating or regulating aspects of electronic transfer systems? Will premature Government involvement encourage needed developments or merely distort market forces? What agencies should be involved, and what relationships should they have with each other?

Specifically, the study will take into account, among other things:

First. The need to preserve competition among financial institutions and other business enterprises using such systems;

Second. The need to prev nt unfair or discriminatory practices by any financial institution or business enterprise using or desiring to use such systems.

Third. The need to afford maximum user and consumer convenience;

Fourth. The need to afford maximum user and consumer rights to privacy and confidentiality;

Fifth. The need to assure that the Government be involved to no greater degree than is necessary.

Sixth. The impact of such systems on economic and monetary policy and on all segments of our society, from large businesses to individual consumers;

Seventh. The implications of such systems on the availability of credit;

Eighth. The implications of such systems expanding internationally and into other forms of electronic communications; and

Ninth. The need to protect the legal rights of users and consumers.

The last item, the need to protect the legal rights of users and consumers, is of paramount importance. We have all seen where the potential for abuse of such a system can lead us.

These questions are just a few of those which can and should be asked by the EFTS Study Commission which would be established by this bill. The Commission will be composed of a broad spectrum of members representing the views of government, industry, and the consumer. It will be dominated by no single interest, and will seek all relevant viewpoints.

The projected inquiry is a broad one—but so would be the impact of proceeding without addressing all the difficult questions posed by the development of EFTS. It may very well be that the Commission will decide that the best way for Government to proceed is to await the verdict of the marketplace. The consumer may well be able to speak more effectively to diverse competing institutions through the free market system than he can to a distant regulatory body, to a commission, or even to Congress. But if legislation or regulatory action is needed, to protect either the consumer's privacy or his economic freedom of choice, or to prevent these developments from adversely affecting free competition, we in Congress should be the first to know.

Like many of my colleagues, I have become skeptical when someone mentions study commissions. They can be costly and they can be ineffective. Many a well-funded commission has foundered on the shoals of political reality. However, the commission that I am proposing today could save us money.

Currently, millions of research dollars are being expended by various Federal agencies with partial jurisdiction over the issues presented by EFTS. The same holds true for the private business community. The studies are overlapping and little or no information is being shared. I envision this commission functioning as a "clearing house" where information can be received and disseminated thereby reducing the overall cost and the potential for duplication of effort. It can be invaluable in assuring that all concerned, whether private industry or Government agencies, act only after the answers to the vital questions posed are more certain than they are today.

Mr. President, this body has been accused at times of reacting instead of acting and of doing too little too late. The bill that I am proposing today will give us the opportunity to act in advance and in an orderly fashion. The revolutionary nature of electronic fund transfers and the activity currently taking place mandates the need for immediate attention. I am hopeful that the bill will move swiftly through the legislative process in the bipartisan spirit that is in evidence today.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

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

S. 3266

A bill to establish a Commission on Electronic Fund Transfers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT

SECTION 1. There is established the Commission on Electronic Fund Transfers (hereinafter referred to as the "Commission") which shall be an independent instrumentality of the United States.

MEMBERSHIP

SEC. 2. (a) The Commission shall be composed of 16 members appointed by the President as follows:

(1) the Chairman or a member of the Board of Governors of the Federal Reserve System, or his designate;

(2) the Secretary of the Treasury, or his designate;

(3) the Comptroller of the Currency, or his designate;

(4) the Chairman or a member of the Federal Home Loan Bank Board, or his designate;

(5) the Administrator or Deputy Administrator of the National Credit Union Administration, or his designate;

(6) one individual who is an official of a State agency which regulates banking, thrift, or other similar financial institutions;

(7) five individuals who are officers or employes of, or who otherwise represent, banking, thrift, or other business entities including retailers, including one representative each of commercial banks, thrift institutions, retail users of electronic fund transfer systems, suppliers of equipment or services for such systems, and non-banking institutions offering credit card services.

(8) five individuals from private life who are not affiliated with and do not represent any banking, thrift, or other financial institutions, including but not limited to credit unions, retailers, and insurance companies, and that such individuals are clearly identifiable as representing the public and consumers best interests. Nor shall such individuals have any substantial investment in any financial institution.

(b) The President shall designate a Chairman from among the members of the Commission. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

FUNCTIONS

SEC. 3. (a) It shall be the function of the Commission to conduct a thorough study and investigation and to recommend appropriate administrative action and legislation necessary in connection with the possible development of public or private electronic fund transfer systems, taking into account, among other things:

(1) the need to preserve competition among the financial institutions and other business enterprises using such a system;

(2) the need to prevent unfair or discriminatory practices by any financial institution or business enterprise using or desiring to use such a system;

(3) the need to afford maximum user and consumer convenience;

(4) the need to afford maximum user and consumer rights to privacy and confidentiality;

(5) the impact of such a system on economic and monetary policy;

(6) the implications of such a system on the availability of credit;

(7) the implications of such a system expanding internationally and into other forms of electronic communications; and

(8) the need to protect the legal rights of users.

(b) The Commission shall establish a clearinghouse for information on or relating to electronic funds transfer systems for the public, President and Congress.

(c) The Commission shall make such interim reports of its findings and recommendations as it deems advisable and shall transmit to the President and to the Congress not later than 2 years after the date of enactment of this Act a final report of its fundings and recommendations; including all hearing transcripts, staff studies, and other material used in preparation of the final report. Sixty days after transmission of its final report the Commission shall cease to exist.

ADMINISTRATION

SEC. 4. The Commission—

(1) may appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

(2) may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

(3) shall conduct and transcribe open public hearings at such times and places and otherwise secure such information as may be necessary to the performance of its functions.

COMPENSATION

SEC. 5. (a) A member of the Commission who is an officer or employee of the United States shall serve as a member of the Commission without additional compensation, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

(b) A member of the Commission who is not otherwise an officer or employee of the United States shall be compensated at a rate of $150 per day when engaged in the performance of his duties as a member of the Commission, and shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

ASSISTANCE OF GOVERNMENT AGENCIES

SEC. 6. (a) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this Act.

(b) The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Commission may request to assist it in carrying out its functions.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated without fiscal year limitations such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this Act.

By Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. RANDOLPH, Mr. MUSKIE, and Mr. METZENBAUM):

S. 3267. A bill to provide standby emergency authority to assure that the essential energy needs of the United States are met, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STANDBY ENERGY EMERGENCY AUTHORITY AND CONTINGENCY PLANNING ACT

Mr. JACKSON. Mr. President, I introduce for appropriate reference the "Standby Energy Emergency Authority and Contingency Planning Act."

On March 6, the President vetoed the Energy Emergency Act which among many other things, would have required a rollback in oil prices. The President based his veto message primarily on the oil price rollback.

The Senate failed to override the President's veto by a vote of 58 in favor to 40 against on March 6.

Following the veto, Congressman STAGGERS, chairman of the House Interstate and Foreign Commerce Committee, and I undertook a series of discussions with the administration to ascertain whether agreement could be reached with the administration on the provisions of an Energy Emergency Act the President would support. These negotiations have sought to develop an agreed-upon bill to provide most of the authority contained in the Energy Emergency Act which the President vetoed on March 6.

Discussions were concluded yesterday without a final and comprehensive agreement having been reached. These discussions did, however, demonstrate that there is a consensus within the administration that the executive branch requires standby emergency authority to deal with the prospect of recurring energy shortages.

While concurrence was reached on most aspects of the bill, fundamental differences on a number of major issues of public policy—unemployment compensation, restraints on oil prices, loans to homeowners, disclosure of confidential oil industry data, and protection of distributors and service station dealers—made full agreement with the administration impossible.

The bill passed by the Congress and vetoed by the President had important provisions on each of these subjects, and I could not agree to any bill which deleted or rendered these provisions meaningless.

NEED FOR EMERGENCY AUTHORITIES AND CONTINGENCY PLANNING

Mr. President, expeditious passage of a new bill is necessary because of the major risks the Nation faces in relying upon oil imported from nations whose leaders view and use oil as a political weapon. There are no grounds for confidence that the Arab oil embargo will not be reimposed in the weeks and months ahead as swiftly and with as little notice as it was imposed last fall. We must be prepared for such an eventuality. Indeed, our visible preparedness for and reduced vulnerability to the threat of embargo reduces the probability of imposition of an embargo.

The critical shortages the American people experienced this past winter could well be with us again later this spring and this summer. The essential social and economic interests of the Nation are dependent upon an assured supply of equitably priced oil. These interests must not be placed in uncertain and unpredictable foreign hands. Reliance and overdependence on insecure sources of high-priced supply is a policy which can only be followed if we are fully prepared to reduce consumption and get by with less petroleum during periods of short supply which others may impose upon us.

Contingency plans and standby authority to deal fairly and equitably with shortages and in a manner which will maintain employment and the economy are essential.

At the present time, there is no authority in Federal law for the implementation in peacetime of programs necessary to deal with acute energy shortages. During this winter's embargo, Federal policy was dependent upon requests for voluntary public action and a very broad interpretation of the Petroleum Allocation Act which in some respects far exceeded the scope and purpose of that act.

Mr. President, in the future we cannot continue to rely on voluntary exhortations for sacrifice as our only means to deal with shortages. We must act to increase supply. We must have a policy of energy conservation. We must also have at hand contingency plans which can be rapidly and effectively implemented if we are to retain economic and political independence. Standby authority and contingency planning to deal with critical shortages will continue to be essential to maintaining our national security and our freedom of action until we attain the capability for energy self-sufficiency.

The bill I am introducing today accommodates the administration's requests to the fullest extent possible within the context of our negotiations. It is patterned after the bill previously vetoed by the President. Changes in the bill include incorporation of a number of technical changes, deletion of the price rollback provisions contained in the conference report, and conversion of the major provisions of the bill into standby authorities which may be exercised only in periods of critical shortages.

PRICING OF PETROLEUM PRODUCTS

Mr. President, the adverse impact of acute fuel shortages arising from the Arab embargo has been a highly visible national problem which has touched nearly every citizen. The lifting of the embargo offers a tenuous and uncertain prospect of reducing the shortfall between supply and demand. What will not be reduced, however, are the extraordinary price levels attained by petroleum and petroleum products. What is not affected is the potential for comparable increases in the near future. Less apparent than a line at a gas station, but equally damaging to the Nation's well being, is the erosion of the family budget and the stimulus to accelerated nationwide inflation which will result from the unchecked upward movement of petroleum prices. For that reason, responsible legislation which authorizes responses to critical energy shortages must also authorize responses to equally critical energy price increases.

In the past 6 months, the Wholesale Price Index for crude oil and refined petroleum products has risen by over 50 percent. Fuel price increases represented 27 percent of the total increase in the cost of living during the past year. As startling as these figures may be, they nonetheless are considerably lower than those increases which would have occurred had price controls been nonexistent.

Now, however, the Senate Banking and Currency Committee has found it inadvisable to extend these price controls on the grounds that a free market can more efficiently set prices. It is an appealing argument, particularly in view of our experience with most price controls as employed by this administration.

However, for so long as the international oil market remains a politicized cartel there is no free market. For so long as the policy of the OPEC cartel is a world price determinant, there is no free market. For so long as the volume of oil available to U.S. oil companies is dependent upon the policy of the internationals, there is no free market. For so long as domestic production is restrained by shortages of drilling rigs, pipe, and pumps, there is no free market.

Consequently, until such time as domestic self-sufficiency is attained

through increased production and a reduction in demand growth, we cannot rely upon the market place to function effectively to regulate supply, demand, and prices. For that reason, it is imperative that public policy provide for: First, an accelerated effort to increase domestic energy supplies; second, a continuing program to further energy conservation; third, the employment of price regulation when necessary to prevent unacceptable inflationary pressures on the national economy and intolerable energy prices for the consumer.

Already, Mr. Simon is predicting gasoline prices as high as 80 cents per gallon in the next few months. Thus, in less than a year, consumers face a doubling of petroleum costs; yet, they can still expect to experience inadequate supplies.

Clearly, this is an outrageous situation. It is one thing to pay high prices in return for unlimited energy. It is another to pay the same exorbitant prices and to remain energy deficient.

Within the past year, gasoline costs to consumers have risen three times and fuel oil six times as fast as the costs of all other goods and services. It is imperative, therefore, that some kind of price control authority for petroleum be continued for the near future. It is particularly necessary in the light of current administration policy which has effectively nullified past conservation efforts and increased supplies of gasoline at the service station only by dipping into inventories. Such a policy will inevitably increase consumption while supplies are still limited, and thus unnecessarily drive up prices.

The rationale announced by the administration for their policies is that exorbitant prices will reduce demand. We have recently seen the cruel results of such policies in the case of propane, when rural low-income and retired persons were forced to spend as much as 75 percent of their incomes on propane fuel and were consequently faced with a choice between hunger and cold. We cannot tolerate the extension of this experience throughout the industrial and consumer sectors of our economy, which are so dependent on petroleum.

It is absolutely necessary, therefore, that the President's existing authority for petroleum price controls be exercised by the President as soon as possible and that he employ that authority when the public welfare requires it. For this reason, such a provision is included in the bill I introduce today.

The President, in his veto message, asserted that the price rollback required in the conference report would undermine incentives to develop new domestic energy resources. For reasons I set out at length during the Senate's debate on this legislation, I do not accept the administration argument.

The new bill, however, does go a long way toward accommodation with the administration. It does not require a rollback of prices to any specified level, but it does reiterate the intention of Congress, stated unambiguously in the Emergency Petroleum Allocation Act, that the President control the prices of crude oil and petroleum products. This legislation allows the President broad latitude in determining specific ceilings but it requires him to support any price ceiling or change in a price ceiling with a detailed analysis of the impact of prices upon supply and demand, upon consumers and upon employment.

The legislation I am introducing also ends the exemption from regulation of that 14 percent of domestic oil which is produced from stripper wells. This exemption was twice voted by Congress in the mistaken anticipation that it would provide a price incentive for stripper wells of perhaps 50 cents or a dollar per barrel. Since the exemption was enacted last fall, the average price of such crude oil has, however, risen from $4.25 to $10.35 per barrel. Spokesmen for the Administration have repeatedly requested an end to the stripper well exemption, and I am happy to accommodate them on this matter.

The bill also provides specific relief for consumers who have been victimized by increases in propane prices, wholly out of proportion to the increase in raw-material costs. It makes absolutely clear the intention of Congress that all raw materials for propane, whether produced from oil wells, gas wells, or refineries, be price controlled, and that price passthroughs be allocated among the various products of petroleum according to their historical price relationships.

Mr. President, testimony before the Subcommittee on Multinational Corporations of the Foreign Relations Committee has revealed that the multinational oil companies are making unbelievable windfall profits on their overseas producing operations. Aramco, a wholly owned affiliate of four U.S. majors, is now recording net profits of $4.50 per barrel. These incredible profits are not only passed on to American consumers in the form of price increases for imported oil, which the administration has exempted from price controls, but, through the depletion allowance and the foreign tax credit, they produce an additional tax windfall for the companies at the expense of the U.S. Treasury.

The bill I am introducing today will limit domestic price passthroughs on oil imported by the multinationals to the increases resulting directly from higher taxes and royalties paid to foreigners, less whatever reduction in U.S. tax liabilities might result from the higher base for depletion and foreign tax credits. No such passthrough limitation, however, is imposed on imports of oil from nonaffiliates, so that this requirement will not undermine the competitive position of independent refiners and marketers who must obtain their oil in world markets at arms-length.

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

S. 3268. A bill to authorize the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration to transfer or loan certain artifacts of the Nation's space program to the International Space Hall of Fame at Alamogordo, N. Mex. Referred to the Committee on Aeronautical and Space Sciences.

Mr. DOMENICI. Mr. President, today I am introducing a bill that will play a vital role in the development of the International Space Hall of Fame located at Alamogordo, N. Mex. This bill would authorize the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration to transfer or loan space artifacts to the International Space Hall of Fame.

Recently the New Mexico State Legislature appropriated $1.8 million for construction of the hall of fame and the primary site development. I was very encouraged by the actions of the State legislature in that their effort shows a sincere commitment to the establishment and promotion of the International Space Hall of Fame.

New Mexico has long been one of the leading centers for space flight research and development. The bill I am introducing will allow the hall of fame to utilize such artifacts that have played such a vital role in our space history. I would like to briefly cite some of New Mexico's major space accomplishments:

Dr. Robert H. Goddard, space propulsion pioneer, tested rockets near Roswell, N. Mex., in the early 1930's;

Dr. Wernher von Braun and his team of 160 German scientists tested and fired more than 60 V–2 rockets at White Sands Proving Ground in the late 1940's and early 1950's;

Dr. James P. Henry and associates from the aeromedical laboratory of Wright Field sent monkeys into space in closed cabins on Aerobee rockets in 1951 and 1952. In 1954 a Navy rocket fired from White Sands Proving Ground returned photographs from space of a tropical storm. The first manmade objects to escape the Earth were metal pellets launched into orbit around the Sun by a shaped charge from the nose of an Aerobee above White Sands in 1967;

The NASA White Sands Test Facility conducted propulsion tests of the Apollo service and lunar modules. The Apollo escape system was tested at White Sands Missile Range, using Little Joe II rockets. Test of the Apollo guidance system, providing for pinpoint landings on the Moon, and simulated reentry of Apollo command module couches were accomplished at Holloman Air Force Base; and

In 1945, the first atomic fission explosion at Trinity site near Alamogordo heralded future space propulsion for deep space exploration.

The basic intent of the International Space Hall of Fame is to honor astronauts, cosmonauts, and scientists of the world who achieved in space exploration. The hall of fame received the close cooperation of Dr. C. Starke Draper, president of the International Academy of Astronautics, when a resolution was submitted at the annual meeting in Baku, U.S.S.R., to have the academy select the first hundred candidates for the hall of fame.

I am confident that with the passage of this legislation, New Mexico will be able to offer the general public a much needed source of historical knowledge concerning our space research and development programs.

By Mr. CLARK:

S. 3269. A bill to amend title 38, United States Code, to increase the annual income limitations applicable to disability and death pensions and to dependency and indemnity compensation for dependent parents. Referred to the Committee on Veterans' Affairs.

INCREASE IN INCOME LIMITATIONS FOR VETERANS AND THEIR DEPENDENTS

Mr. CLARK. Mr. President, today I am introducing legislation to increase the annual income limitations applicable to veterans' disability and death pensions and to dependency and indemnity compensation for dependent parents.

This measure would accomplish two things: First, it would restore to the veterans' pension rolls people who have been dropped because of increases in social security, and, secondly, it would allow many people to adjust to future income changes by making gradual reduction in veterans' pensions as other income increases.

There are few people in this country who have not felt the impact of inflation. When the cost of living and the price of food go up as fast as they have over the last months, every segment of American society suffers. But there are some people in this country who inevitably suffer more from inflation—those with fixed income, especially the elderly, veterans, and their dependents.

Last December Congress approved legislation providing a 10-percent cost-of-living increase in veterans' and widows' pensions for non-service-connected disabilities. Those eligible for that increase should be getting it now. However, many others who were expecting an increase found themselves cut off from their pensions altogether in January.

The non-service-connected veterans' pension is based on the amount of outside income an individual receives, including 90 percent of the income received by social security beneficiaries. Because of a social security increase in January 1973, many veterans and widows had their pensions reduced or abruptly terminated this past year because the social security increase raised them above the maximum income limitation. Unless legislation is passed during this session of Congress, many will face that prospect again next year as a result of the new two-step, 11-percent social security increase that already has begun to take effect.

Right now, the maximum income limitation for a single veteran, a widow, or for a dependent parent is $2,600 a year, and it is $3,800 a year for a veteran with a dependent, a widow with a dependent, or for two dependent parents. As it now stands, a single veteran receives a maximum monthly pension of $143 if his outside income is $300 a year or less. The minimum pension of $28 a month is paid to a veteran whose income is $2,600, and no pension is paid at all if annual income exceeds this amount.

This simply is not fair. A veteran who earns $2,600 a year would get an annual pension of $336—for a total annual income of $2,936. Yet a veteran who earns $2,601 a year—just $1 more—would receive no benefits from the Veterans' Administration.

A veteran, or a widow, with a dependent who exceeds the income limitation of $3,800 is affected in much the same way. A widow with a dependent can find her pension cut by more than $500 annually, and a veteran with a dependent who exceeds the income limitation can lose more than $460 annually.

For individuals who live on fixed incomes, this loss creates a serious hardship. A more equitable approach would eliminate the VA pension gradually as outside income increases instead of completely cutting it off. This way the pensioner would not suffer from an abrupt loss of income. Instead, he would be able to adjust to the reductions gradually, in small increments.

It is important to note that the Senate has passed similar legislation before. Most recently, the Senate adopted S. 275 which would provide a $400 increase in maximum annual income limitations for eligible veterans and their survivors. The legislation which I am introducing today would have the same effect.

Mr. President, the Government has the ability to provide needed relief to veterans and their survivors. I know there are formidable barriers to the passage of this legislation. The President has opposed it and, in the past, the House of Representatives has failed to approve it. But if we are prepared to make the difficult decisions, the decisions that will most help people, then this legislation should receive the attention of every Member of Congress.

Mr. President, I ask that the bill and a schedule listing the current rates and the rates as they would be adjusted under this bill be printed in the RECORD.

SUMMARY OF CLARK BILL

First. Increase the maximum annual income limitations by $400 for eligible veterans and their survivors receiving pensions.

Second. Increase the maximum annual income limitations of "old law" pensioners by $400.

Third. Increase the maximum income limitations by $400 for parents receiving dependency and indemnity compensation.

Fourth. Increase the maximum unearned income limitation by $400 for children without parents who are receiving VA pensions.

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

S. 3269

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b)(1) of section 41 of title 38, United States Code, is amended as follows:

(1) by striking out in the second sentence "$2,600" and inserting in lieu thereof "$2,700";

(2) by inserting after the second sentence a new sentence as follows: "For annual income in excess of $2,700 up to and including $3,000, the monthly rate shall be $4."; and

(3) by striking out in the last sentence "$2,600" and inserting in lieu thereof "$3,000".

(b) Subsection (c) of section 415 of such title is amended as follows:

(1) by striking out in the second sentence "$2,600" and inserting in lieu thereof "$2,700";

(2) by inserting after the second sentence a new sentence as follows: "For annual income in excess of $2,700 up to and including $3,000, the monthly rate shall be $6"; and

(3) by striking out in the last sentence "$2,600" and inserting in lieu thereof "$3,000".

(c) Subsection (d) of section 415 of such title is amended as follows:

(1) by striking out in the second sentence "$3,800" and inserting in lieu thereof "$4,000";

(2) by inserting after the second sentence a new sentence as follows: "For annual income in excess of $4,000 up to and including $4,200, the monthly rate shall be $5."; and

(3) by striking out in the last sentence "$3,800" and inserting in lieu thereof "$4,200".

SEC. 2. (a) Subsection (b) of section 521 of title 38, United States Code, is amended as follows:

(1) by striking out in the second sentence "$2,600" and inserting in lieu thereof "$2,800";

(2) by inserting after the second sentence a new sentence as follows: "For annual income in excess of $2,800 up to and including $3,000, the monthly rate shall be $8"; and

(3) by striking out in the last sentence "$2,600" and inserting in lieu thereof "$3,000".

(b) Subsection (c) of section 521 of such title is amended by striking out "$3,800" each time it appears and inserting in lieu thereof "$4,200".

SEC. 3. (a) Subsection (b) of section 541 of title 38, United States Code, is amended by striking out "$2,600" each time it appears and inserting in lieu thereof "$3,000".

(b) Subsection (c) of section 541 of such title is amended by striking out "$3,800" each time it appears and inserting in lieu thereof "$4,200".

SEC. 4. Subsection (c) of section 542 of title 38, United States Code, is amended by striking out "$2,000" and inserting in lieu thereof "$2,400".

SEC. 5. 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. 6. This act shall take effect on the first day of the second calendar month which begins after the date of enactment.

Income not over—	Current rate	Proposed rate
Veteran alone:		
$300	$143	$143
$400	140	140
$500	137	137
$600	134	134
$700	131	131
$800	128	128
$900	124	124
$1,000	120	120
$1,100	116	116
$1,200	112	112
$1,300	108	108
$1,400	103	103
$1,500	98	98
$1,600	93	93
$1,700	87	87
$1,800	81	81
$1,900	75	75
$2,000	69	69
$2,100	63	63
$2,200	57	57
$2,300	50	50
$2,400	43	43
$2,500	36	36
$2,600	28	28
$2,700	0	20
$2,800	0	12
$2,900	0	8
$3,000	0	8
Veteran with dependent:		
$300	154	154
$400	154	154
$500	154	154
$600	152	152
$700	150	150
$800	148	148
$900	145	145
$1,000	142	142
$1,100	139	139
$1,200	136	136

Income not over—	Current rate	Proposed rate
$1,300	$133	$133
$1,400	130	130
$1,500	127	127
$1,600	124	124
$1,700	121	121
$1,800	118	118
$1,900	115	115
$2,000	112	112
$2,100	109	109
$2,200	106	106
$2,300	103	103
$2,400	100	100
$2,500	97	97
$2,600	94	94
$2,700	90	90
$2,800	86	86
$2,900	82	82
$3,000	78	78
$3,100	74	74
$3,200	70	70
$3,300	65	65
$3,400	60	60
$3,500	55	55
$3,600	50	50
$3,700	45	45
$3,800	39	39
$3,900	0	33
$4,000	0	27
$4,100	0	21
$4,200	0	15
Widow alone:		
$300	96	96
$400	95	95
$500	94	94
$600	93	93
$700	90	90
$800	87	87
$900	84	84
$1,000	81	81
$1,100	78	78
$1,200	75	75
$1,300	72	72
$1,400	69	69
$1,500	65	65
$1,600	61	61
$1,700	57	57
$1,800	53	53
$1,900	49	49
$2,000	45	45
$2,100	41	41
$2,200	37	37
$2,300	33	33
$2,400	29	29
$2,500	25	25
$2,600	21	21
$2,700	0	17
$2,800	0	13
$2,900	0	9
$3,000	0	5
Widow with dependent:		
$300	114	114
$400	114	114
$500	114	114
$600	114	114
$700	114	114
$800	113	113
$900	112	112
$1,000	111	111
$1,100	110	110
$1,200	108	108
$1,300	106	106
$1,400	104	104
$1,500	102	102
$1,600	100	100
$1,700	98	98
$1,800	96	96
$1,900	94	94
$2,000	92	92
$2,100	90	90
$2,200	88	88
$2,300	86	86
$2,400	84	84
$2,500	82	82
$2,600	79	79
$2,700	76	76
$2,800	73	73
$2,900	70	70
$3,000	67	67
$3,100	64	64
$3,200	61	61
$3,300	58	58
$3,400	55	55
$3,500	51	51
$3,600	47	47
$3,700	44	44
$3,800	44	44
$3,900	0	44
$4,000	0	44
$4,100	0	44
$4,200	0	44
1 parent:		
$800	110	110
$900	107	107
$1,000	104	104
$1,100	101	101
$1,200	97	97
$1,300	93	93
$1,400	89	86
$1,500	85	85
$1,600	80	80
$1,700	$75	$75
$1,800	69	69
$1,900	63	63
$2,000	57	57
$2,100	50	50
$2,200	43	43
$2,300	36	36
$2,400	28	28
$2,500	20	20
$2,600	12	12
$2,700	0	4
$2,800	0	4
$2,900	0	4
$3,000	0	4
2 parents together:		
$800	74	74
$900	74	74
$1,000	74	74
$1,100	73	73
$1,200	72	72
$1,300	70	70
$1,400	68	68
$1,500	66	66
$1,600	64	64
$1,700	62	62
$1,800	60	60
$1,900	58	58
$2,000	56	56
$2,100	54	54
$2,200	52	52
$2,300	50	50
$2,400	48	48
$2,500	46	46
$2,600	44	44
$2,700	42	42
$2,800	40	40
$2,900	38	38
$3,000	35	35
$3,100	32	32
$3,200	29	29
$3,300	26	26
$3,400	23	23
$3,500	20	20
$3,600	17	17
$3,700	14	14
$3,800	11	11
$3,900	0	8
$4,000	0	5
$4,100	0	5
$4,200	0	5
2 parents not together:		
$800	77	77
$900	75	75
$1,000	73	73
$1,100	71	71
$1,200	68	68
$1,300	65	65
$1,400	62	62
$1,500	58	58
$1,600	54	54
$1,700	50	50
$1,800	46	46
$1,900	42	42
$2,000	38	38
$2,100	34	34
$2,200	30	30
$2,300	26	26
$2,400	21	21
$2,500	16	16
$2,600	11	11
$2,700	0	6
$2,800	0	6
$2,900	0	6
$3,000	0	6

By Mr. SPARKMAN (for himself, Mr. TOWER, and Mr. JOHNSTON):

S. 3270. A bill to amend the Defense Production Act of 1950, as amended. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. SPARKMAN. Mr. President, I am introducing a bill to amend the Defense Production Act of 1950, for myself, Mr. TOWER and Mr. JOHNSTON.

The Defense Production Act is important and time tested legislation supporting programs vital to our national security. In the Defense Production Act the Congress addressed the need for diverting certain materials and facilities from civilian use to military and related purposes, to develop preparedness programs, and to provide for the expansion of productive capacity and supply.

I ask unanimous consent that a copy of the bill be printed in the RECORD at this time. I also ask unanimous consent that a copy of the letter transmitting the administration's proposal for extending the Defense Production Act be printed in the RECORD following the bill.

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

S. 3270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 717(a) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2166(a)), is further amended by striking out the date "June 30, 1974" and inserting in lieu thereof the date "June 30, 1976."

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 1, 1974.

Hon. GERALD R. FORD,
President of the Senate, U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith a draft bill "To amend the Defense Production Act of 1950, as amended."

The bill would extend the Act for two years, changing its termination date from June 30, 1974, to June 30, 1976.

The Defense Production Act is important and time-tested legislation supporting programs vital to our national security. In the Defense Production Act the Congress addressed the need to divert certain materials and facilities from civilian use to military and related purposes, to develop preparedness programs, and to provide for the expansion of productive capacity and supply.

Title I of the Act provides authority to give priority treatment to vital defense contracts and to allocate materials and facilities for defense programs. It is under this authority that the Defense Materials System and the Defense Priorities System have been established. The regulations for these systems not only serve current defense needs in the short-supply conditions that characterize today's market but also provide basic arrangements that could be extended as required by any foreseeable national defense emergency.

Continuing operations under these regulations also provide a corps of experienced specialists who would be a nucleus for the rapid and efficient expansion of the priorities and allocations system that would be needed in time of any future industrial mobilization.

Title III of the Act provides needed authority for the expansion of the Nation's productive capacity to meet its defense needs. It includes authority to make loans and loan guarantees to private business enterprises for the expansion of capacity, the development of technological processes, and the production of essential materials, including the exploration, development, and mining of strategic and critical metals and minerals. This Title also authorizes the guarantee of loans to finance the performance of defense contracts.

One provision of Title VII is the basic authority for the National Defense Executive Reserve—a pool of individuals with proven executive talents who have undergone special training and have agreed to enter Government Service if ever an emergency should require their rapid mobilization.

Title VII also provides authority under which defense contractors may, with the approval of the President, enter into voluntary agreements serving defense purposes without violating the antitrust laws.

The Defense Production Act is the cornerstone of the present legal structure for insuring preparedness to meet crises requiring the mobilization of the Nation's industrial and material resources. GSA therefore strongly urges prompt and favorable consideration of this draft bill.

The Office of Management and Budget has advised that there is no objection to the submission of this legislative proposal to the Congress, and that its enactment would be in accord with the program of the President.

Sincerely,

ARTHUR F. SAMPSON,
Administrator.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1835

At the request of Mr. HARTKE, the Senator from New Jersey, (Mr. WILLIAMS), was added as a cosponsor of S. 1835, a bill to amend title 38, United States Code, to increase the maximum amount of servicemen's group life insurance to $20,000 to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize and conversion of such insurance to veterans' group life insurance and for other purposes.

S. 2801

At the request of Mr. PROXMIRE, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 2801, to amend the Food, Drug, and Cosmetic Act with respect to safe vitamins and minerals, and for other purposes.

S. 2813

At the request of Mr. BENTSEN, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. BENNETT), the Senator from Mississippi (Mr. EASTLAND), the Senator from Maryland (Mr. MATHIAS), and the Senator from Louisiana (Mr. JOHNSTON) were added as cosponsors of S. 2813, to establish within the Department of the Treasury, an agency for energy adjustment to administer a guaranteed Government loan program for adjustments necessary to convert to a petroleum-scarce economy.

S. 2854

At the request of Mr. CRANSTON, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 3234, a bill to authorize a vigorous Federal pro-Act to expand the authority of the National Institute of Arthritis, Metabolic and Digestive Diseases in order to advance a national attack on arthritis.

S. 3056

At the request of Mr. HASKELL, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 3056, to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers.

S. 3234

At the request of Mr. HUMPHREY, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 2854, a bill to amend the Public Health Service gram of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development and commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government.

SENATE JOINT RESOLUTION 173

At the request of Mr. DOMINICK, the Senator from New York (Mr. JAVITS) was added as a cosponsor of Senate Joint Resolution 173, to authorize and request the President of the United States to appoint a national commission for the control of epilepsy and its consequences.

SENATE JOINT RESOLUTION 181

At the request of Mr. DOMINICK, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of Senate Joint Resolution 181, establishing the National Coin Week.

SENATE RESOLUTION 300—SUBMISSION OF A RESOLUTION TO ESTABLISH LEGISLATIVE REVIEW SUBCOMMITTEES IN THE STANDING COMMITTEES OF THE SENATE

(Referred to the Committee on Rules and Administration.)

LEGISLATIVE REVIEW SUBCOMMITTEES: NO MORE "PASS IT AND FORGET IT" LEGISLATION

Mr. HUMPHREY. Mr. President, last week the Senate passed historic legislation to reform the budgetmaking procedures of Congress.

Among the provisions of the budget reform bill was a title strengthening the ability of Congress to carry out its legislative review and oversight function.

Under that title, we authorized the committees to use modern and innovative techniques in reviewing and appraising how the executive branch carries out laws we have passed in Congress. We agreed to equip the General Accounting Office with better physical and legal tools for assisting Congress in that process. And we instructed the Comptroller General to advise Congress on means of improving its performance of this important duty.

During debate on that title, I introduced with my distinguished colleague from Maryland (Mr. BEALL) a modified version of an amendment I had offered earlier. It proposed the establishment of legislative review subcommittees in the standing committees of the Senate, and it set forth a system designed to assure that each Federal program would be reviewed in the Senate at least once every 5 years, and hopefully every 3. This was a logical extension of the provisions of the budget reform bill, and of the intent of its authors.

I was gratified and encouraged, Mr. President, by the kind response given to the amendment. The distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) graciously promised that, as chairman of the Subcommittee on Standing Rules of the Committee on Rules and Administration, he would see that a prompt hearing was held on our proposal if it would be reintroduced as a resolution amending the Standing Rules of the Senate.

With that promise in mind, I submit such a resolution today.

During the debate on the amendment last Friday, three other Senators also offered their support as cosponsors of such a resolution.

They are the Senator from Delaware (Mr. BIDEN), the Senator from Tennessee (Mr. BROCK), and the Senator from Maine (Mr. MUSKIE). I am happy to include them as cosponsors of the resolution I offer today.

Mr. President, I wish to repeat the descripion I offered on Friday, outlining the provisions of the resolution.

It provides for three possible means of fulfilling the legislative review and evaluation responsibilities of the Senate.

The first method, which we hope would be used most often, would be accomplished by having the committee that holds jurisdiction over a program assign responsibility to a subcommittee to review and evaluate it, with the assistance of the legislative review subcommittee established under our resolution.

If, however, this subcommittee, given program evaluation responsibility by the committee of jurisdiction, fails to carry out its responsibility in 3 years, the duty would automatically revert to the subcommittee on legislative review.

If that subcommittee, too, failed to carry out the responsibility within 1 year after having received it, the Senate would request the Comptroller General to have the program reviewed and to submit a report to the appropriate standing committee.

The Committee on Appropriations would be exempt from the requirements of the resolution.

Mr. President, the new rule would assure that every program we enact and every law we pass would be subject to review and evaluation once in every 3 years at best, and at a minimum every 5 years.

For too long, the Senate, with its tremendous workload and responsibilities in the areas of writing new legislation, has failed to adopt a reliable, systematic means of carrying out its oversight responsibilities on past legislation.

It is true that a subcommittee here, a committee there, does from time to time single out a particular program and call in for hearings the executive branch administrators who run the program and some citizens directly affected by it, and perhaps some outside specialists who are knowledgeable in its operation.

But as a rule, our fulfillment of this important responsibility has been weak and irregular. In general, we have too often fallen into the habit of "pass it and forget it" lawmaking. This is a bad habit to allow to persist. We must break it and form some good habits instead.

I believe there is no better time than now to adopt better habits where this important legislative function is concerned. We have just passed a major reform in our methods of handling the Federal budget each year, and I earnestly hope that we will soon pass a final version after conference with the House of Representatives.

From so great an achievement as this, the reform of our budgetmaking procedures, it should be a relatively easy matter to revitalize our performance of the duty to oversee and review the laws we have passed and the programs we have instituted in the past.

There are other reforms and improvements still needed beyond this, to be sure. I refer my colleagues to my bill, S. 2992, the Modern Congress Act, as an outline of some of the major needs as I see them. The resolution I offer today is drawn from one of the 11 titles in that bill.

Mr. President, prompt consideration of the legislative review subcommittee concept, as the next step in the modernization of this great institution of Congress, would be most appropriate.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

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

A RESOLUTION TO ESTABLISH LEGISLATIVE REVIEW SUBCOMMITTEES IN THE STANDING COMMITTEES OF THE SENATE

Whereas there is imposed upon the standing committees of the Senate the duty to conduct analysis, appraisal and evaluation of the programs, policies and procedures of the United States Government, in carrying out the Laws enacted by Congress; and

Whereas that duty has been fulfilled unevenly and sporadically and there are many programs that have been too long neglected as the object of Congressional oversight proceedings in the Senate:

Now therefore be it

Resolved that the Standing Rules of the Senate are amended by adding at the end thereof the following new rule:

"Rule XLV.

"Legislative Review Subcommittees.

"1. Each standing committee shall establish a subcommittee on legislative review. The purpose and duty of such subcommittees shall be to assist the Senate in—

"(a) its analysis, appraisal and evaluation of the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee of each such subcommittee, and in particular, in its analysis, appraisal and evaluation of any order, regulation, rule, certificate, code of fair competition, license, notice, or similar instrument, issued, prescribed, or promulgated in the administration and execution of such laws or parts of laws, and

"(b) its formulation, consideration and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate.

"2. In the case of a committee having one or more subcommittees to which the committee has given responsibility for considering and making recommendations with respect to subject matters within the subject jurisdiction of the committee, the Subcommittee on Legislative Review of that committee shall assist that subcommittee in reviewing and studying the application, administration, and execution of those laws, or parts of laws, which are within such responsibility. Any such subcommittee shall make a report on the results of its review and study at least once every three years. In the event the subcommittee has not made a report within a three-year period, the Subcommittee on Legislative Review of the committee shall make such review and study, and submit a report thereon to the committee, not later than one year after the subcommittee having such responsibility was to have made such report. In the case of any subject matter not within the responsibility of any particular subcommittee of the committee, the Subcommittee on Legislative Review of that committee shall make such review and study with respect to such subject matter and submit a report thereon to the committee not less than once every third year.

"3. In any case in which the Subcommittee on Legislative Review has not submitted a report to be prepared by it under paragraph (2) of this Rule within the period of time provided in that paragraph, the Comptroller General shall, within one year after the last day on which the subcommittee report was to have been submitted, make such study and report the subcommittee was to have made, and submit a report thereon to the committee.

"4. The provisions of this rule do not apply to the Committee on Appropriations of the Senate.

"5. Nothing in this Rule shall be construed as precluding any Legislative Review Subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals and reviews required under this Rule."

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 281

At the request of Mr. INOUYE, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) was added as a cosponsor of Senate Resolution 281, to express the sense of the Senate with respect to the allocation of necessary energy sources to the tourism industry.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 68

At the request of Mr. JAVITS, the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from South Carolina (Mr. THURMOND), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. GURNEY), the Senator from Wyoming (Mr. HANSEN), the Senator from Rhode Island (Mr. PASTORE), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Ohio (Mr. TAFT), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of Senate Concurrent Resolution 68, to express the sense of Congress regarding Americans missing in action in Indochina.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—AMENDMENTS

AMENDMENT NO. 1112

(Ordered to be printed, and to lie on the table.)

Mr. FANNIN (for himself and Mr. TOWER) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1113

(Ordered to be printed, and to lie on the table.)

Mr. BAYH. Mr. President, I have long been concerned with the growing public cynicism and loss of confidence in government. More than 3½ years ago I introduced two bills aimed at establishing new standards of conduct for public officials, the Judicial Disqualification Act and the Omnibus Disclosure Act. Both were outgrowths of lessons learned during the debates over the qualifications of Supreme Court nominees.

Day after day banner headlines furnish new disclosures which continue to undermine the already shaky faith of our citizens in their government in general, and which erode public confidence in the integrity of public officials and the electoral process in particular. The callous subversion of the political process represented by the Watergate affairs is a national tragedy of major proportions.

Too many good Americans believe the tactics of Watergate are business as usual in the political and governmental process. Bugging, burglary, bribery, and perjury are not acceptable in the political process. It is a national tragedy that such acts are accepted and associated as part of the political process in the public mind today.

The bill presently under consideration will go a long way toward meeting the responsibility of the legislative branch to act to correct the abuses which became so starkly evident in the 1972 campaign. Many Members of the Senate have worked long and hard in developing the provisions of this comprehensive legislation, most particularly the distinguished chairman of the Rules Committee and manager of the bill, Mr. CANNON. This is an excellent bill and has my full support.

There is, however, one additional aspect of campaign practices which Watergate revealed which I believe should be covered in a comprehensive bill and this involves what have come to be known as "dirty tricks." Almost a year ago when I introduced my own omnibus bill, the Campaign and Election Reform Act of 1973, I thought that a provision to prohibit such practices was necessary, and I would hope that the amendment that I am now offering to S. 3044 would be accepted.

My amendment would provide that any candidate for Federal office, or his employee or agent, who fraudulently misrepresents himself as speaking, writing, or otherwise acting on behalf of any other candidate or party if the effect is or may be to damage that candidate, is

guilty of a felony and may be fined up to $50,000 or imprisoned for up to 5 years or both.

I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

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

AMENDMENT NO. 1113

At the appropriate place insert the following new section:

SEC. —. Whoever, being a candidate for federal office, as defined herein, or an employee or agent of such a candidate,

(a) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is or may be damaging to such other candidate or political party or employee or agent thereof; or

(b) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (a) hereof, shall, for each such offense, be fined not more than $50,000 or imprisoned not more than five years or both.

AMENDMENT NO. 1114

(Ordered to be printed, and to lie on the table.)

Mr. HUDDLESTON submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1115

(Ordered to be printed, and to lie on the table.)

Mr. CHILES submitted amendments, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1118

(Ordered to be printed, and to lie on the table.)

Mr. CLARK submitted amendments, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1120

(Ordered to be printed, and to lie on the table.)

Mr. BARTLETT submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

DEVELOPMENT OF CERTAIN MINERALS ON PUBLIC LANDS—AMENDMENTS

AMENDMENT NO. 1116

(Ordered to be printed, and referred to the Committee on Interior and Insular Affairs.)

Mr. GOLDWATER submitted amendments, intended to be proposed by him, to the bill (S. 3085) to provide for the development of certain minerals on public lands, and for other purposes.

AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF STATE—AMENDMENT

AMENDMENT NO. 1117

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

U.S. AMBASSADORS

Mr. MUSKIE. Mr. President, 2 months ago our relations with Thailand were severely strained as a result of CIA meddling in Thailand's internal affairs without the knowledge, much less the approval, of the new American Ambassador, William Kinter. To add to the embarrassment, the Ambassador happened to be an ex-employee of the CIA.

This is not the first time an American Ambassador has been surprised to learn of free-wheeling activities by agencies which the Ambassador is, in theory, supposed to control. For every incident reported in the press, it is likely there are many unreported situations where the Ambassador has been kept in the dark about U.S. Government activities he should have known about. Four years ago, for example, the FBI office in Paris was instrumental in bugging or tapping columnist Joseph Kraft while he was in France. The American Ambassador at the time—along with Mr. Kraft and the rest of the American people—found out about it only last year through the press.

On Harry Truman's desk was a sign which read: "The Buck Stops Here." The amendment I am introducing today stops the in-country buck with the Ambassador. It would vest in him responsibility for the activities of all U.S. agencies within his country and would make those agencies responsible to the Ambassador—with the single exception of military operational commands.

The text of the legislation, which I plan to offer within the Foreign Relations Committee as an amendment to the fiscal year 1975 State Department authorizations bill, is derived from President Nixon's letter of December 9, 1969, concerning the responsibilities of Ambassadors. It is but a restatement of a similar letter sent by the late President Kennedy to all American Ambassadors. Since neither letter had the force of law, all too often these Presidential directives have been ignored, both by Ambassadors and by aggressive or ambitious representatives of other agencies.

I believe that approval of this legislation will do much to bring about a unified voice for our country abroad and end the recurring breakdowns of command and control in our country's official overseas establishments. It will provide backbone for the Ambassador where backbone is needed and induce much-needed caution on the part of other agencies when caution is called for. Any agency acting without the Ambassador's knowledge and consent will act at its own peril. And the Ambassador acts at his peril if he fails to stay informed, in command, and in control.

It is high time for Congress to assign full responsibility to the Ambassador—by law—for all U.S. operations within his country and, in turn, to make all American departments and agencies responsible to the Ambassador. Mr. President, at this time I ask unanimous consent to have printed in the RECORD the text of the amendment.

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

AMENDMENT NO. 1117

At the end of the bill, add the following new section:

AUTHORITY OF AMBASSADORS

SEC. 7. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 16. (a) The United States Ambassador to a foreign country shall have full responsibility for the direction, coordination, and supervision of all United States Government officers and employees in that country, except for personnel under the command of a United States area military commander.

"(b) The Ambassador shall keep himself fully and currently informed with respect to all activities and operations of the United States Government within that country. He shall insure that all Government officers and employees in that country, except for personnel under the command of a United States area military commander, comply fully with his directives.

"(c) Any department or agency having officers or employees in a country shall keep the United States Ambassador to that country fully and currently informed with respect to all activities and operations of its officers and employees in that country. The department or agency shall also insure that all of its officers and employees, except for personnel under the command of a United States area military commander, comply fully with all applicable directives of the Ambassador."

ESTABLISHMENT OF A NATIONAL ENERGY INFORMATION SYSTEM—AMENDMENT

AMENDMENT NO. 1119

(Ordered to be printed, and referred to the Committee on Interior and Insular Affairs.)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to the bill (S. 2782) to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of U.S. energy resources on public lands and elsewhere, and for other purposes.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 1039

Mr. GURNEY. Mr. President, on March 20, my distinguished colleague from Kansas (Mr. DOLE) and I submitted Amendment No. 1039 to S. 354, the no-fault insurance bill. I ask that the following Senators be added as cosponsors of this amendment: the Senator from Pennsylvania (Mr. SCOTT), the Senator from North Carolina (Mr. HELMS), the

Senator from California (Mr. TUNNEY), and the Senator from Illinois (Mr. STEVENSON).

In addition, Mr. President, I ask that a copy of 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. 1039

On page 64, line 25, after the word "located", insert: "except that a vehicle having less than four wheels may be specifically excluded, at the option of a State establishing a no-fault plan for motor vehicle insurance in accordance with title II of this Act, from the requirements and benefits of such plan".

On page 101, line 23, delete the word "or".

Between lines 23 and 24 add the following:

"(2) a deductible not to exceed an amount deemed reasonable by the insurance commissioner of such State for each individual if he sustains injury while he is operating a motor vehicle having less than four wheels, is a passenger on such a vehicle, or both; or".

On line 24 change "(2)" to "(3)".

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

S. John Cottone, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years. (reappointment)

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, April 4, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS ON WARRANTLESS WIRETAPPING AND ELECTRONIC SURVEILLANCE

Mr. KENNEDY. Mr. President, next week the Subcommittee on Administrative Practice and Procedure, together with the Subcommittee on Constitutional Rights and the Foreign Relations Subcommittee on Surveillance, will begin a series of hearings on warrantless wiretapping and electronic surveillance. The first two hearings will be held on Wednesday, April 3, and Monday, April 8.

I ask unanimous consent that the release announcing the hearings be inserted in the RECORD at this point.

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

SENATORS KENNEDY, MUSKIE, AND ERVIN ANNOUNCE OPENING OF WIRETAP HEARINGS

Senators Edward M. Kennedy, Edmund S. Muskie and Sam J. Ervin, Jr. today announced the opening of joint hearings on warrantless wiretapping and electronic surveillance.

The joint hearings will be held by the Judiciary Subcommittee on Administrative Practice and Procedure, chaired by Senator Kennedy; the Foreign Relations Subcommittee on Surveillance, chaired by Senator Muskie; and the Judiciary Subcommittee on Constitutional Rights, chaired by Senator Ervin.

The first day of hearings will be held Wednesday, April 3, in Room 2228 Dirksen Office Building, at 10:00 a.m. The second hearing will be held Monday, April 8, in Room 4221 Dirksen Office Building, at 10:00 a.m.

The witnesses scheduled to testify include:

Wednesday, April 3: Elliot L. Richardson, former Attorney General; Ramsey Clark, former Attorney General.

Monday, April 8: Senator Lowell P. Weiker, Jr.

Additional hearings will be held following the Congressional recess. During these hearings the Subcommittee will invite testimony from present and former officials of the Departments of Justice and State, representatives of the press, public interest groups, legal authorities, and victims of warrantless wiretaps.

The joint hearings follow an intensive five-month investigation conducted by the three Subcommittees. They will focus on the historical background of warrantless electronic surveillance; the "national security" concepts on which it has been justified; the practices and procedures of the Justice and State Departments and other agencies in conducting and authorizing electronic surveillances without court orders; and the cases of the wiretapping of 17 government officials and newsmen, plus others, which have recently come to light.

It is expected that the hearings will result in the development of new legislation and improved administrative guidelines.

HEARING ANNOUNCEMENT ON S. 813 AND H.R. 7730

Mr. JACKSON. Mr. President, I wish to announce a hearing by the Public Lands Subcommittee of the Interior and Insular Affairs Committee on S. 813 and H.R. 7730, bills to authorize the Secretary of the Interior to purchase property located within the San Carlos mineral strip.

The hearing will be held on April 10, 1974 at 10 a.m. in room 3110, Dirksen Senate Office Building. Those who wish to testify or submit a statement for inclusion in the hearing record should contact Steven P. Quarles, special counsel to the committee, at 225-2656.

ADDITIONAL STATEMENTS

THE CONTINENTAL SHELF

Mr. FANNIN. Mr. President, on July 23, 1969 the Special Subcommittee on the Outer Continental Shelf was constituted by the chairman of the Senate Interior Committee, Senator JACKSON. At that time Senator METCALF was designated its chairman. Under his capable and dedicated leadership, the special subcommittee held 8 days of extensive hearings. Those proceedings resulted in a comprehensive hearing record of almost 900 pages, covering virtually every issue related to establishment of a seaward boundary of the U.S. Outer Continental Shelf.

From this thorough investigation was drawn the report of the special subcommittee, issued on December 21, 1970 with the unanimous support of the members of the subcommittee. One of its most significant conclusions was:

We adopt the view of the American Branch of the International Law Association regarding the seaward limits of the legal Continental Shelf. That position is not only consistent with the wisest of policy preferences, but more importantly soundly interprets the present law. It holds that "rights under the 1958 Geneva Convention on the Continental Shelf extends to the limit of exploitability existing at any given time within an ultimate limit of adjacency which would encompass the entire continental margin."[1]

Further elaborating on that position, the special subcommittee report stated:

We construe the heart of our sovereign rights under the 1958 Geneva Convention to consist of the following:

(1) The exclusive ownership of the mineral estate and sedentary species of the entire continental margin;

(2) The exclusive right to control access for exploration and exploitation of the entire continental margin; and

(3) The exclusive jurisdiction to fully regulate and control the exploration and exploitation of the natural resources of the entire continental margin.[2]

Ever since that time members of the Interior Committee and others have been urging the administration to issue leases for mineral development beyond the 200-meter isobath, not only because of our certainty that under international law the United States has every right to do so, but more importantly because we need the energy. From time to time State and Defense Department officials have browbeaten the Interior Department into a hesitancy to issue leases beyond 200 meters, claiming that in their opinion U.S. rights in such areas were in question. That position was addressed in the report of the special subcommittee as follows:

(1) The offer to renounce our sovereign rights beyond the 200-meter isobath could cast a cloud on our present title to the resources of our continental margin;

(2) The renunciation of our sovereign rights to the resources of our continental margin beyond the 200-meter isobath in no way guarantees the willingness of the international community to redelegate functionally to us the same rights we would renounce, and

(3) Our sovereign rights to explore and exploit our continental margin, although reaffirmed by the 1958 Geneva Shelf Convention, are nevertheless inherent rights which have vested by virtue of the natural extension beneath the sea of our sovereign land territory. Our sovereign rights to the resources of this area are not dependent upon the acquiescence and approval of the international community. To renounce these inherent rights and to ask that they be re-

[1] Outer Continent Shelf. Report by the Special Subcommittee on Outer Continental Shelf to the Committee on Interior and Insular Affairs, U.S. Senate. December 21, 1970. Pages 15–16.

[2] Report by the Special Subcommittee on Outer Continental Shelf. Page 29.

turned in part to us merely requests the international community to give us that which, *ipso facto* and *ab initio*, is rightfully ours to begin with.[3]

Clearly those overtures on the part of the State and Defense Departments were politically motivated by concern over the impact of leasing beyond the 200-meter isobath on the forthcoming International Law of the Sea Conference. As has been repeatedly pointed out in Interior Committee staff reports related to United Nations preparation for the Law of the Sea Conference, only a few landlocked countries oppose the principle that coastal States have existing rights to control mineral resources development over their entire continental margin. For example:

. . . the trend during the summer of 1971 discussion of the U.N. Seabed Committee concerning the limits of coastal state jurisdiction was toward a 200-mile boundary. Only a handful of land-locked and shelf-locked nations expressed opposition to broad limits of national jurisdiction over seabed resources. The majority of nations preferred 200 miles or the outer edge of the submerged land continent.[4]

Mr. President, on March 28 of this year the Interior Department will hold an oil and gas lease sale of certain Outer Continental Shelf lands off the Louisiana coast in the Gulf of Mexico. Of the tracts in that sale, at least 23 extend beyond the 200-meter depth contour.

Senator METCALF is to be congratulated for his persistent yet patient leadership in asserting that not only does the United States have existing rights under international law to lease beyond the 200-meter isobath, but also that it is in the national interest for the United States to do so. Thus, 56 months after Senator METCALF began his investigations as chairman of the Special Subcommittee on the Outer Continental Shelf, and 39 months after its report was issued, the Interior Department has finally seen the light.

This should be a proud day for America and a gratifying day for Senator METCALF. We salute him for his tireless efforts which have been so effective in prodding the administration into action.

Mr. HANSEN. Mr. President, I was not a member of the Special Subcommittee on the Outer Continental Shelf. However, serving on the Senate Interior Committee has made clear to me the need for development of the vital mineral resources off our coasts. At a time when U.S. companies are being nationalized abroad, when imported supplies of critical raw materials are becoming increasingly undependable, our offshore resources hold particular promise. It would be sheer folly to forfeit our existing rights to our Continental Shelf. Therefore, I am in complete accord with the position taken by the Special Subcommittee on the Outer Continental Shelf.

I would like to second the distinguished Senator from Arizona (Mr. FANNIN) in commending Senator METCALF for his important efforts—both before and after the special subcommittee issued its report—to encourage the Interior Department to proceed with leasing beyond the 200-meter isobath. For his continued diligence and patience since the special subcommittee was constituted, the American people owe him a great deal. I am proud to commend him for his leadership in this area.

Mr. JOHNSTON. Mr. President, although not a member of the Senate when the report of the Special Subcommittee on the Outer Continental Shelf was issued, I have had opportunity to participate in the deliberations of the Subcommittee on Minerals, Materials, and Fuels chaired by Senator METCALF. I heartily concur in the assessment expressed by my colleagues that Senator METCALF has played a vital role in bringing about increased leasing of Outer Continental Shelf lands, and I congratulate him for his important contributions to alleviating the energy crunch through such leasing.

It is with particular pleasure that I rise today to commend my colleague from Montana. The offshore lease sale to which he has so significantly contributed is off the coast of my own State of Louisiana. The citizens of Louisiana will benefit from the additional jobs, capital investment, and greater onshore development that will occur as a result of this lease sale. So the State of Louisiana owes a special debt to Senator METCALF for his continued leadership in this area. Accordingly, I congratulate him personally, and on behalf of the people of Louisiana, for his untiring efforts in this regard.

Mr. MOSS. Mr. President, although I am no longer a member of the Interior Committee, I had the privilege of serving on the Special Subcommittee on the Outer Continental Shelf and completely support the conclusions expressed in its report of December 1970. As a member of that subcommittee I am delighted to join my colleagues in congratulating its chairman, Senator METCALF, for his important work in this area. Oftentimes the administration turned a seemingly deaf and uncooperative ear to his counsel. At last, however, the Interior Department has scheduled the OCS lease sale so long recommended by my distinguished colleague from Montana. I congratulate him for this important achievement.

That accomplishment is all the more significant because, as my colleague Senator FANNIN has pointed out, some have argued against it on the grounds that it might jeopardize international negotiations. On the contrary, I quote from the first Interior Committee staff report on the law of the sea that—

There has been a substantial diminution of the prospects for international acceptance of the administration proposal calling for the nations of the world to renounce their sovereign rights in their continental margins beyond the 200-meter depth contour. A majority of coastal nations represented on the U.N. Seabed Committee have adopted a position on the outer limits of exclusive national jurisdiction over seabed resources more consistent with the position taken by the Special Subcommittee on the Outer Continental Shelf.

The U.S. Government must protect the concerns of its nationals by insuring them their right to explore and develop the natural resources on our continental margin beyond the 200-meter isobath.

Thanks to the leadership of the distinguished Senator from Montana (Mr. METCALF) a major step has been taken in the direction of making those assurances.

Mr. BELLMON. Mr. President, I congratulate my distinguished colleague from Montana for the role he has played in encouraging administration action on OCS leasing beyond the 200-meter depth contour. While serving under his chairmanship on the special Subcommittee on the Outer Continental Shelf, it became clear to me that such action would not be prompt in coming. As the years went by following issuance of the special subcommittee report, Senator METCALF persisted in his efforts to encourage Interior Department leasing of OCS tracts far offshore. It is a tribute to his patient and skillful leadership that the March 28 lease sale has been scheduled. I salute him for his success in the area of development of resources on our entire continental margin.

Senator METCALF has also pioneered in another related area, that of deep seabed mining. I have cosponsored his bill, S. 1134, the Deep Seabed Hard Mineral Resources Act. It applies a similar principle to resource development on the high seas that the special subcommittee called for with respect to resources on the continental margin beyond the 200-meter isobath. The special subcommittee report phrased it this way:

Prior to adoption of a seabed treaty . . . the U.S. Government should provide measures designed to insure protection of investors who desire to exercise present high seas rights to explore and exploit the wealth of the deep seabed beyond the limits of the submerged land continent.

Senator METCALF has been pressing for action on S. 1134 throughout the Interior Committee's extensive hearings on the bill. I hope that the leadership abilities he directed to OCS mineral development will achieve equal success for S. 1134.

OMB IMPOUNDMENT REPORT

Mr. ERVIN. Mr. President, I call to the attention of the Senate the latest report by the Office of Management and Budget under the Federal Impoundment and Information Act, as amended.

This report lists the amount of appropriated funds which the administration had in reserve as of February 4, 1974.

Because of the interest in the issue of impoundment of appropriated funds, I ask unanimous consent that the OMB

[3] Report by the Special Subcommittee on Outer Continental Shelf. Page 29.

[4] *The Law of the Sea Crisis*. A Staff Report on the United Nations Seabed Committee, the Outer Continental Shelf and Marine Mineral Development. Committee on Interior and Insular Affairs, United States Senate. December 1971. Page 5.

report be printed in the RECORD for the information of the Senate.

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

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C., February 19, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The enclosed report is submitted pursuant to the Federal Impoundment and Information Act, as amended. In accordance with that Act, the report is being transmitted to the Congress and to the Comptroller General of the United States, and will be published in the Federal Register.

Sincerely,

ROY L. ASH,
Director.

BUDGETARY RESERVES AS OF FEBRUARY 4, 1974

The apportionment and reservation of funds process

The Antideficiency Act (31 U.S.C. 665) requires, with certain exceptions, that all appropriations, funds, and contract authority be apportioned so as to: prevent obligation of funds in a manner which would require deficiency or supplemental appropriations; achieve the most effective and economical use of amounts made available; provide for contingencies; and effect savings. The Act also requires that apportionments shall be reviewed at least four times each year, and it authorizes reapportionments and the establishment of reserves. The authority granted by this Act is exercised by the Director of the Office of Management and Budget under authority delegated by the President.

Apportionments specify the amounts that may be obligated during specific time periods, usually within the current fiscal year. In some cases, specific provisions of law provide that funds should be available over a period longer than one year. In cases where the amount of contract authority available a year in advance is specified by law, a distinction is made in the accompanying report (Attachment D) between the 1974 and 1975 programs.

The practice of withholding some amounts—"reserving" them—from apportionment, either temporarily or for longer periods, is one of long-standing and has been exercised by all recent administrations as a customary part of financial management. The Antideficiency Act authorizes the withholding of funds from apportionment to provide for contingencies or to effect savings made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which the funds were made available. When funds are, by law, made available beyond the current fiscal year, they are generally not fully apportioned in the current year. The unapportioned part is withheld to be released later for use in subsequent years, as required.

In some legislative and appropriation actions, the Congress has required the withholding of specialized funds. For example, the 1973 Agriculture-Environmental and Consumer Protection Appropriation Act (Public Law 92-399) explicitly required that an amount be placed in reserve pending an administrative determination of need. In other cases, notably the 1974 Labor-HEW Appropriations Act (Public Law 93-192), Congress has authorized the withholding from obligation and expenditure of specified amounts or percentages of appropriated funds. A table showing the amounts withheld under Public 93-192 is Attachment A to this report.

In this case, and in instances in which statutory restrictions prevent the use of funds during the fiscal year, the amounts are not considered a part of availability and are therefore not included in the listings of reserves.

In yet another case, Congress has made funds available only upon the arrival of certain contingencies. The 1974 Supplemental Appropriations Act (Public Law 93-245) sets aside a contingency reserve for the Interior Department's Office of Oil and Gas which is to become available only upon enactment of emergency energy legislation.

These Congressional directives are, however, the exception rather than the rule. Most reserves are established at the initiative of the Executive Branch and are based on operational knowledge of the status of specific projects or activities. For example, when a particular objective can be accomplished at less cost than had been anticipated when the appropriation was made, a reserve assures that savings can be realized and, if appropriate, returned to the Treasury. In other cases, apportionments sometimes await (1) development by the affected agencies of approved plans and specifications, (2) completion of studies for the effective use of the funds, including necessary coordination with the other Federal and non-Federal parties that might be involved, (3) establishment of a necessary organization and designation of accountable officers to manage the programs, or (4) the arrival of certain contingencies under which the funds must by statute be made available (e.g., certain direct Federal credit aids when private sector loans are not available). From time to time, reserves are established for the purpose of conforming to the requirements of other laws. An example is the Executive's responsibility to stay within the statutory limitation on the outstanding public debt.

Most, but not all, funds provided by the Congress are subject to the apportionment process. Subsection (f) of the Antideficiency Act authorizes a series of exemptions. Temporary continuing appropriations are exempt from the apportionment process (Public Law 93-52, as amended, Section 103). Appropriations provided under such temporary continuing appropriation acts are usually indefinite in amount. In addition, some laws establish funding arrangements which are either outside the apportionment process or require Executive determinations before they become subject to apportionment. The Federal Water Pollution Control Act of 1972 (Public Law 92-500), for example, vests discretion in the Administrator of the Environmental Protection Agency to allot less than the maximum amounts authorized by the Act.* Under the provisions of the Act, authority to make contracts, does not exist until the allotment is made. Consequently, fund availability (budget authority) exists only when allotmen are made and only allotted funds move through the apportionment process. At this date, funds authorized by the Federal Water Pollution Control Act have been allotted on the following basis (dollars in billions):

	Authorized	Allotted	Unallotted
Fiscal years:			
1973	5	2	3
1974	6	3	3
1975	7	4	3

*Whether the discretion exists at the allotment stage or at some later stage is now before the courts.

Funds for the Department of Housing and Urban Development present two unique situations with respect to the apportionment of funds. An appropriation for five subsidized housing programs is provided under the account "Housing payments." This appropriation is requested for the payments coming due within a given fiscal year for housing subsidy programs for which long-term commitment authority has been authorized. Fund availability is represented only by the balances of the appropriated amounts; it does not represent the balance of the commitment authority which may extend from 30 to 40 years. Since reserves are established only on the basis of fund availability, and since funds appropriated for this program are needed for liquidation at an early date, no reserves have been established for the subsidized housing programs.

Funds for the Rehabilitation loan program of the Department of Housing and Urban Development have been the subject of litigation in the District Court for the District of Columbia. A total of $37,218,000 is involved, representing estimated repayments and interest not subject to appropriation action. The amount at issue includes funds which have not yet been—and may not be—received during the current fiscal year.

The amount of funds apportioned or held in reserve at any one time is heavily dependent upon events both preceding and following initial apportionment actions. Key among the predecessor events is the passage of the annual appropriation bills. Apportionments for most Federal programs are made within 30 days of enactment of the appropriation bills. The earlier in the fiscal year these apportionments occur, the greater is the chance that reserves will accompany them. Early in the fiscal year, program and project plans are incomplete and allowances need to be made for contingencies which may occur later in the year. As administrative plans are completed and other events occur during the year, the need for reserving funds diminishes. Thus, for any one fiscal year, the amount in reserve is relatively low at the beginning of the year (reflectng primarily multi-year funds), peaks 30 days after passage of most of the appropriation bills, and then steadily diminishes as the end of the fiscal year approaches.

Reserves as of February 4, 1974

All but $3.7 billion of the $11.8 billion in reserve for 1974 is accounted for by reserve actions in three years: Federal aid highways ($3.4 billion), emergency security assistance for Israel ($2.2 billion), and programs of the Department of Defense ($2.5 billion). Virtually all of the $6.3 billion in reserve for 1975 is in the Federal aid highways account and other highway programs.

The $4.4 billion increase in budgetary reserves for the 1974 program reflects the passage of ten regular appropriation bills and a supplemental appropriation bill since the September 30 report, which included apportionments and reserves for only the three appropriation bills then enacted.

Reserve actions have been initiated in some programs and amounts in reserve increased in others principally to await completion of 1974 program and project plans and to meet contingencies during the 1974 program-year. In the case of programs which have been provided obligational authority beyond the current fiscal year, reserves have been established to ensure that funds will be available beyond FY 1974 as needed. In addition, reserve actions have been taken in some programs to set aside funds to be used later in the year to meet increased pay costs and thus eliminate the need for supplemental appropriations.

Report required by law

This report is submitted in fulfillment of the requirements of the "Federal Impoundment and Information Act," as amended, which provides for a report of "impoundments" and certain other information pertaining thereto. This report lists the budgetary reserves that were in effect as of February 4, 1974.

The Antideficiency Act requires that all apportionments be reviewed at least quarterly, and that reapportionments be made or reserves be established, modified, or released as may be necessary to further the effective use of the funds concerned. Thus, in answer to item Number 5 of the Federal Impoundment and Information Act, the period of time during which funds are to be in reserve is dependent in all cases upon the results of such later review.

Attachment D lists, by agency, all accounts for which some funds are reserved. An asterisk (*) identifies those accounts added to the listing since the last report (i.e., such accounts contained no reserves on September 30, 1973). The listing:

Presents the amount currently apportioned for the fiscal year 1974:

Presents the amount in reserve as of February 4, 1974:

States whether the amount reserved will be legally available for obligation in fiscal year 1975;

Indicates the date of the reserve action and the effective date of the current reserve;

Presents a code which relates to the reason for the current reserve action, without necessarily exhausting all possible reasons; and

Presents a code which indicates the estimated fiscal, economic, and budgetary impact of the current reserve.

Codes used in the remainder of this report relating to the reasons for and estimated fiscal, economic, and budgetary impact of the reserve actions are described in Attachments B and C. The codes and footnotes listed for each entry relate to conditions which were in effect as of the date of the reserve action.

1974 LABOR/HEW APPROPRIATIONS—FUNDS WITHHELD FROM OBLIGATION AND EXPENDITURE

The 1974 appropriations act for the Departments of Labor, and Health, Education, and Welfare, and related agencies (P.L. 93-192) contains the provision that "not to exceed $400 million, . . . may be withheld from obligation and expenditure. . . ." The appropriation provision may be reduced by more than five percent. In addition, the conference report (H.R. 93-682) establishes dollar limitations for the reductions that may be made to specified programs.

The following table shows the effect of the amounts withheld from programs receiving appropriations under this act. A comparison is drawn between amounts authorized to be withheld in the conference report and actual amounts withheld, as reflected in the 1975 Budget Appendix:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[In thousands of dollars]

	Authorized to be withheld (conference report)	Amounts withheld (1975 budget)	Difference
HEALTH			
Health Services and Mental Health Administration:			
Mental health	26,874	9,567	−17,307
Health services planning and development[1]	17,509	25,937	−16,649
Health services delivery[1]	2,800		
Health manpower[1]	22,277		
Preventive health services	4,936	0	−4,936
Subtotal	74,396	35,504	−38,892
National Institutes of Health:			
National Cancer Institute	27,560	23,706	−3,854
National Heart and Lung Institute	15,145	13,365	−1,780
National Institute of Dental Research	2,278	1,607	−671
National Institute of Arthritis, Metabolism and Digestive Diseases	7,972	6,486	−1,486
National Institute of Neurological Diseases and Stroke	6,250	5,042	−1,208
National Institute of Allergy and Infectious Diseases	5,700	3,596	−2,104
National Institute of General Medical Sciences	8,838	8,449	−389
National Institute of Child Health and Human Development	6,512	5,357	−1,155
National Eye Institute	2,081	1,684	−397
National Institute of Environmental Health Sciences	1,443	482	−961
Research resources	6,672	5,153	−1,519
John E. Fogarty International Center	237	0	−237
National Library of Medicine	877	0	−877
Subtotal	91,564	74,927	−16,637
Total, health	165,960	110,431	−55,528
EDUCATION			
Office of Education:			
Elementary and secondary education	96,725	94,979	−1,746
School assistance in federally affected area	16,584	16,584	0
Education for the handicapped	5,325	5,325	0
Occupational, vocational, and adult education	26,354	26,354	0
Higher education	29,167	29,167	0
Library resources	8,585	3,688	−4,897
Educational development	4,487	4,487	0
Salaries and expenses	93	93	0
Total, education	187,320	180,677	−6,643
WELFARE			
Social and Rehabilitation Service:			
Grants to States for public assistance	2,500	2,500	0
Social and rehabilitation services	7,775	7,775	0
Subtotal	10,275	10,275	0
Office of Child Development:			
Child development (total)	15,500	9,020	−6,480
Total, welfare	25,775	19,295	−6,480
RELATED AGENCIES			
Corporation for Public Broadcasting	2,500	[2] 2,250	−250
Office of Economic Opportunity	17,315	[3] 9,800	−7,515
Total, related agencies	18,815	12,050	−7,765
Total, HEW and related agencies	398,870	322,453	−76,416

[1] The 1974 activities of these programs are divided between Health Services Administration and health resources in the 1975 budget appendix.

[2] This withholding does not appear in the 1975 budget appendix.

[3] In the 1975 budget appendix, this figure is shown as an unobligated balance lapsing.

REASON FOR CURRENT RESERVE

Code 1. "To provide for contingencies" (31 USC 665(c)(2)).

Code 2. "To effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such (funds were) made available" (31 USC 665(c)(2)).

Code 3. To reduce the amount of or to avoid requesting a deficiency or supplemental appropriation in cases of appropriations available for obligation for only the current year (31 USC 665(c)(1)). This explanation includes amounts anticipated to be used to absorb or partially absorb the costs of recent pay raises grant pursuant to law.

Code 4. "To achieve the most effective and economical use" of funds available for periods beyond the current fiscal year (31 USC 665(c)(1)). This explanation includes reserves established to carry out the Congressional intent that funds provided for periods greater than one year should be so apportioned that they will be available for the future periods.

Code 5. Temporary deferral pending the establishment of administrative machinery (not yet in place) of the obtaining of sufficient information (not yet available) to apportion the funds properly and to insure that the funds will be used in "the most effective and economical" manner (31 USC 665(c)(1)). This explanation includes reserves for which apportionment awaits the development by the agency of approved plans, designs, specifications.

Code 6. The President's constitutional duty to "take care that the laws be faithfully executed" (U.S. Constitution, Article II, Section 3):

Code 6a—Obligation at this time of the amount in reserve is likely to contravene law regarding the environment; or the amount in reserve is being held pending further study to evaluate the environmental impact of the affecting projects (activities) as required by law.

Code 6b—Existing tax laws and the statutory limitation on the national debt are not expected to provide sufficient funds in the current and ensuing fiscal years to cover the total of all outlays in these years contemplated by the individual acts of Congress.

Code 6c—Action taken consistent with the President's responsibility to help maintain economic stability without undue price and cost increases.

Code 6d—Amount apportioned reflects the level of obligations implicitly approved by the Congress in its review of and action on the appropriation required to liquidate obligations under existing contract authority.

Code 6e—Other. See footnote for each item so coded.

Code 7. The President's constitutional authority and responsibility as Commander in Chief (U.S. Constitution, Article II, Section 2).

Code 8. The President's constitutional authority and responsibility for the conduct of foreign affairs (U.S. Constitution, Article II, Section 2).

Code 9. Other. See footnote for each item so coded.

Code 10. Not applicable or no reason required. (In most cases where a previous reserve has been apportioned in its entirety.)

ESTIMATED FISCAL, ECONOMIC, AND BUDGETARY EFFECT

I. Same effect as set forth in the most recently submitted budget document, of which this item is an integral part.

II. The reserve action will bring the budgetary impact of this program to a level nearer or equal to that contemplated in the most recently submitted budget document and contribute to the reduction of inflationary pressures.

III. The change from the previous reserve is expected to contract the budgetary impact of this program and contribute to the reduction of inflationary pressures.

IV. The release or reduction of the previous reserve will facilitate use and expenditure of the available funds consistent with current program needs and economic conditions in the area affected.

V. Other. See footnote for each item so coded.

VI. Not applicable or no explanation required. (In most cases where a previous reserve has been apportioned in its entirety.)

SUMMARY OF BUDGETARY RESERVES

[In millions of dollars [1]]

Agency	Amount as of— Sept. 30, 1973	Amount as of— Feb. 4, 1974
1974 PROGRAM		
Executive Office of the President		1
Funds appropriated to the President	96	2,507
Department of Agriculture	1,173	1,091
Department of Commerce	63	59
Department of Defense—military	1,143	2,514
Department of Defense—civil	1	4
Department of Health, Education, and Welfare	23	381
Department of Housing and Urban Development	456	823
Department of the Interior	162	219
Department of Justice	14	14
Department of Labor		21
Department of State		86
Department of Transportation	3,838	3,817
Department of Treasury	22	23
Atomic Energy Commission	27	
Environmental Protection Agency		95
General Services Administration	258	38
National Aeronautics and Space Administration	2	2
Veterans' Administration	43	
Other independent agencies:		
National Science Foundation	4	
Small Business Administration	31	31
All other	90	89
Total	7,446	11,813
1975 PROGRAM		
Department of Agriculture		140
Department of the Interior	75	190
Department of Transportation		5,994
Total	75	6,324

[1] Details may not add due to rounding.

BUDGETARY RESERVES

[In thousands of dollars]

[General notes.—Amounts in parenthesis indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account carried on the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated fiscal, economic, and budgetay effect (see code)
Executive Office of the President—Funds appropriated to the President:							
Appalachian Regional Commission: Appalachian Regional Development Programs	(209,000)	(225,000)	Yes	June 29, 1973	July 1, 1973	5, 6c	I
	(320,395)	(40,000)	Yes	Sept. 12, 1973	Sept. 12, 1973	5, 6c	I
	325,747	40,000	Yes	Oct. 23, 1973	Oct. 23, 1973	5, 6c	I
Agency for International Development: Prototype desalting plant		(20,000)	Yes	Apr. 7, 1972	July 1, 1973	5	I
	(1)	20,000	Yes	Jan. 29, 1974	Jan. 29, 1974	5	I
Foreign Military Credit Sales*	78,940	246,060	No	Jan. 23, 1974	Jan. 23, 1974	5	I
Emergency Security Assistance for Israel*		[2] 2,200,000	No	Feb. 1, 1974	Feb. 1, 1974	5	I
Council on Environmental Quality and Office of Environmental Quality*	1,930	536	No	Nov. 7, 1973	Nov. 7, 1973	5	
Special Action Office for Drug Abuse Prevention:*							I
Salaries and expenses	(3,800)	(1,200)	No	Dec. 26, 1973	Dec. 26, 1973	5	I
	5,000		NA	Jan. 11, 1974	Jan. 11, 1974	10	VI
Pharmacological research*	(400)	(19,600)	No	Dec. 26, 1973	Dec. 26, 1973	5	I
	20,000		NA	Jan. 11, 1974	Jan. 11, 1974	10	VI
Special Fund*	(1,300)	(24,700)	No	Dec. 26, 1973	Dec. 26, 1973	5	I
	26,000		NA	Jan. 11, 1974	Jan. 11, 1974	10	VI
National Security Council*	2,502	300	No	Nov. 16, 1973	Nov. 16, 1973	5	I
The Inter-American Foundation: Inter-American Foundation	(5,000)	(35,652)	Yes	June 12, 1973	July 1, 1973	4	V [3]
	(5,000)	(35,735)	Yes	Dec. 4, 1973	Dec. 4, 1973	4	I
	10,000	(3)	NA	Jan. 28, 1974	Jan. 28, 1974	10	VI [4]
Department of Agriculture:							
Agriculture Research Service: Construction		1,520	Yes	June 29, 1973	July 1, 1973	4, 6b	I
Animal and Plant Health Inspection Service:							
Animal and plant health inspection service*	317,083	878	No	Nov. 23, 1973	Nov. 23, 1973	1	I
Animal quarantine station*	130,000	64	Yes	do	do	5	I
Extension service: Extension service*	201,429	3,200	No	do	do	2	I
Foreign Agriculture Service: Salaries and expenses, special foreign currency program	1,000	1,240	Yes	May 23, 1973	July 1, 1973	4	I
Agricultural Stabilization and Conservation Service:							
Salaries and expenses*	(256,626)	(2,619)	No	Nov. 23, 1973	Nov. 23, 1971	1	I
	256,443	2,802	No	Jan. 21, 1974	Jan. 21, 1974	2	I
Rural environmental assistance program 1973–74	( )	(210,500)	No [5]	Jan. 26, 1973	July 1, 1973	6b	I
Rural Environmental Assistance Program—1974–75	90,000	85,000	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Emergency Conservation Measures*	20,453	10,000	Yes	do	do	1	I
Water Bank Act Program		(11,391)	Yes	Jan. 26, 1973	July 1, 1973	6b	I
	10,006	11,645	Yes	Nov. 23, 1973	Nov. 23, 1973	6b	I
Cropland Adjustment Program*	50,300	1,600	No	do	do	2	I
Commodity Credit Corporation: Administrative expenses*		(497)	No	do	do	1	I
	[6] 39,631	269	No	Dec. 21, 1973	Dec. 21, 1973	1	III
Rural Electrification Administration: Loans		456,103	Yes	Jan. 26, 1973	July 1, 1973	2, 6b, 6c	I
Farmers Home Administration:							
Rural Water and Waste Disposal Grants		(120,000)	Yes	Jan. 26, 1973	do	6b, 6c	I
		(150,304)	Yes	Nov. 23, 1973	Nov. 23, 1973	6b, 6c	I
	30,000	120,304	Yes	Nov. 28, 1973	Nov. 28, 1973	6b, 6c	I
Rural Housing for Domestic Farm Labor Grants		(1,621)	Yes	Jan. 31, 1973	July 1, 1973	5, 6b	I
	(750)	(1,831)	Yes	Sept. 10, 1973	Sept. 10, 1973	5, 6b	V [7]
	1,000	9,081	Yes	Nov. 23, 1973	Nov. 23, 1973	5, 6b	I
Mutual and Self-Help Housing Grants		(832)	Yes	Sept. 22, 1972	July 1, 1973	4	I
	3,832	1,001	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Rural Housing Insurance Fund		(133,000)	Yes	Jan. 26, 1973	July 1, 1973	4	I
	[6] 1,435,035		NA	Sept. 12, 1973	Sept. 12, 1973	10	VI
Soil Conservation Service:							
Resource Conservation and Development*	24,189	4,439	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Watershed Planning*	13,268	535	Yes	do	do	4	I
River Basin Surveys and Investigations*	16,587	60	Yes	do	do	4	I
Watershed and Flood Prevention Operations*	169,448	17,454	Yes	do	do	4	I
Agricultural Marketing Service:							
Marketing services, no-year	(1,422)	(818)	Yes	June 11, 1973	July 1, 1973	4	I
	(1,812)	(818)	Yes	Sept. 26, 1973	Sept. 26, 1973	4	I
	1,812	1,101	Yes	Jan. 22, 1974	Jan. 22, 1974	4	I
Perishable Agricultural Commodities Act Fund	(1,416)	(58)	Yes	June 11, 1973	July 1, 1973	4	I
	1,460	270	Yes	Dec. 26, 1973	Dec. 26, 1973	4	I

See footnotes at end of table.

BUDGETARY RESERVES—Continued

[In thousands of dollars]

[General notes.—Amounts in parenthesis indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated fiscal, economic, and budgetary effect (see code
Department of Agriculture—Continued							
Forest Service:							
Forest protection and utilization*	(3,791)	(2,128)	Yes	Nov. 2, 1973	Nov. 2, 1973	4	I
	3,846	2,073	Yes	Jan. 2, 1974	Jan. 2, 1974	4	I
Construction and land acquisition*	52,196	1,315	Yes	Nov. 2, 1973	Nov. 2, 1973	5	I
Youth Conservation Corps*	(6,693)	(3,307)	Yes	Nov. 9, 1973	Nov. 9, 1973	4	I
	6,893	[9] 3,107	Yes	Jan. 11, 1974	Jan. 11, 1974	4	I
Forest roads and trails and roads and trails for States/1974 program	(.....)	(278,398)	Yes	Mar. 28, 1973	July 1, 1973	4, 6b, 6d	I
	(117,164)	(208,934)	Yes	July 16, 1973	July 16, 1973	4, 6d [11]	I
	(123,558)	(342,894)	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 6d	I
	131,815	334,636	Yes [10]	Jan. 23, 1974	Jan. 23, 1974	4, 6d	I
Forest roads and trails and roads and trails for States—1975 program		140,000	Yes	Nov. 2, 1973	Nov. 2, 1973	6d	I
Brush disposal	(18,657)	(26,601)	Yes	June 8, 1973	July 1, 1973	5	I
	25,000	21,554	Yes	Nov. 2, 1973	Nov. 2, 1973	4	V [12]
Forest fire prevention	275	109	Yes	June 8, 1973	July 1, 1973	4	I
Department of Commerce:							
General administration: Special foreign currency program*	1,885	1,055	Yes	Dec. 21, 1973	Dec. 21, 1973	2	II
Office of Assistant Secretary for Science and Technology: Scientific and technical research and services*	131,485	11,934	Yes	Dec. 27, 1973	Dec. 27, 1973	5	I
Social and Economic Statistics Administration: 1974 Census of Agriculture		(1,360)	Yes	Nov. 24, 1972	July 1, 1973	2, 4	I
	1,300		NA	Sept. 12, 1973	Sept. 12, 1973	10	VI
Domestic and International Business:							
Financial and technical assistance, trade adjustment assistance*	15,000	11,780	Yes	Dec. 21, 1973	Dec. 21, 1973	2	I
International Activities, Inter-American Cultural and Trade Center	292	5,067	Yes	June 26, 1973	July 1, 1973	4, 5	I
Participation in United States Expositions (Spokane Ecological Exhibition)*	7,575	[13] 1,105	Yes	Oct. 5, 1973	Oct. 5, 1973	4, 5	I
Office of Minority Business: Minority Business Development, no-year		(16,768)	Yes	Jan. 26, 1973	July 1, 1973	4, 6b	I
	(9,080)	(14,330)	Yes	July 24, 1973	July 24, 1973	5	I
	26,752		NA	Oct. 16, 1973	Oct. 16, 1973	10	VI
National Oceanic and Atmospheric Administration:							
Operations, Research, and Facilities [14]		(31,005)	Yes	June 28, 1973	July 1, 1973	2, 4, 6b	I
	(29,868)	(2,392)	Yes	July 19, 1973	July 19, 1973	2, 4, 6b	I
	(30,082)	(2,178)	Yes	Sept. 26, 1973	Sept. 26, 1973	2, 4	I
	(406,694)	(2,178)	Yes	Dec. 27, 1973	Dec. 27, 1973	3	I
	416,981	2,178	Yes	Jan. 16, 1974	Jan. 16, 1974	3 [15]	I
Satellite Operations [16]		(727)	Yes	June 28, 1973	July 1, 1973	5	I
	727		NA	Dec. 27, 1973	Dec. 27, 1973	10	VI
Promote and Develop Fishery Products and Research Pertaining to American Fisheries	(7,191)	(3,159)	Yes	Mar. 29, 1973	July 1, 1973	4, 5, 6a	I
	(7,336)	(3,111)	Yes	July 26, 1973	July 26, 1973	4, 5, 6a	I
	7,450	3,027	Yes	Dec. 21, 1973	Dec. 21, 1973	4, 5, 6a	I
Coastal zone management*	−5,200	6,800	Yes	Dec. 21, 1973	Dec. 21, 1973	4	I
National Bureau of Standards:							
Plant and facilities		1,850	Yes	Nov. 24, 1972	July 1, 1973	2, 4, 6b	I
Research and technical services, no-year		3,812	Yes	May 7, 1973	do	5, 6b	I
Construction of facilities	(.....)	(740)	Yes	Jan. 26, 1973	do	4, 6b	I
	539	231	Yes	Dec. 21, 1973	Dec. 21, 1973	1	I
Maritime Administration:							
Ship construction	(.....)	(34,000)	Yes	June 29, 1973	July 1, 1973	4	III
	(9,137)	(24,863)	Yes	July 27, 1973	July 27, 1973	4	IV
	304,953	5,500	Yes	Dec. 21, 1973	Dec. 21, 1973	2	II
Research and development		5,000	Yes	Jan. 18, 1973	July 1, 1973	4,6b	I
State marine schools		127	Yes	Nov. 24, 1972	do	4	I
Federal ship financing fund	(2,582)	(1,446)	Yes	June 27, 1973	July 1, 1973	5	I
	4,026		NA	Oct. 11, 1973	Oct. 11, 1973	10	VI
Department of Defense—Military:							
Procurement:							
Missile procurement, Army, 1973–1975	(.....)	(2,500)	Yes	Feb. 5, 1973	July 1, 1973	4	I
	163,382		NA	Sept. 11, 1973	Sept. 11, 1973	10	VI
Procurement of aircraft and missiles, Navy, 1973–1975	(.....)	(13,281)	Yes	June 29, 1973	July 1, 1973	5	I
	(946,747)	(13,281)	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
	878,276		NA	Jan. 28, 1974	Jan. 28, 1974	10	VI
Aircraft procurement, Air Force, 1972–1974	(415,551)	(143,492)	No	Sept. 7, 1973	Sept. 7, 1973	5	I
	368,478		NA	Nov. 1, 1973	Nov. 1, 1973	10	VI
Aircraft procurement, Air Force, 1973–1975	(1,076,916)	(160,556)	Yes	Sept. 7, 1973	Sept. 7, 1973	5	I
	1,224,500		NA	Nov. 1, 1973	Nov. 1, 1973	10	VI
Shipbuilding and conversion, Navy, 1971–1975	(.....)	(145,672)	Yes	Nov. 24, 1972	July 1, 1973	4	I
	892,655		NA	Sept. 11, 1973	Sept. 11, 1973	10	VI
Shipbuilding and conversion, Navy, 1972–1976		(427,212)	Yes	Nov. 24, 1972	July 1, 1973	4	I
	738,000	148,081	Yes	Sept. 11, 1973	Sept. 11, 1973	4	I
Shipbuilding and conversion, Navy, 1973–1977		(763,300)	Yes	June 29, 1973	July 1, 1973	4	I
	992,000	408,512	Yes	Sept. 11, 1973	Sept. 11, 1973	4	I
Shipbuilding and conversion, Navy, 1974–1978*	2,711,300	826,800	Yes	Jan. 28, 1974	Jan. 28, 1974	4	I
Military Construction:							
Military construction, Army		(70,304)	Yes	June 27, 1973	July 1, 1973	5	I
	(648,440)	(90,954)	Yes	Aug. 16, 1973	Aug. 16, 1973	5	I
	(648,020)	(95,488)	Yes	Dec. 27, 1973	Dec. 27, 1973	5	I
	(762,670)	(558,958)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	1,184,957	138,956	Yes	Jan. 24, 1974	Jan. 24, 1974	5	I
Military construction, Navy		(68,133)	Yes	June 27, 1973	July 1, 1973	5	I
	(385,805)	(65,858)	Yes	Aug. 14, 1973	Aug. 14, 1973	5	I
	(334,948)	(64,674)	Yes	Oct. 11, 1973	Oct. 11, 1973	5	I
	(336,468)	(64,754)	Yes	Oct. 16, 1973	Oct. 16, 1973	5	I
	(336,848)	(64,774)	Yes	Nov. 14, 1973	Nov. 14, 1973	5	I
	(338,174)	(64,439)	Yes	Dec. 17, 1973	Dec. 17, 1973	5	I
	412,974	598,931	Yes	Jan. 9, 1974	Jan. 9, 1974	5	I
Military construction, Air Force	(.....)	(51,607)	Yes	June 27, 1973	July 1, 1973	5	I
	(180,860)	(49,773	Yes	July 20, 1973	July 20, 1973	5	I
	(141,224)	(39,009)	Yes	Aug. 14, 1973	Aug. 14, 1973	5	I
	(160,501)	(39,409)	Yes	Oct. 16, 1973	Oct. 16, 1973	5	I
	(171,972)	(29,937)	Yes	Jan. 7, 1974	Jan. 7, 1974	5	I
	218,426	232,760	Yes	Jan. 17, 1974	Jan. 17, 1974	5	I

See footnotes at end of table.

BUDGETARY RESERVES—Continued

[In thousands of dollars]

[General notes.—Amounts in parenthesis indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Military construction, Defense agencies	(----------)	(58,415)	Yes	Feb. 15, 1973	July 1, 1973	5	I
	(8,000)	(58,215)	Yes	Aug. 23, 1973	Aug. 23, 1973	5	I
	(8,957)	(56,615)	Yes	Oct. 16, 1973	Oct. 16, 1973	5	I
	(10,277)	(54,895)	Yes	Nov. 14, 1973	Nov. 14, 1973	5	I
	(10,277)	(53,904)	Yes	Nov. 17, 1973	Nov. 17, 1973	5	I
	(15,133)	(49,048)	Yes	Jan. 9, 1974	Jan. 9, 1974	5	I
	15,133	46,763	Yes	Jan. 24, 1974	Jan. 24, 1974	5	I
Military construction, Army National Guard	(----------)	(102)	Yes	June 14, 1973	July 1, 1973	5	I
	(3,051	(----------)	NA	Aug. 16, 1973	Aug. 16, 1973	10	VI
	8,943	29,300	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
Military construction, Air National Guard	(----------)	(17)	Yes	May 29, 1973	July 1, 1973	5	I
	(5,280)	(17)	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
	(5,280)	(----------)	Yes	Oct. 23, 1973	Oct. 23, 1973	10	VI
	4,278	16,000	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
Military construction, Army Reserve	----------	(7,109)	Yes	Mar. 8, 1973	July 1, 1973	5	I
	(25,423)	(7,109)	Yes	Sept. 10, 1973	Sept. 10, 1973	5	I
	(29,909)	(2,623)	Yes	Nov. 8, 1973	Nov. 8, 1973	5	I
	34,709	38,523	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
Military construction, Naval Reserve	----------	(3,943)	Yes	May 3, 1973	July 1, 1973	5	I
	(17,640)	(1,842)	Yes	Aug. 8, 1973	Aug. 8, 1973	5	I
	(18,657)	(915)	Yes	Nov. 8, 1973	Nov. 8, 1973	5	I
	20,099	22,373	Yes	Jan. 14, 1974	Jan. 14, 1974	5	I
Military construction, Air Force Reserve	----------	(850)	Yes	June 20, 1973	July 1, 1973	5	I
	(2,415)	(850)	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
	(2,444)	(821)	Yes	Oct. 23, 1973	Oct. 23, 1973	5	I
	(3,444)	(9,821)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	10,089	3,176	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Defense Civil Preparedness Agency: Research, shelter survey, and marketing*	24,617	1,100	Yes	Nov. 27, 1973	Nov. 27, 1973	5	I
Special foreign currency program:							
Special foreign currency program, Defense, 1972–74	----------	(2,477)	Yes	Dec. 18, 1972	July 1, 1973	5	I
	3,169	2,051	No	Aug. 31, 1973	Aug. 31, 1973	5	I
Special foreign currency program, Defense, 1973–1975	----------	(400)	Yes	Dec. 4, 1972	July 1, 1973	5	I
	2,998	400	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
Department of Defense—Civil:							
Corps of Engineers:							
General Investigations	----------	(150)	Yes	June 29, 1973	July 1, 1973	5	I
	65,084	150	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [17]	II
Construction	----------	(783)	Yes	June 29, 1973	July 1, 1973	5	I
	(9,100)	(333)	Yes	July 27, 1973	July 27, 1973	5	I
	(9,175)	(258)	Yes	July 30, 1973	July 30, 1973	5	I
	1,114,829	258	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [17]	II
Flood control, Mississippi River and tributaries	----------	(750)	Yes	June 29, 1973	July 1, 1973	5	I
	(151,819)	(750)	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [17]	II
	166,419	750	Yes	Jan. 26, 1974	Jan. 26, 1974	5	I
Soldiers' and Airmens' Home: Capital outlay*	2,165	612	Yes	Jan. 4, 1974	Jan. 4, 1974	5	I
Panama Canal: Canal Zone Government, capital outlay	----------	(700)	Yes	Sept. 8, 1972	July 1, 1973	5	I
	36	81	Yes	Sept. 14, 1973	Sept. 14, 1973	1	V [18]
Wildlife Conservation:							
Wildlife conservation, Army	(598)	(107)	Yes	June 14, 1973	July 1, 1973	1	I
	606	342	Yes	Jan. 31, 1974	Jan. 31, 1974	1	I
Wildlife conservation, Navy	(60)	(8)	Yes	June 14, 1973	July 1, 1973	1	I
	69	22	Yes	Oct. 3, 1973	Oct. 3, 1973	1	I
Wildlife conservation, Air Force	(124)	(40)	Yes	June 14, 1973	July 1, 1973	1	I
	124	20	Yes	Jan. 22, 1974	Jan. 22, 1974	1	I
Salaries and expenses: Cemeterial expenses, Army	14,448	2,053	Yes	Sept. 14, 1973	Sept. 14, 1973	5	I
Department of Health, Education, and Welfare:							
Health Services Administration:							
Health services delivery *	915,869	2,250	Yes	Feb. 4, 1974	Feb. 4, 1974	5	I
Indian health services *	(94,372)	(91,626)	No	Nov. 28, 1973	Nov. 28, 1973	5	I
	185,998	----------	NA	Feb. 4, 1974	Feb. 4, 1974	10	VI
Indian health facilities	(3,482)	(848)	Yes	June 27, 1973	July 1, 1973	5	I
	(34,815)	(20,593)	Yes	Nov. 28, 1973	Nov. 28, 1973	5	I
	55,320	88	Yes	Jan. 30, 1974	Jan. 30, 1974	5	I
National Institutes of Health:*							
Research resources*	126,941	1,378	No	Jan. 18, 1974	Jan. 18, 1974	3	I
Buildings and facilities*	1,000	23,701	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
Mental health*	827,193	13,194	No	Jan. 28, 1974	Jan. 28, 1974	1	I
Health Resources Administration:							
Health manpower*	734,635	5,370	No	Feb. 4, 1974	Feb. 4, 1974	3	I
Health services planning and development*	555,997	6,228	No	Feb. 4, 1974	Feb. 4, 1974	3	I
Assistant Secretary for Health:							
Office of International Health; Scientific Activities Overseas (Special foreign currency program)*	13,505	21,714	Yes	Jan. 30, 1974	Jan. 30, 1974	4	I
Elementary and secondary education*	2,025,168	1,746	No	Jan. 17, 1974	Jan. 17, 1974	1	I
Higher education, 1974–1976*	238,000	237,000	Yes	do	do	4	I
Higher education, no-year	----------	(1,889)	Yes	Nov. 30, 1972	July 1, 1973	5	I
	346,118	8,788	Yes	Jan. 17, 1974	Jan. 17, 1974	4	I
Office of Education:							
Library resources*	163,124	4,897	No	Jan. 18, 1974	Jan. 18, 1974	3	I
Educational development*	15,675	32	Yes	do	do	1	I
Educational Activities Overseas, special foreign currency program	----------	(16)	Yes	Apr. 6, 1972	July 1, 1973	5	I
	2,539	----------	NA	Jan. 17, 1974	Jan. 17, 1974	10	VI
Social and Rehabilitation Service:*							
Research and training overseas*	3,700	7,490	Yes	Jan. 18, 1974	Jan. 18, 1974	4	I
Social Security Administration:							
Limitation on salaries and expenses*	1,879,000	13,580	No	Feb. 4, 1974	Feb. 4, 1974	1	I
Limitation on construction (Trust fund)	----------	(12,095)	Yes	Apr. 27, 1972	July 1, 1973	4, 5	I
	(12,679)	(19,973)	Yes	Aug. 21, 1973	Aug. 21, 1973	4, 5	I
	(15,614)	(17,425)	Yes	Nov. 30, 1973	Nov. 30, 1973	4, 5	I
	17,646	15,393	Yes	Feb. 4, 1974	Feb. 4, 1974	4, 5	I
Special institutions: Howard University*	9,132	11,490	Yes	Jan. 17, 1974	Jan. 17, 1974	4	I
Office of Human Development: Child Development*	419,910	6,480	No	Jan. 18, 1974	Jan. 18, 1974	3	I

See footnotes at end of table.

BUDGETARY RESERVES—Continued

[In thousands of dollars]

[General notes.—Amounts in parenthesis indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Department of Housing and Urban Development:							
Housing Production and Mortgage Credit: Non-profit Sponsor Assistance		6,530	Yes	Apr. 15, 1973	July 1, 1973	5, 6b, 6c	I
Community Development:							
Model Cities Program*	(50,055)	(100,012)	Yes	Nov. 26, 1973	Nov. 26, 1973	6c	V [19]
	75,055	75,012	Yes	Nov. 30, 1973	Nov. 30, 1973	6c	IV
Grants for Neighborhood Facilities*		48	Yes	Nov. 27, 1973	Nov. 27, 1973	6c	I
Open Space Land Program	(-----)	(27,730)	Yes	Mar. 8, 1973	July 1, 1973	6b, 6c	I
		55,161	Yes	Nov. 9, 1973	Nov. 9, 1973	6c	I
Grants for Basic Water and Sewer Facilities	(-----)	(400,175)	Yes	Jan. 26, 1973	July 1, 1973	6b, 6c	I
		401,734	Yes	Nov. 27, 1973	Nov. 27, 1973	6b, 6c	I
Urban Renewal Fund*	(613,500)	(311,314)	Yes	Nov. 26, 1973	Nov. 26, 1973	6c	V [19]
	643,500	281,314	Yes	Nov. 30, 1973	Nov. 30, 1973	6c	IV
Public Facility Loans	(-----)	(20,000)	Yes	Jan. 26, 1973	July 1, 1973	6b, 6c	I
	24,888	([20])	NA	June 20, 1973	do	10	VI
Community Planning and Management: New Community Assistance Grants*		1,799	Yes	Nov. 16, 1973	Nov. 16, 1973	6c	I
Office of Interstate Land Sales Registration: Interstate Land Sales	(1,460)	(1,981)	Yes	June 20, 1973	July 1, 1973	4	I
	1,849	1,379	Yes	Dec. 12, 1973	Dec. 12, 1973	4	IIIt
Department of the Interior:							
Office of Territorial Affairs: Trust Territory of the Pacific Islands*	71,550	800	Yes	Jan. 2, 1974	Jan. 2, 1974	5	I
Bureau of Land Management: Public lands development roads and trails—1974 program.	(4,000)	(8,961)	Yes	June 8, 1973	July 1, 1973	6d	I
	5,205	18,961	Yes	Oct. 3, 1973	Oct. 3, 1973	6d	I
Public lands development roads and trails—1975 program		10,000	Yes	Oct. 3, 1973	Oct. 3, 1973	6d	I
Oregon and California grant lands		(1,150)	Yes	June 8, 1973	July 1, 1973	4, 5	I
	28,750	5,243	Yes	Oct. 2, 1973	Oct. 2, 1973	5	II
Bureau of Indian Affairs:							
Road construction—1974 program	57,060	20,000	Yes	Sept. 12, 1973	Sept. 12, 1973	6d	II
Road construction—1975 program		75,000	Yes	Sept. 12, 1973	Sept. 12, 1973	6d	II
Bureau of Outdoor Recreation:							
Land and water conservation	(208,168)	(61,422)	([21])	June 8, 1973	July 1, 1973	6b	I
	(297,223)	(57,568)	([21])	Nov. 3, 1973	Nov. 3, 1973	5, 6b, 6d	I
	324,763	30,000	([21])	Feb. 2, 1974	Feb. 2, 1974	4, 6d	I
Office of Territorial Affairs*	72,350	[22] 800	Yes	Feb. 2, 1974	Feb. 2, 1974	5	I
Geological Survey: Payments from proceeds, sale of water, Mineral Leasing Act of 1920	([23])	(27)	Yes	May 6, 1973	July 1, 1973	4 [24]	I
	-----	26	Yes	Nov. 19, 1973	Nov. 19, 1973	4	I
Bureau of Mines: Drainage of anthracite mines	200	3,575	Yes	June 8, 1973	July 1, 1973	4, 5	I
Bureau of Sport Fisheries and Wildlife:							
Migratory bird conservation account (receipt limitation)	(9,000)	(981)	Yes	do	do	4	I
	(12,000)	(981)	Yes	Aug. 23, 1973	Aug. 23, 1973	4	I
	21,771	-----	NA	Nov. 2, 1973	Nov. 2, 1973	10	VI
Federal aid in wildlife restoration	45,300	7,863	Yes	June 8, 1973	July 1, 1973	4, 5	I
Federal aid in fish restoration and management	14,565	2,339	Yes	do	do	4, 5	I
National wildlife refuge fund	4,620	4,003	Yes	do	do	4, 5	I
Proceeds from sales, water resources development projects	15	4	Yes	June 8, 1973	July 1, 1973	4, 5	I
National Park Service:							
Parkway and road construction/1974 program	(16,338)	(34,160)	Yes	do	do	4, 6d [25]	I
	(16,338)	(229,610)	Yes	Oct. 1, 1973	Oct. 1, 1973	4, 6d	II
	51,183	108,115	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 6d	II
Parkway and road construction/1975 program		105,000	Yes	do	do	4, 6d	II
Planning and construction	(28,100)	(14,500)	Yes	July 30, 1973	July 30, 1973	4	I
	(79,675)	(14,500)	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 5	I
	79,675	14,500	Yes	Jan. 29, 1974	Jan. 29, 1974	4,5	I
Operation, management, maintenance, and demolition of federally acquired property	(17)	(65)	Yes	June 8, 1973	July 1, 1973	4,5	I
	15	-----	NA	Nov. 2, 1973	Nov. 2, 1973	10	VI
Bureau of Reclamation:							
Construction and rehabilitation	(16,970)	(1,055)	Yes	June 8, 1973	July 1, 1973	5	I
	226,857	1,055	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [26]	I
Operation, maintenance, and replacement of project works, North Platte project	([27])	100	Yes	June 6, 1973	July 1, 1973	6e [28]	I
Upper Colorado River Basin Fund	(9,072)	(1,390)	Yes	June 8, 1973	July 1, 1973	5	I
	64,911	1,164	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
Department of Justice:							
Bureau of Prisons: Buildings and Facilities		(36,411)	Yes	Jan. 26, 1973	July 1, 1973	5, 6b	I
	45,823	13,594	Yes	Sept. 19, 1973	Sept. 19, 1973	5, 6b	I
Department of Labor:*							
Employment Standards Administration: Special benefits*	284,300	20,706	No	Jan. 17, 1974	Jan. 17, 1974	1	V [29]
Department of State:*							
Acquisition, operation, and maintenance of buildings abroad*	62,484	44,521	Yes	Dec. 31, 1973	Dec. 31, 1973	4	I
Assistance to Refugees from the Soviet Union*		36,500	No	Feb. 2, 1974	Feb. 2, 1974	5	I
International Boundary and Water Commission, United States and Mexico: Construction*	15,681	4,983	Yes	Dec. 18, 1973	Dec. 18, 1973	5	I
Department of Transportation:							
Office of the Secretary: Transportation, planning, and research and development		(5,300)	Yes	June 30, 1973	July 1, 1973	4, 6b	I
	34,353	-----	NA	Sept. 14, 1973	Sept. 14, 1973	10	VI
U.S. Coast Guard: Acquisition, construction, and improvements	(30,946)	(10,609)	Yes	July 12, 1973	July 12, 1973	4, 6b	I
	(109,168)	(12,099)	Yes	Sept. 14, 1973	Sept. 14, 1973	4, 6b	II
	102,889	19,396	Yes	Dec. 27, 1973	Dec. 27, 1973	4, 6b	II
Federal Aviation Administration: Civil supersonic aircraft development termination.	-----	(3,575)	Yes	Jan. 23, 1973	July 1, 1973	4, 6b	I
	3,600	3,033	Yes	Sept. 10, 1973	Sept. 10, 1973	4	I
Civil supersonic aircraft development		(2,153)	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	I
	800	2,755	Yes	Sept. 10, 1973	Sept. 10, 1973	4	I
Grants-in-aid for airports (airport and airway trust fund)	13,000	2,000	Yes	Sept. 14, 1973	Sept. 14, 1973	5	I
Facilities and equipment (airport and airway trust fund)		(207,631)	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	I
	293,075	261,919	Yes	Sept. 12, 1973	Sept. 12, 1973	4	I
Research, engineering, and development (airport and airway trust fund)		(10,000)	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	I
	-----	-----	NA	Sept. 14, 1973	Sept. 14, 1973	10	VI
Federal Highway Administration:							
Highway beautification	(41,977)	(11,521)	Yes	June 29, 1973	July 1, 1973	4, 5	I
	50,000	-----	NA	Sept. 15, 1973	Sept. 15, 1973	10	VI
Darien Gap Highway		(545)	Yes	Jan. 18, 1973	July 1, 1973	4, 5	I
	17,661	-----	NA	Sept. 14, 1973	Sept. 14, 1973	10	VI
Highway-related safety grants	(10,459)	(7,897)	Yes	June 29, 1973	July 3, 1973	4, 5	I
	13,229	-----	NA	Sept. 15, 1973	Sept. 15, 1973	10	VI

See footnotes at end of table.

BUDGETARY RESERVES—Continued

[In thousands of dollars]

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	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Department of Transportation—Continued							
Federal Highway Administration—Continued							
Federal-aid highways—1974 program	(1,617,000)	(2,791,841)	Yes	June 29, 1973	July 2, 1973	4, 5, 6a, 6c	I
	(4,742,497)	(3,414,149)	Yes	Sept. 14, 1973	Sept. 14, 1973	6a, 6c	I
	4,741,018	3,414,619	Yes	Feb. 1, 1974	Feg. 1, 1974	6a, 6c	I
Federal-aid highways—1975 program	[30] (6,010,000)						I
		5,958,500	Yes	Feb. 1, 1974	Feb. 1, 1974	4, 5	I
Rail-crossings-demonstration projects	(22,322)	(3,053)	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
	21,700	75	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Territorial highways	4,000	1,602	Yes	June 29, 1973	July 1, 1973	4, 6c	I
National scenic highways—1974 program*		10,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
National scenic highways—1975 program*		10,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Trust fund share of other highway programs—1974 program	(6,973)	(15,793)	Yes	June 29, 1973	July 3, 1973	4, 5	I
	(28,120)		NA	Sept. 15, 1973	Sept. 15, 1973	10	VI
	27,993	10,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Trust fund share of other highway programs—1975 program		25,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Forest highways trust fund	(24,000)	(47,604)	Yes	June 29, 1973	July 1, 1973	2, 4, 6c	I
	26,000		NA	Sept. 14, 1973	Sept. 14, 1973	10	VI
Public lands highways	(5,000)	(27,000)	Yes	June 29, 1973	July 1, 1973	2, 4, 6c	I
	5,000	5,000	Yes	Sept. 14, 1973	Sept. 14, 1973	4, 6c, 6d	I
Right-of-way revolving fund	(48,000)	(74,782)	Yes	June 29, 1973	July 2, 1973	4, 5	I
	48,000	77,116	Yes	Feb. 1, 1974	Feb. 1, 1974	4, 5	I
National Highway Traffic Safety Administration:							
State and Community Highway Safety	(26,993)	(1,290)	Yes	July 2, 1973	July 2, 1973	1	I
	66,771		NA	Sept. 13, 1973	Sept. 13, 1973	10	VI
Traffic and highway safety	(56,068)	(2,000)	Yes [31]	Sept. 14, 1973	Sept. 14, 1973	5	I
	86,405	2,000	Yes	Jan. 24, 1974	Jan. 24, 1974	5	I
Construction of compliance facilities	([32])	(9,018)	Yes	Jan. 19, 1973	July 1, 1973	4, 5	I
	([32])	18	Yes	Sept. 14, 1973	Sept. 14, 1973	5	V
Trust Fund Share of Highway Traffic Safety Programs	(16,848)	(2,580)	Yes	July 2, 1973	July 2, 1973	1, 5	I
	96,167		NA	Sept. 13, 1973	Sept. 13, 1973	10	VI
Federal Railroad Administration:							
Emergency Rail Facilities Restoration	27,100	7,648	Yes	July 27, 1973	July 27, 1973	2	I
High Speed Ground Transportation Research and Development		(15,000)	Yes	Jan. 19, 1973	July 1, 1973	4, 6b	I
			NA	Sept. 14, 1973	Sept. 14, 1973	10	VI
Grants to the National Railroad Passenger Corporation		(10,000)	Yes	Jan. 19, 1973	July 1, 1973	4, 6b	I
	(54,900)	(48,100)	Yes	Sept 13, 1973	Sept. 13, 1973	4, 6b	V
	103,000		NA	Nov. 23, 1973	Nov. 23, 1973	10	VI [33]
Urban Mass Transportation Administration: Urban Mass Transportation Fund	(941,300)	(210,853)	Yes	July 6, 1973	July 6, 1973	4b, 6b	I
	985,550		NA	Sept. 14, 1973	Sept. 14, 1973	10	VI
Department of the Treasury:							
Office of the Secretary: Construction, Federal Law Enforcement Training Center	383	21,517	Yes	June 6, 1973	July 1, 1973	5	I
Bureau of Accounts: Subsidy payment to environmental protection authority*	75	1,188	No	Nov. 29, 1973	Nov. 29, 1973	2	V [34]
Atomic Energy Commission:							
Operating expenses	(3,164,739)	(16,900)	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
	(3,174,154)	(7,500)	Yes	Nov. 19, 1973	Nov. 19, 1973	5	I
	3,181,086		NA	Dec. 21, 1973	Dec. 21, 1973	10	VI
Plant and capital equipment	(48,470)	(1,830)	Yes	June 8, 1973	July 1, 1973	5	I
	(637,577)	(9,750)	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
	(637,912)	(9,400)	Yes	Nov. 4, 1973	Nov. 4, 1973	5	I
	(643,812)	(3,500)	Yes	Nov. 9, 1973	Nov. 9, 1973	5	I
	(645,812)	(1,500)	Yes	Nov. 12, 1973	Nov. 12, 1973	5	I
	677,312		NA	Jan. 10, 1974	Jan. 10, 1974	10	VI
Environmental Protection Agency*							
Research and development*	(8,696)	(9,700)	Yes	Oct. 19, 1973	Oct. 19, 1973	5	IV
	(183,612)	(3,700)	Yes	Nov. 23, 1973	Nov. 23, 1973	5	IV
	184,312	3,000	Yes	Jan. 29, 1974	Jan. 29, 1974	5	IV
Abatement and control*	(17,804)	(3,850)	Yes	Oct. 19, 1973	Oct. 19, 1973	5	IV
	(266,514)	(16,850)	Yes	Nov. 29, 1973	Nov. 29, 1973	5	IV
	287,574	91,850	([35])	Jan. 29, 1974	Jan. 29, 1974	5	IV
General Services Administration:							
Real property activities:							
Sites and expenses, public building projects		(22,206)	Yes	Jan. 26, 1973	July 1, 1973	4	I
	22,000	15,500	Yes	Nov. 29, 1973	Nov. 29, 1973	4	I
Construction, public building projects		(234,309)	Yes	Jan. 26, 1973	July 1, 1973	2, 4	I
	73,653	20,803	Yes	Nov. 29, 1973	Nov. 29, 1973	4	I
Property management and disposal: Operating expenses, sale of rare silver dollars		(4,000)	Yes	Nov. 30, 1972	July 1, 1973	4	I
	3,400	1,386	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Operating expenses, special fund		(850)	Yes	June 26, 1973	July 1, 1973	4, 5	I
			NA	Aug. 16, 1973	Aug. 16, 1973	10	VI
National Aeronautics and Space Administration: Research and development		(2,200)	Yes	June 8, 1973	July 1, 1973	5	I
	(2,860,194)	(9,300)	Yes	Nov. 16, 1973	Nov. 16, 1973	5	I
	2,867,294	2,200	Yes	Jan. 23, 1974	Jan. 23, 1974	5	I
Veterans' Administration:							
Medical prosthetic research		(3,648)	Yes	Feb. 15, 1973	July 1, 1973	5	I
	85,099		NA	Nov. 23, 1973	Nov. 23, 1973	10	VI
Construction, major projects		(34,710)	Yes	June 13, 1973	July 1, 1973	5	I
	114,626		NA	Nov. 23, 1973	Nov. 23, 1973	10	VI
Construction, minor projects		(5,000)	Yes	Dec. 20, 1972	July 1, 1973	5	I
	66,685		NA	Nov. 23, 1973	Nov. 23, 1973	10	VI
Other independent agencies:							
District of Columbia:							
Loans for capital outlay, metropolitan area sanitary sewage work funds		(300)	Yes	Aug. 7, 1972	July 1, 1973	4	I
	3,900	5,300	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for capital outlay, sanitary sewage		(4,285)	Yes	Aug. 7, 1972	July 1, 1973	4	I
	29,000	24,035	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for capital outlay, water fund		(2,360)	Yes	Aug. 7, 1972	July 1, 1973	4	I
	8,000	7,460	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for capital outlay, highway fund	11,900	5,956	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for capital outlay, general fund		(6,758)	Yes	Jan. 26, 1973	July 1, 1973	4	I
	176,500	29,526	Yes	Sept 5, 1973	Sept. 5, 1973	4	I
Foreign Claims Settlement Commission: Payment of Vietnam and USS Pueblo Prisoner of war claims	9,125	7,229	Yes	July 12, 1973	July 12, 1973	5	I
American Revolution Bicentennial Commission: Commemorative activities fund		(5,690)	Yes	Nov. 28, 1972	July 1, 1973	5	I
	4,556	3,510	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I

See footnotes at end of table.

BUDGETARY RESERVES—Continued

[In thousands of dollars]

General notes.—Amounts in parenthesis indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated fiscal, economic, and budgetary effect (see code)
Other independent agencies—Continued							
National Science Foundation: Salaries and expenses	(56,900)	(3,500)	Yes	June 8, 1973	July 1, 1973	2	I
	(620,845)	(13,900)	Yes	Nov. 23, 1973	Nov. 23, 1973	5	I
	634,745		NA	Dec. 6, 1973	Dec. 6, 1973	10	VI
Occupational Safety and Health Review Commission: Salaries and expenses*	4,296	445	No	Jan. 14, 1974	Jan. 14, 1974	1, 2	V [36]
Railroad Retirement Board:							
Limitation on railroad unemployment administration fund	8,578	4,822	Yes	July 1, 1973	July 1, 1973	4	I
Limitation on salaries and expenses*	20,830	500	No	Jan. 9, 1974	Jan. 9, 1974	1	I
Small Business Administration: Business loan and investment fund	(173,100)	(41,316)	Yes	June 29, 1973	July 1, 1973	2, 4, 6b	I
	(178,100)	(48,294)	Yes	Aug. 31, 1973	Aug. 31, 1973	2, 4	I
	348,700	31,094	Yes	Sept. 27, 1973	Sept. 27, 1973	2, 4	I
Water Resources Council: Water resources planning	8,611	27	No [37]	Aug. 24, 1973	Aug. 24, 1973	2	I
Temporary study commissions: Commission on American Shipbuilding, salaries and expenses*	205	57	NA	Dec. 10, 1973	Dec. 10, 1973		II [38]

[1] Funds have not been apportioned while awaiting the completion of negotiations with the Government of Israel.

[2] Funds reserved pending Presidential allocation and decisions.

[3] The amount apportioned is consistent with the limitation on the foundation's activities according to Public Law 93-52 as amended.

[4] Funds in excess of $10,000,000 are not available in fiscal year 1974 pursuant to Public Law 93-240.

[5] The 1973-74 rural environmental assistance program funds lapsed on Dec. 31, 1973. The Sept. 30 report incorrectly listed the funds as available beyond fiscal year 1974.

[6] The amount apportioned in this account is also apportioned in the Agricultural Stabilization and Conservation Service, salaries and expenses account.

[7] The amount apportioned in this account is required to finance a loan approved at the end of fiscal year 1973.

[8] This apportionment action was inadvertently excluded from the Sept. 30 report.

[9] The fiscal year 1974 appropriation provides for program operation for the summer of calendar year 1974.

[10] Fiscal year 1972 contract authority in the amount of $24,600,000 will lapse on June 30, 1974.

[11] Code 6d was inadvertently excluded from the Sept. 30 report.

[12] Anticipated deposits are currently estimated at $5,000,000 more than anticipated in the budget estimates submitted to the Congress in January 1973

[13] Funds are being held in reserve to cover operating costs during the exhibition period.

[14] This account title was changed from "Research, Development, and Facilities" on Dec. 31, 1973.

[15] The reserve is to be applied against increased pay costs when transfer authority is approved by Congress.

[16] This account was combined with the operations, research, and facilities account on Dec. 31, 1973.

[17] Reason code 1 was incorrectly applied to the entries in the Sept. 30 report.

[18] The reserve was made at the request of the Canal Zone Government as a contingency for possible future inspection services.

[19] The reserve action will increase the program level to a level greater than that contemplated in the most recently submitted budget document.

[20] The apportionment releasing the reserve was incorrectly excluded from the Sept. 30 report.

[21] The reserve in each apportionment includes $30,000,000 of contract authority which becomes available at the 1st of each fiscal year and expires at the end of each fiscal year; all other funds are available beyond 1974.

[22] The apportionment of funds in reserve is temporarily deferred until sufficient information is available for implementing the new public land survey program. The new program was funded for the 1st time in the 1974 supplemental (Public Law 93-245) enacted Jan. 3, 1974.

[23] The Department of the Interior has no present plans for the use of these funds which are available only for the development of water wells on public lands.

[24] Reason code 5 was incorrectly included in the Sept. 30 report.

[25] Reason code 4 was inadvertently excluded from the Sept. 30 report.

[26] Reason code 6b was incorrectly included in the Sept. 30 report.

[27] No improvements are currently necessary. (See footnote 23.)

[28] 66 Stat. 754 requires that certain miscellaneous revenues be deposited in a special fund to provide for the replacement of the project works and to defray annual operating and maintenance expenses when necessary.

[29] The reserve, made at the request of the Department of Labor, does not change expected payments for benefits as estimated in the latest budget document. The reserve reflects reimbursements from other agencies in excess of the amounts estimated in the budget document. The release of the reserve would increase availability above expected needs. The reserve is available for benefit payments if required benefit payments exceed current estimates.

[30] This amount is potentially available for use under 1975 contract authority; the amount to be made available to each State for obligation in 1975 is anticipated to be announced by the Department of Transportation on July 1, 1974.

[31] The Sept. 30 report incorrectly reported the reserve as unavailable beyond fiscal year 1974.

[32] $9,000,000 was rescinded in the 1974 Department of Transportation Appropriation Act. It is now included in the traffic and highway safety account.

[33] The amount apportioned is the full amount legally available until action is taken on the amendment to the Rail Passenger Service Act of 1970.

[34] The reserve is required because the Congress previously provided permanent, indefinite authority (Public Law 92-500) for the subsidy payment. The funds in reserve will be written off in fiscal year 1974.

[35] Contract authority of $75,000,000 expires at the end of fiscal year 1974; $16,850,000 is available beyond fiscal year 1974.

[36] This reserve action was taken at the request of the Occupational Safety and Health Review Commission due to hiring delays. The reserve is available as a contingency against an increase in future contested citations.

[37] The Sept. 30 report incorrectly reported the reserve as available beyond fiscal year 1974.

[38] The Commission on American Shipbuilding (authorized under the Merchant Marine Act of 1970, Public Law 91-469) was terminated on Dec. 20, 1973. The funds in reserve will be written off in fiscal year 1974.

ALCOHOLISM

Mr. HUGHES. Mr. President, the Congress, in recent years, has made historic advancements in legislation for a coordinated national program to control the disease of alcoholism. However, even the best conceived and funded national program would be foredoomed to failure without strong leadership in the field at the community level.

In the progressive city of Cedar Rapids in my native State of Iowa, one of the outstanding leaders in that community's program to control alcoholism is a highly successful businessman and civic leader, Mr. Sutherland Cook. Sud Cook has a special understanding of this disease and a special compassion for those afflicted because he is himself a recovered alcoholic.

On January 10 of this year, Mr. Cook presented a paper on alcoholism to the Linn County, Iowa, Medical Society. This was no dull lecture, but a deeply personal statement, full of first-hand knowledge, wisdom and understanding. I would like to share it with my colleagues who have repeatedly evidenced their concern about this grievously serious problem in our society. I therefore ask unanimous consent that Mr. Cook's remarks be printed in the RECORD.

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

MR. COOK'S REMARKS ON ALCOHOLISM

Sometime in the late 1950's the American Medical Association officially declared alcoholism to be a disease. Since that time, although there has been a growing acceptance of the disease concept, there has been no generally agreed-upon description of the etiology of the malady nor of its treatment.

The medical profession tends to treat it chemically with tranquilizers and sedatives, and is dismayed to see its alcoholic patients get worse.

Psychologists and psychiatrists tend to search for the childhood trauma that produced the deviant behavior, but fail to get their patients to put the cork in the bottle, and are dismayed to see their patients get worse.

The clergy tend to moralize with their alcoholic parishioners, and when they invoke God's help through prayer, they are dismayed to see get them get worse.

What kind of a disease is this then that does not respond to a straight medical approach, nor to a straight psychological approach nor to a straight spiritual approach?

Well, Alcoholics Anonymous believes it is a triple disease, a disease of the body, and of the mind, and of the soul, and that the treatment of only one part of the malady to the exclusion of the other two parts is not only unproductive but counter productive. Although it is thought that the alcoholic is physically allergic to alcohol, there is no known medicine or chemical that can be used with benefit. Medically, the only thing you can do for the alcoholic is to "get the booze out and the nutrition in". The drinking alcoholic typically is nervous, anxious, and may have trouble eating and sleeping. "Can't we at least relieve his symptoms with a tranquilizer or sedative to make him more comfortable?" you ask. This is in accord with medical tradition and sounds humane, but the answer is "Absolutely No!" By making him comfortable you destroy nature's God given incentive to do something about his drinking. Alcohol is a tranquilizer and a sedative. This is exactly how the alcoholic has been treating himself for years. His motto has been like Du Pont Corporation's "Better Living Thru Chemistry", and he will welcome the addition of new mood altering substances that don't smell, that he can carry easily with him on his person, and that have the full authority of his new en-

abler, the doctor. There is absolutely NO danger that he may become addicted or psychologically dependent upon these mood altering substances. Believe me, he is already dependent upon any mood altering substance for control of his tensions, tremors, and anxieties.

But what about the most advanced cases of alcoholism who are hospitalized and in danger of going into convulsions or delerium tremens? These represent only about 3% of the problem and should not be used as an excuse to treat the other 97% chemically. Furthermore, Doctors Knott and Beard of the Memphis Institute find that magnesium sulphate (not a tranquilizer) accompanied by "talk down" is more effective and safer than the traditional sodium dilantin for convulsive alcoholics. True, your alcoholic patients may have a variety of medical problems as a by-product of their alcoholism which you will have to treat. Indeed, according to Dr. Harold A. Mulford, Director of Alcohol Studies Department at the University of Iowa, that is why the medical profession actually does see 75% of all alcoholics every year, to treat them for their accidents, such as broken legs and lacerations, and for their nutritional problems such as gastritis and fat liver. A fifth of bourbon contains 2,500 calories, and the alcoholic is not hungry for other food that has the full range of nutrients he needs. Therefore, most of medical problems associated with alcoholism are accidents and/or nutritional, and the only treatment available to the medical doctor for the primary alcoholism is to remove the alcohol and stimulate a nutritionally balanced diet. The physical allergy to alcohol is untouchable and remains with the alcoholic for the rest of his life.

What about the psychiatrist and psychologist? Is their search for childhood trauma wrong? Not entirely. A.A. indeed probes the past. We make "searching and fearless moral inventories of ourselves". We write it down. We admit it all to qualified people. We make lists of people we have harmed. We make direct amends to such people. Notice, however, that although we are concerned with the past, our concern is with what we have done or failed to do in relation to our conscience, but NOT with what other people have done or failed to do to us. We believe the downward progression of our destructive drinking is related to our deteriorating performance in the rest of our lives. Excessive drinking produces bad performance and bad performance produces excessive drinking, thus a downward, uncontrollable spiral. How to stop it? The drinking must be interrupted 100% with no switch to other mood altering chemicals AND a change in performance must be started at once. The empathic understanding experience and example of other recovering alcoholics is almost mandatory. Thus, the mental obsession to drink can be held in abeyance. I say held in abeyance, rather than cured, because it can all be triggered off again by even the smallest amount of alcohol or other mood altering chemical or by a serious violation of the alcoholic's personal code of performance. Thus, the desireability of the recovering alcoholic keeping regular contact with A.A. friends and group.

Now the clergy. Are they wrong in thinking alcoholism to be a moral problem? Certainly not! Indeed, it is wrong to drink yourself to death. Indeed, it is wrong to lie about your drinking which alcoholics universally do. Alcohol is really an anesthetic and the important part of the brain that is anesthetized is that part that has to do with inhibitions. With our inhibitors anesthetized we are allowed to do, or not do, all sorts of things which violate our conscience. The alcoholic, although he may try hard to mask it, typically is drowned in guilt. And rightly so! He is indeed a sinner in the old fashioned sense of the word. Where the clergy err is usually on the side of acting as if alcoholism is ONLY a moral problem, and in their lack of empathic understanding of how the alcoholic feels, and the language and experience to reach him. In A.A. we identify our own personal conception of what is good, right, just, beautiful, truth, mercy, knowledge, and love. Some of us call this concept GOD. All of us turn our lives and wills over to this personal concept, and we try on a daily basis to improve our performance in relation to this Higher Power. This suggested path of endeavor produces within the alcoholic sufficient good feelings about himself, his fellowman, and the world in which he lives, so that he does not have to try to produce good feelings chemically anymore. It is NOT an act of will power; quite the opposite. The evil of alcohol has defeated his will and he surrenders to and becomes dependent upon the goodness of his Highest and Best Power, which many of us call God.

Now, because there really is not very much the medical doctor can do for the primary alcoholism, what is the position of the medical profession in relation to the alcoholic? Of prime importance because:

1. You treat in your offices and hospitals more alcoholics in a year's time than all the other helping professions combined . . . some 75% every year. You therefore, have the golden opportunity to identify them. The alcoholic himself, typically, will not, probably can not. Curiously his family mistakenly feels that they have a vested interest not to identify him.

2. The general public believes that you ought to do something for the alcoholic and are beginning to pass laws to change the handling of the alcoholic from the legal profession to the medical profession. You will have to deal with this problem whether you want to or not, or whether you are prepared for it or not.

3. Rightly or wrongly, you are enshrouded with an aura of knowledge, skill and authority, and what you say and do carries a great deal of weight.

What then should you medical doctors and psychiatrists do about the alcoholic?

1. Identify him! Nothing can be done until he is identified. He will surely die well ahead of his time if you do not. It is a terminal disease. It is wrong not to identify him, wrong morally, wrong economically, wrong socially, wrong for him, wrong for his family, and wrong for your own immortal souls!

2. Restrict your treatment to the accidental and/or nutritional by-products of his alcoholism. There is nothing medically that you can properly do for his alcoholism other than keeping the mood altering chemicals, including alcohol, out and stimulating his nutrition.

3. Use your really massive authority to get him to Alcoholics Annonymous, if he can go one full day without mood altering chemicals on his own, or get him to an alcoholic rehabilitation center if he can not put together one full day. Most of us can, a few of us really can not. This includes the use of the County Involuntary Hospitalization Commission in a very few stubborn cases.

And now in conclusion, let me say that one of the two founders of A.A. was a medical doctor, Dr. Bob S. of Akron, Ohio. Dr. Wm. Silkworth. Psychiatrist of Towne Hospital for Alcoholics, New York City, was an integral part of formulating the A.A. approach to this heretofore hopeless disease. We should have no quarrel with the medical profession. We need you desperately, and believe you need us. The last step of A.A.'s "12 Suggested Steps of Recovery" reads. . . .

"Having had a spiritual awakening as the result of these steps, we tried to carry this message to alcoholics, and to practice these principles in all of our affairs."

And that is what I am doing here tonight. Many thanks!

AIRPLANE CRASHWORTHINESS

Mr. HARTKE. Mr. President, during the past several years, I have worked to promote auto safety. Much of that effort has gone toward legislation which makes cars safer places to be in the event of a crash. While this work is far from completed, the fact is that we have made significant progress during the last few years.

Unfortunately, there has been little attention focused on the need to improve the crashworthiness of airplanes. It is usually said that flying is the safest means of transportation. While that may be true, it could be made a lot safer.

Fifteen hundred Americans died in air crashes in 1972, but as more people take planes to get where they are going, there will inevitably be more crashes and more fatalities.

On the one hand, we can do something to improve the technology which enables pilots and air controllers to avoid crashes; but on the other hand, we can do far more to assure that people have a better chance to survive in the event a crash does occur.

Mr. President, it was just this point which was emphasized in a series of reports presented on the CBS Morning News last fall. I ask unanimous consent that the transcript of these reports be printed in the RECORD.

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

[From the CBS Morning News, Sept. 25, 1973]

AIRPLANE CRASHWORTHINESS

RUDD. Every time there's a commercial airline crash in this country, a lot of people get upset about the dangers of flying. Well, they're wrong. Flying is safer than a lot of other ways of getting around, but it could be made even safer. The Morning News staff has produced a four-part series on that subject. David Henderson is the reporter, and here's the first one.

[Excerpt: Delta Airlines commercial.]

HENDERSON. Commercial airlines spend millions of dollars looking after their public image; and if the carriers could get their way, this is how they'd like you to see them. [Excerpt: Olympic Airways commercial.] It might be stretching the truth to say flying is all this much fun; however, it's no exaggeration to say that, next to walking, there's no safer form of transportation available than flying commercially. Fifty thousand people were killed in automobile accidents last year. Yet, less than 1,500 Americans died in air crashes. The safety record owned by the commercial airlines is even better; only 154 fatalities in accidents involving regularly scheduled flights.

But as safety experts point out, that's only half the story. With more people taking planes to get where they're going, by the year 2000 there may well be one major air disaster each day with a corresponding increase in airline deaths. The experts say the major problem is that planes are built only to fly; the warning is they should also be built anticipating a crash.

It looked like 1972 was going to be one of the safest years in aviation history; it looked that way until December 8th, when this United Airlines 737 crashed near Midway Airport in Chicago. Fifteen people survived the accident, but 45 were killed. All but two of the deaths occurred to those on board the plane. Investigators termed the crash "survivable." They say the forces on impact were not great enough to kill all the passengers.

Enough of the aircraft survived to protect many of those people seated inside. The crash investigation continues, but CBS News has been told, privately, that some of the fatalities were unnecessary, that some of those people who should have made it out didn't.

Manufacturers have spent millions of dollars perfecting the fleet of jet aircraft in commercial use today. Before any airline would buy one of these multi-million dollar machines, strictly controlled safety checks had to first be passed. Crash prevention—keeping the equipment in flight—is the philosophy here. Unfortunately, the fact is there is no possible way to avoid fatal airline crashes. The carriers can and do work at keeping accidents at a minimum, but that is the best they can do.

INSTRUCTOR. A flight path is tangent to the slope. . . .

HENDERSON. So, across the country there's a small group of people who work in a field loosely described as "the study of crash worthiness." How to make airline accidents less fatal. At Arizona State University there's a two week crash safety course taught in the spring and fall. It's not generally open to University students, and the instructors are not all college professors. To get into the class, these men had to first show they had an aviation background. Most are military personnel engaged in flight research and operations. The people who teach here come from across the country. They all have practical aviation experience, with backgrounds in engineering and safety. Harry Robertson, a licensed pilot and professional crash investigator for 15 years, is the assistant director of the program.

ROBERTSON. We make a premise at the beginning that, regardless of how few accidents we may have, that there are always going to be some accidents. . . . And our training starts the minute the accident starts to take place. And we cover the transmission of these forces through the airplane; how they get into the seats, how they get into the people, how the airplane itself behaves; how their livable space, for example, might be reduced and why; and how they might be oriented to better sustain the acceleration levels that are transmitted to them.

HENDERSON. What you are seeing is a crash test conducted by the flight safety foundation for the government in 1965. The aircraft used is a Constellation, the 747 of its day. The plane was partially fueled, and then by remote control flown directly into the side of a mountain. Researchers hope to simulate what would happen in a real crash. Cameras and instruments placed both in and outside of the craft recorded the test. Safety experts say what happened here could be applied to present day commercial jets. What they learned was that many lives could be saved in airplane crashes if certain changes were made in the way planes were built.

Some of the suggestions are easy enough to follow; but as the carriers themselves point out, researchers don't have to pay the bills for running a commercial airline. What it's come down to is that airplanes are built to safety minimums; and there is a possibility that the industry is settling for a final product that should be much improved. Improvement to some means building a jet that should stay reasonably intact through a crash—and that's the subject of tomorrow's report.

David Henderson, CBS News.

QUINN. We have an item this morning which falls into the "Oh, no you don't, buster!" department. Apparently the city of Weehawken, New Jersey, needs a street sweeper because the streets are too narrow to use trucks to sweep them with. But traditionally, sweet stree—street sweepers—sorry—are men; and naturally that makes you immediately want to say, "Wait just a minute, women can sweep the streets just as well as men."

Well, of course they can, but that's not the point. The point is that the public works chairman, Charles Miller, says he's looking for a woman to fill the job. Street sweeping is generally considered a menial task, but the chairman feels that a woman would be more diligent at it and work harder. Just like a woman would be better at being stewardess or a nurse or a maid; you know, jobs that men just couldn't possibly do well at all. Charles Miller thinks he's pulled a fast one. "Oh, no, you don't, buster!"

ANNOUNCER. The time now—13 minutes past the hour.

[Announcements.]

[From the CBS Morning News, Sept. 26, 1973]

HUGHES RUDD. A lot of people apparently still go around saying that if the Lord had intended human beings to fly, he'd have put wings on their backs. And we make that assumption because, although this is the air age, the great majority of Americans have never been in an airplane. But for those who do get into airplanes, here's another in our series on airline safety—reported by Dave Henderson.

DAVE HENDERSON. The Wright Brothers spent years perfecting their strange-looking creation before they got it to fly. Today, billion-dollar corporations turn out jet aircraft assembly line style, and the worry is no longer whether the final product will fly, the criteria is that when it does, it does so at a minimum expense to its owners.

The industry has spent millions on systems to avoid accidents and crashes. New metals have been developed that can better handle in-flight stresses and loads. Yet, every part that goes into a modern day jet can be made stronger, and thereby made to make it through a crash in better shape. But the industry says the present way of doing things is good enough.

SPEAKER. We don't design an airplane to fly into a mountain or fly into a cement wall, obviously. But we design our plane assuming that a landing gear could fail, there could perhaps be some other factors that would cause the landing to be something other than normal.

HENDERSON. Why don't you build an airplane interior that can withstand greater forces?

SPEAKER. We could build one. We could build one. However, it would be extremely uneconomical to operate. And consequently, only a very limited number of people in the United States could afford to fly that airplane. Therefore we would not have an aircraft industry or an airline industry as we know it today.

SECOND SPEAKER. We could make this sphere that you're sitting in in such a manner that you could drop it off the Empire State Building and whomever was in it would survive. But it would be such a heavy thing it would never get off the ground.

HENDERSON. So it's a factor, in making airplanes safer, of spending money.

SECOND SPEAKER. Spending money is a factor in making it safer. Just spending money doesn't give you a safe airplane. You've got to spend it intelligently.

HENDERSON. On December 29th of last year, an Eastern Airlines L-1011 jetliner crashed killing 99 of the 176 people on board. The accident took place in the Florida Everglades, outside of Miami, as the plane was preparing to land.

Crash investigators on the scene reported it was a miracle that more passengers did not die, because as the big jet hit the ground it almost completely disintegrated. Small pieces of the aircraft were found strewn over a half-mile area. Yet ironically, it was probably this disintegration that prevented more persons from losing their lives.

The forces that cause a plane to crumble, that twist a human being to death, that pushing and pulling is measured in G's, G standing for gravity. Each person is held to the earth by a force of 1-G, one gravity. Therefore it's obvious that in actual pounds a G is different to each human.

Scientists believe that a person could live through a crash where the forces on his body do not exceed 40-G's and do not last for more than a second.

SPEAKER. The secret is that if you can provide an individual enough time to slow down, then you can place low levels on that individual, low acceleration levels, and he can survive it without any problem.

You imagine an aircraft running into a vertical wall—the very nose of the airplane might perhaps have a million G's on it, but the tail back there might only experience a hundred or maybe less than that, because it has more time to stop as the rest of the fuselage crushes.

HENDERSON. Government regulations require that airplane seats be able to withstand a force of 9-G forward in a crash. And although the human body can take four times as great a shock, the seat makers told us they were satisfied with present rules.

Ray White is president of the Hardman Seat Company. His firm turns out a final product that exceeds Government standards.

RAY WHITE. We've never had—I'm quite sure of this—we've never had a seat tear loose in a crash. The seats have held to the tracks. The tracks certified in excess of the seat, which is normal. And the seats just withstand. The theory being that if a crash impact tears the seat loose that any surviving passenger that wasn't killed on impact would be killed as the seat hurtled forward, they'd become lethal in themselves.

HENDERSON. A number of seat manufacturers and the airlines told us that thousands of dollars have been spent on developing newer, safer seats. However, it didn't take long to discover that the money didn't go for building a new product, a large percentage of the funds went for designing the same seat over again, so airline interiors won't all look alike. The carriers have an interest in cosmetics, they want their planes to look nice.

Now, however, safety experts say we're paying a price for esthetics. Overhead baggage racks, modern galleys and clothing compartments in anything but normal operation these items have shown a knack for collapsing, and getting in the way.

SPEAKER. The entire kitchen storage area with the wall essentially—on which everything is mounted, was completely gone from that area of the plane. So I imagine that all flew through the cabin as well.

HENDERSON. It wasn't theory being talked about here, it was survivors of the December 8 Chicago crash, telling the public hearing what happened as they hit the ground.

WOMAN. It seemed quiet for a few seconds and then there was another surge of power as we were crashing into something—at the time I did not know what. The plane seemed to swerve, the overhead bins broke loose, the buffet inserts broke loose. And there were several small impacts. And there was a screeching of metal. And then it was very quiet.

HENDERSON. Isabell Burgess of the National Transportation Safety Board was in charge of the hearing. We talked with her later. It just seems like a lot of these problems, of seats ripping loose and overheads coming down, and galleys flying around, are just recurring year after year after year. How does that happen?

ISABELL BURGESS. That's perfectly true, because recommendations have been made, tests have been made, but nothing major has really been done in this field, I'm sorry to say.

HENDERSON. The commercial aviation industry is convinced that today's planes are built to strict enough regulations. They are satisfied that passengers are well protected. On the other hand, safety engineers are equally convinced that the rules should be beefed up along with the planes.

But they're willing to leave the strength questions alone. The battle, the safety people want to win, is over post-crash fires: What kills most people in air accidents. And that's the subject of tomorrow's report.

David Henderson—CBS NEWS.

RUDD. Wow! [on seeing a plane enveloped in flames]

We'll be back with a real good skate, right after this.

ANNOUNCER. The time now—14 minutes before the hour.

[Announcements.]

[From the CBS Morning News, Sept. 27, 1973]

QUINN. Today we have Part III of a four-part series on airline safety. The series attempts to examine exactly how safe flying is today, and if you hate to fly as much as I do you'd probably rather just listen to this one.

HENDERSON. Crash investigators will tell tell you that there are many unnecessary deaths in aircraft accidents. Many people who should be able to make it out of a crippled jetliner never get the chance. In most cases it's because post-crash fires get to them first. Such fires are common in airline accidents. This United Air Lines jet landed short of the runway in Salt Lake City; and even though everyone onboard survived the crash impact, 45 people were killed, cremated, before they had a chance to escape. A detailed investigation was made of this accident, and out of it came recommendations to strengthen and redesign jet fuel systems. But few of the suggestions were ever adopted. The Federal Aviation Administration and the airlines justify that decision by reminding us that there have been no repeats of the Salt Lake City tragedy.

The fuel used in commercal jetliners is a type of kerosene, and it's stored in tanks located in the wings. At any one time, from five to 50,000 pounds of fuel can be found in the tanks; which according to most safety people are well placed, being at the farthest point possible from the passengers. The wings are built hollow to hold a maximum amount of fuel. Insulated cables carry the fuel to engines. The cables are made from rubber covered with asbestos and steel. In rear-engine jets the tubing is pulled through the coach cabin, either in the wall space or beneath the floor. The criticism is that all fuel lines should be made stronger and able to stretch beyond today's limits. Tanks should be greatly reinforced.

Finally, researchers say that fuel valves should be self-sealing, so that if they are broken off in a crash the opening closes and prevents excess fuel from gushing out. It's not sufficient to change any one factor by itself; putting in extra-strength fuel bladders but leaving out special valves means a fault still exists in the system, and one fault will cause as great a fire as if you'd done nothing.

C. O. MILLER, director, FAA: Well, I think the main improvements in—aviation safety, design-wise pertaining to the fire problem would rest with the design of the fuel tank and its associated plumbing. Very much within the state of the art today, thanks to a lot of U.S. Army research primarily, are ways to restrict the flow of fuel following the crash, restrict it from going out lines that may be broken; indeed, restrict it from coming out of fuel tanks.

HENDERSON. Aircraft manufacturers refer to extra-strength fuel cells and self-sealing valves as "experimental" systems not yet ready for commercial aviation. They say that, considering the state of the art, present fuel systems are satisfactory; adding that a majority of the proposed changes ignore economic requirements and are therefore unacceptable.

Boeing's JACK NICKOLS. I don't consider it a compromise. I think that our job is to provide mass transportation at the safest level that is possible.

HENDERSON. Is it at the safest level?

NICKOLS. For mass transportation, yes.

HENDERSON. A non-profit group, The Flight Safety Foundation, conducted this test for the government in 1966. They crashed a fully fueled DC-7 into a mountain, and prepared the test to simulate an accident where the passengers could survive the impact forces. The landing gear was broken off, the wings were smashed; it's believed that a jet would react in the same way. It didn't take the scientists long to establish that fire occurs very quickly in a crash. Cameras also recorded the test from inside the plane. Dummies are badly tossed, but even the ones that would have sustained injuries judged to be nonfatal, fire would have prevented any escape. Smoke is a related fire problem. Many times a plane will not burst immediately into flame; it will first smolder. And the resulting smoke can incapacitate passengers, slow evacuations, cost precious seconds. Recently there have been charges made that poisonous gases are emitted when modern jetliners burn. Traces of hydrochloric gas, carbon monoxide and cyanide gas have been found in autopsies conducted on air crash victims. But the fact is that, although these gases are produced and so slow aircraft evacuations, they are not the cause of death. Ninety-nine out of one hundred times the passenger died either from the crash impact or in the resulting fire. The gases appeared later.

In every instance, whether talking about extra strength fuel cells or redesigned airplane fuel systems, both the airline industry and the FAA told us that present systems are adequate, the best possible considering the state of the art. However, aircraft engineers and researchers, many of them in the government, told us that test and development programs for failsafe fuel systems have either been canceled or short-changed. Again, the deciding factor was money and the unwillingness to spend it.

Tomorrow, a look at a couple of ways engineers say air travel could be made safer.

David Henderson, CBS News.

RUDD. A French diver says that he's located the aircraft which was carrying bandleader Glenn Miller from London to Paris in 1944 when it disappeared. The diver says he's located the Air Force transport in about 33 feet of water in the English Channel between Boulogne and Calais. And he verified that it was the Miller plane by sending an engine serial number to the United States. Miller was head of the Air Force Band at the time of his death. In the late thirties and early forties he was one of the most popular of the big bands with such hits as "Tuxedo Junction," "Moonlight Serenade," and "Pennsylvania 6-5000."

ANNOUNCER. Now 13 minutes after the hour.

[Announcements.]

[From the CBS Morning News, Sept. 28, 1973]

RUDD. That Chicago plane crash which killed the wife of E. Howard Hunt and 42 others last December was caused by pilot error according to the National Transportation Safety Board. The term used by the Board was "the captain's failure to exercise positive flight management," resulting in the jet losing air speed, stalling and crashing. Michele Clark of CBS News was among those killed. There had been rumors of sabotage in the crash, triggered in part by the fact that Mrs. Hunt, wife of the convicted Watergate burglar, was carrying $10,000 in cash. This led a free-lance journalist into speculating that the crash somehow was caused deliberately. But CBS News has now learned that the flight recorder, which was recovered from the crash, includes the taped voice of the pilot saying—just before the end—"I'm sorry."

Airline safety has been the subject of three reports on this broadcast this week, and today we have the fourth, reported by David Henderson and produced by Rick Kaplan.

HENDERSON. Contrary to what many industry people believe, the airline business will not go bankrupt if aircraft are built with crash safety in mind. We asked engineers in all areas of the aviation industry if they could come up with a few easy ways to better crash-proof a jet. Surprisingly, few of the experts thought it would help much to strengthen the aircraft shell. In fact, they said, if that's all that were done, it would make a jet more dangerous because all the crash forces would be transferred to the passengers inside. We found a debate exists over whether seats should face forward or back; but in either case it was suggested that the seatbelts currently in use be made wider with a shoulder harness added to prevent side-to-side movement. That seemed like a simple enough request, so we asked industry people for their opinion.

FAA's JACK NICHOLS. We could certainly put shoulder belts in if they were desired.

HENDERSON. Why don't you think they are desired?

NICHOLS. Because I don't wear them in my own car, and I suspect that I would not wear them in an airliner. I don't think that, in my own case, that I would feel a bit safer with one on.

MARTIN W. TAYLOR. Continental Air Lines. I'm sure that if we strapped our passengers in as the astronauts are strapped in when they take off on one of the moon shots, that the individual passenger would be safer but we wouldn't have any passengers.

HENDERSON. Safety experts told us that, although it would be an inconvenience for the passenger, it would certainly be safer to prohibit carry-on baggage, making people check everything. That means fewer items would be available to fly dangerously around the cabin in an accident; and it would mean there was no longer any need for overheads and baggage racks, considered to be a hazard in themselves. Nevertheless, the greatest problem researchers found with today's commercial jets was that, in an emergency, you can't get all the passengers out fast enough.

This Boeing 747 is making an emergency landing at the San Francisco airport. Two hours before, while taking off from this same runway, the big jet struck approach light piers protruding from the water in San Francisco Bay. Angle irons actually penetrated the plane's fuselage, and a number of people were injured. Authorities ordered the plane to drop fuel and come in for repairs. The passengers were thoroughly briefed for the emergency evacuation they soon would have to make. The jet bounced as it first touched the ground; a landing gear failed; the fire extinguished itself as quickly as it began. Emergency exits were opened all around the plane; inflatable slides came out, and the passengers began jumping to the ground. Yet, even with advanced briefings, it took more than six minutes to get everyone out. If the accident had been more serious, if there had been fire, that time would have been fatal for many.

Yet this jet, like all commercial jets, had to first pass a government run evacuation test. The manufacturers of every aircraft are ordered to prove that a full planeload of passengers can exit within 90 seconds. But the normal test is not like the ones seen here.

Normally a jet is in perfect condition, with no seats or cushions blocking aisles. The test passengers are perfectly calm. The typical exercise in no way simulates a real emergency situation. This drill was specially set up by the FAA; a crash-tested Constellation was

used. It took more than four minutes to get everyone out. Safety people say that under anything but perfect conditions, no present day commercial jet can be evacuated any faster.

Still, the Federal Aviation Administration says the present system is good enough, an answer frequently given when we ask why something couldn't be changed. The FAA stresses that, rather than work on better ways to exit a jet, the emphasis should be on cutting down on post-crash fires, the reason for needing to evacuate quickly. On the other side are safety experts who say it's foolish to ignore fast evacuation research.

It's wrong to look at the crash safety problem and see it as a battle between business and research. Aircraft manufacturers like Boeing and Lockheed turn out a truly superior product; they'd rather spend their money on ways to avoid accidents, and that logic is certainly tough to knock. Tough until you listen to aviation engineers, who say it's impossible to prevent fatal airline accidents. They say it's time the industry became more realistic; the best way to cut down on commercial airline deaths is to better protect passengers in crashes.

David Henderson, CBS News.

RUDD. We'll be back with a new look at some old news after this.

ANNOUNCER. The time now—exactly 16 minutes after the hour.

[Announcements.]

NATIONAL VETERANS DAY

Mr. THURMOND. Mr. President, on February 28, I introduced S. 3079, a bill to reinstate the 11th of November as "National Veterans Day." It was referred to the Judiciary Committee.

November 11, 1918, was our first "Armistice Day." This day represented a benchmark in American history, because it signified the end of World War I, "a war to end all wars." In 1954, the name of the date was changed to "Veterans Day," and veterans of all wars were memorialized on November 11. For over four decades, the American people paused on the 11th of November to pay solemn tribute to all veterans.

Legislation was enacted in 1968 to change "Veterans Day" to the fourth Monday in October. The law became effective in 1971.

While the rationale behind the change in the law may have been admirable, that is, to provide a 3-day holiday for Government workers, I fear that the result has been less than intended. A symbol of patriotism and honor for our Nation's veterans has been diminished.

For more than 40 years, the meaning of November 11 was ingrained in the American spirit. It evoked a patriotic response that few National celebrations have ever commanded.

I remember well the moment of silent respect, the tolling of the bells, or the ring of the siren, which marked our Nation's tribute to our veterans at 11:00 a.m. each November 11. In all parts of our country, November 11 represented a time of rededication to the principles of freedom and peace.

Mr. President, I hope the Congress will restore November 11 as National Veterans Day, and thereby return to the American people a National symbol of our freedom.

Thirty-seven States now disregard the Monday holiday law on the State level; and in their jurisdictions, "Veterans Day" is celebrated on November 11. Several other jurisdictions anticipate a change in the law in the next several weeks. The time has come for the Congress to recognize the will of the people in this matter.

In his January 28 message on Veterans, President Nixon recommended this course of action. His views are enlightening, and I quote his recommendations to the Congress:

For most Americans, Veterans Day is traditionally associated with November 11th of each year. That was the day more than half a century ago when an historic and dramatic ceasefire was achieved in the First World War.

Legislation approved in 1968, however, changed the traditional observance of Veterans Day from November 11 to the Fourth Monday of each October. That change, while well intended, has stirred up considerable confusion and not a small amount of resentment.

In many places—including the Tomb of the Unknowns in Arlington National Cemetery—there are now dual observances of Veterans Day, while in others, observances are held not in October but on November 11. *Thirty-one State legislatures have now enacted resolutions declaring that within their jurisdictions November 11th will be officially observed as "Veterans Day".* In addition, all of the major veterans organizations have indicated their strong support for returning to the November 11th observance.

In view of the confusion which has arisen and in view especially of the position taken by the veterans themselves, *I believe it would be wise to repeal the 1968 change in the Veterans Day observance. I therefore urge the 93rd Congress, as part of its effort to honor our veterans, to enact legislation restoring November 11th as the official date for the entire Nation to commemorate Veterans Day.*

Mr. President, as a member of the Committee on Veterans' Affairs, I have consulted other members of that Committee as to their views. Veterans across the Nation have contacted individual Senators about this issue.

I personally conferred with both the chairman of the Veterans' Affairs Committee, Senator HARTKE, and the ranking minority member, Senator HANSEN, about this matter. Both agree that the overwhelming sentiment of America's veterans is to seek this course of action.

Mr. President, I am pleased that Senators HARTKE, HANSEN, STAFFORD, TALMADGE, HUGHES, RANDOLPH, and HELMS, have joined as cosponsors of this legislation.

Mr. President, for the benefit of my colleagues, I ask unanimous consent that correspondence which I have received from National veterans' organizations be printed in the RECORD at the conclusion of my remarks.

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

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D.C., March 1, 1974.

Hon. STROM THURMOND,
Member, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR: A priority goal of the Veterans of Foreign Wars for 1974 is Congressional approval of a bill to change Veterans Day back to November 11 as a Federal holiday. The V.F.W. position is contained in a copy of enclosed V.F.W. mandate No. 127 approved by the delegates to our most recent National Convention, held in New Orleans, Louisiana last August, representing our 1.8 million members.

According to the latest information, thirty-seven states now celebrate Veterans Day on November 11 as a state holiday. Two states, Mississippi and Oklahoma, made no change from November 11 to correspond with the Federal Holiday Act, which changed Veterans Day to the fourth Monday in October. Thirty-five States have voted to shift Veterans Day back to November 11 during the last several years. A copy of the listing of these states is enclosed.

This evidence above makes a strong case for immediate and favorable consideration of one of the bills before your Judiciary Committee (S. 41, S. 552, S. 618) which propose to change Veterans Day back to the traditional November 11.

It is strongly urged that your full Committee, or your appropriate subcommittee of jurisdiction, on these Veterans Day proposals (Federal charters, holidays, and celebrations) take up and consider Veterans Day proposals at the earliest opportunity.

With kind personal regards, I am

Sincerely,

FRANCIS W. STOVER,
Director, National Legislative Service.

Enclosures.

RESTORE VETERANS DAY TO NOVEMBER 11

RESOLUTION NO. 127

Whereas, fighting in World War I ended at 11:00 a.m. on the 11th day, the 11th month in 1918 (November 11, 1918). Two years later, France and England chose November 11th, then known universally as "Armistice Day", as the time for placing an "unknown soldier" of that war, in each of the Nation's highest places of honor. On November 11th in 1921, an American soldier whose name was "known only to God" was buried at Arlington National Cemetery; and

Whereas, in the year 1926, Armistice Day was made the official name for paying tribute to our World War I veterans for their dedication in serving our country in time of battle, and obtaining peace on November 11, 1918. Twelve years later in 1938, another Congressional resolution made the November 11th date a national holiday and observance; and

Whereas, two years after this national holiday was proclaimed, World War II broke out in Europe and shattered our country's dreams. On June 1, 1954, Congress, acting on a proposal by Representative Edwin K. Rees of Kansas, changed Armistice Day to Veterans Day; President Dwight D. Eisenhower signed this bill on November 11, 1954 to keep the historic date of November 11th a memorial tribute; and

Whereas, the 90th Congress of the United States passed legislation in 1968 to change the historic observance of Veterans Day to the fourth Monday of each October. The President of the United States signed this public law No. 90-363 into law on June 28, 1968. This new date causes many of the nation's Veterans to still recognize November 11th, with some that recognize the new date of October, and still many carry out their patriotic duty recognize both dates; now, therefore

Be it resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that we reaffirm our position to restore Veterans Day back to November 11th.

A LISTING OF STATES THAT HAVE SHIFTED VETERANS DAY BACK TO NOVEMBER 11

Alaska, Arizona, Arkansas, California, Connecticut, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Mississippi (made no change from Nov. 11), Missouri.

Montana, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Oklahoma (made no change from Nov. 11).

Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Vermont, Virginia, West Virginia, Wisconsin, Wyoming.

DISABLED AMERICAN VETERANS,
March 14, 1974.

Hon. Senator STROM THURMOND,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR THURMOND: The Disabled American Veterans commends you for your efforts to restore the official observance of Veterans' Day to November 11th of each year, and for your introduction of S. 3079 to achieve this objective.

The members of our organization strongly support this legislation in accordance with the enclosed resolution #109 which was unanimously adopted by the delegates in attendance at our most recent National Convention. We thank you, again, for your unceasing efforts in behalf of America's veterans.

Sincerely yours,

CHARLES L. HUBER,
National Director of Legislation.

Enclosure.

RESTORATION OF NOVEMBER 11TH AS VETERANS DAY

RESOLUTION NO. 109—LEGISLATIVE

Whereas, by Presidential Decree the Federal government has set the fourth Monday of October as Veterans Day and discontinued November 11th as Armistice Day, and

Whereas, several states of these United States have changed the fourth Monday of October, called Veterans Day, back to November 11th; NOW

Therefore, be it resolved, that the Disabled American Veterans in National Convention assembled at Miami Beach, Florida, August 12–18, 1973, supports the enactment of legislation which would change Veterans Day from the fourth Monday of October back to November 11th.

THE AMERICAN LEGION,
Washington, D.C., March 14, 1974.

Hon. STROM THURMOND,
U.S. Senate, Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR THURMOND: The American Legion is grateful to you for introducing S. 3079, to return Veterans Day to its traditional date of observance, and for your efforts in obtaining all but two members of the Senate Committee on Veterans Affairs as co-sponsors of this measure.

Thirty-six states have enacted legislation to restore the observance of Veterans Day to November 11 within their jurisdictions and more are expected to do so within the next few months. Two, Oklahoma and Mississippi, never changed their state laws to conform with the Federal Act. This makes a total of thirty-eight states in which more than two thirds of our Nation's veterans reside that will observe Veterans Day on November 11 this year.

Unless the Congress changes the Federal Act, it appears that the time will soon come when Federal employees will be our only citizens who celebrate Veterans Day on a date other than November 11. We hope that you and the co-sponsors of S. 3079 can persuade your colleagues on the Judiciary Committee to favorably consider this proposal without further delay.

By copy of this letter I am also thanking the other co-sponsors for their support of this legislation.

Sincerely yours,

HERALD E. STRINGER,
Director, National Legislative Commission.

THE MILITARY ORDER OF THE WORLD WARS,
Washington, D.C.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: Thank you very much for introducing S. 3079 in the U.S. Senate, an act to return Veterans Day to 11 November.

As you know The Military Order of the World Wars is heartily in favor of this move. In fact we also hope that Memorial Day will be returned to 30 May and ask that your support be given to this project. Perhaps both actions can be handled simultaneously.

If the Order can assist you in these endeavors, please call on us.

Sincerely,

FRED A. KAPS,
Lt. Col., AUS-Ret., Commander-in-Chief.

VETERANS DAY

Mr. HASKELL. Mr. President, the Senate and House of Representatives of the second regular session of the 49th Colorado General Assembly have adopted Senate Joint Resolution No. 5 memorializing the Congress to return the date of observance of Veterans Day to November 11. Legislation concerning this holiday is now pending in the Judiciary Committee. I submit this memorial for the consideration of my colleagues and ask unanimous consent that it be printed in the RECORD.

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

MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION RETURNING THE OBSERVANCE OF VETERANS DAY TO NOVEMBER 11

SENATE JOINT MEMORIAL NO. 5

Whereas, November 11 is the anniversary of the armistice which ended hostilities in World War I; and

Whereas, November 11 became known as Veterans Day in 1954 so that all former members of the armed forces of the United States might be remembered and honored; and

Whereas, The celebration of Veterans Day on November 11 had become a time of reflection and prayer in the United States; and

Whereas, This national holiday should not be sacrificed for the benefit of a three-day weekend; now, therefore, Be It Resolved by the Senate of the Forty-ninth General Assembly of the State of Colorado, the House of Representatives concurring herein:

That the Congress of the United States is hereby memorialized to enact legislation returning the observance of Veterans Day to November 11.

Be It Further Resolved, That copies of this Memorial be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of Congress from the State of Colorado.

THE VIETNAM VETERANS

Mr. INOUYE. Mr. President, Americans who supported our participation in the Vietnam war and those who opposed it, in their understandable desire to forget Vietnam, have forgotten the Vietnam veteran in the process. Although tomorrow has been designated "Honor Vietnam Veterans Day" by the Congress and the President, our words of celebration will ring hollow in the ears of the 3 million veterans of Vietnam. For these brave soldiers are presently denied GI benefits comparable to the benefits received by veterans of World War II—including myself and my coauthors of the Comprehensive Vietnam Era Veterans Educational Benefits Act (S. 2789)—Senators MCGOVERN, MATHIAS, and DOLE.

Our longest, bloodiest, most costly and least popular war saw 7 million Americans enter the armed services, 3 million of whom served in Southeast Asia. Of these, 56,000 died and 340,000 were wounded. The first of the American soldiers to fight in Vietnam came home over 10 years ago; the last came home 1 year ago. The homecoming these courageous, battle-weary soldiers received was unlike any welcome that greeted veterans of past foreign wars, for it was not a heroes' welcome.

Admittedly, the POW's, upon their release by the North Vietnamese, were celebrated with intensive media attention, pomp and circumstance, Presidential declarations, congressional congratulations, and public displays of national gratitude—all well deserved. But those less-celebrated veterans who were not captured are also back home from the war that nobody wanted and nobody won. They have received an ambiguous welcome at best.

While they were in Vietnam, fighting and risking their lives, they were unsure who was supporting them and many of them were unsure why they were there. They have come home to high unemployment rates, prolonged readjustment problems, bureaucratic snarls in the VA, and administration hypocrisy on the issue of veterans' benefits. Accordingly, the vet has aggravated doubts as to national gratitude for his sacrifice and as to whether his sacrifice was worthwhile.

To quote Carl McCarden, a Green Beret who served as adviser to Ellsworth Bunker and later as commissioner of New York City's Mayor's Office for Veterans Action:

> Vietnam veterans bought a dream. They largely bought the star-spangled dream of serving one's country and trusting the judgment of those in power to do the right thing. Tragically and inexcusably, that dream has disintegrated into a nightmare.

The coauthors of S. 2789, along with over one-third of the Senate, have determined not to forget the Vietnam veteran and to help rekindle the dream of a just America. We have further determined that the true Honor Vietnam Veterans Day will be the day the President signs into law legislation which will bring veterans' benefits to a level comparable to benefits received by veterans of past wars. The Comprehensive Vietnam Era Veterans Educational Benefits Act will do just that and it will grant an equal opportunity to all Vietnam era veterans to utilize their benefit entitlements.

The inadequacy of the present GI bill has been documented by numerous studies. Every working man and woman who has a child in college recognizes

that the $1,980 in educational benefits received by a vet is insufficient to pay for tuition, fees, books, rent, food, transportation, and other living expenses. A recent study by the National College Entrance Examination Board shows that the cost next fall for a student's tuition, room, and board will average $2,400 at public colleges and universities and $4,039 at private institutions. This means that the average student vet must earn $500 per year before counting other living expenses to attend a public college and over $2,000 to go to a private school. These high expenses fall most heavily on married vets who have family responsibilities as well. Because of this inadequacy only 13.4 percent of those married vets eligible to use the GI bill are currently enrolled.

Even with the increase in benefits of 13 percent which the House has voted, the majority of vets will fall short of college expenses.

The adequacy of post-World War II benefits can be attested to by the high utilization of the GI bill between 1945 and 1949. At 1946–50 prices a veteran could afford to go to almost any college in the country. Over 7.8 million World War II veterans used the GI bill. I used the GI bill to receive my education, as did all of the major sponsors of the Comprehensive Vietnam Era Veterans Educational Benefits Act, numerous other Senators, Congressmen, Governors, mayors, and other elected officials.

The post-World War II GI bill provided a monthly cash supplement and paid a veteran's tuition, fees, and book costs up to $500 per year. An equivalent tuition payment today would be at least six times that figure. Yet, today's vet gets no tuition assistance. The supplemental cash payment of $75 per month to a World War II vet is more comparable to today's $220 per month payment. Without a tuition payment, however, today's vet can hardly afford to attend school, even in States which have low tuition public institutions.

Are we willing to waste this great national resource—millions of brave, dedicated, mature young men and women—and to deny them the opportunity for an education and full participation in our Nation's economy, politics and future? I do not believe that we are.

This Nation spent $120 billion in support of the Vietnam war. That huge sum of money was requested by Democratic and Republican Presidents and voted by Representatives and Senators of both parties. Support for the war and opposition to it were not matters of partisan politics. Nor should support for a better GI bill be a partisan issue.

I supported the war during its early years before I came to realize its futility and injustice. When it finally ended for our country, I joined in prayerful thanks. Now I must express my bewilderment over the fact that many who voted billions of dollars for bombs and bullets, who sent our young men to risk life and limb in our Nation's service, who set the policies which disrupted the lives of these veterans, have as yet not seen fit to raise their voices in support of comprehensive reform of the GI bill. President Nixon's veterans messages have been especially disappointing. His proposals for increased benefits are clearly inadequate.

This year's proposed defense budget is $85.8 billion. President Nixon calls this astronomical figure "the minimum required to insure the preparedness of American forces, to provide for the development of future weapons and to offset the erosion of defense purchasing power resulting from pay and price increases." I submit that a strong defense will not be provided unless we take from that high defense outlay sufficient funds to give our veterans a fair deal and to protect the vet from price increases. If the Vietnam vet tells his younger brother to stay out of the armed services or risk being forgotten, in the era of the volunteer army, we will have no volunteers and no defense at all.

The U.S. Senate, which will commemorate Honor Vietnam Veterans Day by beginning hearings on veterans' benefits, must take up the mantle of leadership. We must instruct the American people in the rightness of improved veterans' benefits. We must pass S. 2789, the Comprehensive Vietnam Era Veterans Educational Benefits Act, to provide adequate assistance to those brave young men who fought what we hope will be our last war. We must equalize the treatment of all veterans so that each may use his or her entitlements to prepare for a better future. Then we must insist that the full Congress and the President of the United States stand behind this program in the interest of fairness and justice.

This morning's Jack Anderson column eloquently echoes my concern on our current course of action in regard to veterans' benefits. I ask unanimous consent that this article be printed in the RECORD.

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

[From the Washington Post, March 28, 1974]

VIETNAM VET IS FORGOTTEN AMERICAN

(By Jack Anderson)

They called it peace with honor and said our men would come home on their feet, not on their knees. Just a year ago this week, the last combat troops were withdrawn. Now thousands of veterans find they are flat on their faces.

Vietnam was a war with no glory and, for the men who fought there, no heroes. Many of the young soldiers who risked their lives in the rain forests and rice paddies of Southeast Asia remain alienated from the society that sent them to a war most Americans neither wanted nor like to remember.

The memories are painful, and the process of forgetting has been harsh on the men who came back from Vietnam. The regrettable result: the Vietnam veteran has become today's forgotten American.

He came home to a cold welcome. He found his peers had taken the available jobs, his elders regarded him with suspicion and his government was interested only in cutting veterans' benefits.

The educational benefits of the GI bill, which helped two generations of vets complete their schooling, are now laughably inadequate. Even these small benefits get entangled in the bureaucratic red tape which snarls the Veterans Administration. Scores of former service men have complained to us that their college checks arrive too late or not at all.

GI loans for home purchases, which gave birth to clusters of small but adequate suburban residences across the nation, are virtually worthless in today's inflated real estate market.

Despite half-hearted efforts by the government, many veterans have found they cannot find decent jobs. In hard purchasing power, according to the VA's own private calculations, a single Vietnam vet buys $203 less with his government check than did his father after World War II. Married vets are even worse off.

Disabled veterans tell us they don't receive adequate treatment, training or compensation. But the darkest cloud hanging over the Vietnam vet is the drug problem. An internal government memo reports that the American public "assumes that all Vietnam era veterans have abused drugs and this makes them more skeptical when it comes to hiring the younger veteran."

There's no denying many GIs came to rely on drugs in Vietnam, some to relieve the pain of wounds, others just to escape the cruel realities of war. The treatment centers promised by the Pentagon have fallen woefully short. They aren't even open to men who received "less than honorable" discharges, although these men often are the ones who most need treatment.

Facing a hostile world that offers them insufficient benefits and few opportunities, some vets have fallen back on their chemical crutches.

Many veterans complain that President Nixon behaved as if the only men who served in Vietnam were the 600 POWs. While he was hosting them in a tent on the White House grounds, he gutted programs that would help the soldiers who didn't get captured.

He slashed disability compensation for severely disabled vets, opposed GI educational increases as "excessive and inflationary," impounded funds voted by Congress to help colleges enroll vets, cut funds for a "mandatory job listing" program intended to give vets first crack at over a million jobs, and vetoed special burial and health benefits for veterans.

In one celebrated case, the President's budget managers tried to save money by cutting out funds for cooling veterans hospitals in the summer. The Senate responded with a vote to cut off the air conditioning at the Office of Management and Budget. The hospital cooling systems were hastily restored.

The President paid brief attention to the veterans in 1972 when he was running for reelection. The "Veterans Mobile Outreach" program, for instance, sent vans to assist veterans three months before the election. The scheduling and publicity were handled, not by the VA, but by the President's campaign committee. Veterans have charged that the vans visited areas where the President needed votes, not where veterans needed assistance.

But perhaps the biggest obstacle for the returning veterans is the Vietnam war itself. America hasn't yet recovered from the war. The nation was torn apart, and the wounds are deep and slow in healing.

Professional counseling was desperately needed, but seldom provided, for those returning from combat to a country in the midst of rapid social change. The forlorn veteran, suddenly shorn of his uniform and confronted with the conflicts of a nation in turmoil, had nowhere to turn.

It is odd that a country that won't forgive those who refused to serve in Vietnam also refuses to reward those who did their duty. But the veteran is a living symbol of

that war, a reminder to his fellow Americans of a pain they would rather forget.

So in a sense, the forgotten veteran has become the last victim of the Vietnam war.

Footnote: Dozens of Massachusetts vets are planning to come to Washington on March 29 to sell apples on street corners. "Project Apple" is patterned after the post-World War I action of veterans.

OCEAN POLICY AND THE COASTAL ZONE

Mr. STEVENS. Mr. President, recently, it was my privilege to participate in the first major national conference on coastal zone management, entitled "The Coastal Imperative," sponsored by the Department of Commerce's National Oceanic and Atmospheric Administration in Charleston, S.C.

With all of the talk recently about the difficulties of the proposed national land use legislation, it is good to see the new National Coastal Zone Management program get off to such a good start. For after all, Mr. President, our coastal lands and waters are our Nation's most valuable geographical asset, and our land and water use policies for these areas will certainly prove whether our country can protect any of its critical areas in the years immediately ahead.

The Charleston conference was, I believe, an important milestone in our national land use concern because it brought together all of the many diverse groups of interests now involved in the conflict over how we use our coastal lands and waters. The issues which separate developers, local and State governments, industrialists, recreation interests, environmentalists and all the rest were openly discussed.

One of the most important contributions of this conference came from Senator ERNEST F. HOLLINGS of South Carolina, the chairman of the Commerce Subcommittee on Oceans and Atmosphere. As ranking minority member of this subcommittee, it has been my pleasure to work with FRITZ HOLLINGS for a number of years. Together, we put in many hours of legislative efforts over the past 5 years on the Coastal Zone Management Act, the Marine Mammal Protection Act, the Marine Protection and Sanctuaries Act, and numerous other ocean-related bills which have become law.

Recently, the Senate passed unanimously Senate Resolution 222, authorizing a national ocean policy study. Both Senator HOLLINGS, who has been named chairman of the study, and I will have the opportunity to work with all members of the Commerce Committee plus a group of representatives from seven other standing committees of the Senate in examining a wide range of national ocean policy and program issues. In my opinion, as Senator from the State of Alaska, which has the Nation's longest ocean coastline and which depends in great measure upon the ocean for its healthy economy, nothing could be more important for the country than to develop a sound, rational policy toward the ocean. I believe the ocean policy study will allow the Senate to provide the leadership on this question.

Mr. President, I ask unanimous consent that the remarks of my colleague, Senator HOLLINGS, at the Coastal Zone Management Conference, be printed in the RECORD in their entirety. I think his views are extremely pertinent, not only to national ocean policy, but particularly from the standpoint of one concerned about land-use policy as well.

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

OCEAN POLICY AND THE COASTAL ZONE

This conference today signifies an end as well as a beginning. Hopefully, it brings to an end a long and often bitter struggle, many times against great political odds, to create and fund a Coastal Zone Management Program for this country. It is the beginning of one of the most challenging jobs that Americans have ever faced.

There could be no more fitting location for this Conference. Where we meet was once the waterfront. Slips and creeks and marshes were filled around us over a 200-year period to create this beautiful port city. It worked so well that now everybody in America, and industry from Germany, all want to fill the remaining slips, the creeks, the marshes, to build themselves a beautiful city or beautiful industry. But, of course, there must be a halt somewhere. The beautiful development has brought along the attendant ugly problems. The Ashley River at Primrose to the west of us, where I learned to swim, has become polluted. The Cooper River to the east of us, due to a hydroelectric project upstream, has become silted, and ocean-going vessels have difficulty docking. The urban sprawl on the other side of the Battery down at the point of Charleston is marooned by a bottleneck of transportation. There is no room for a causeway, save in the marsh, to free the flow of traffic.

The problems are not insurmountable. This city has moved with an excellent sewage treatment plant; and oyster beds, that were closed 47 years ago because of pollution, last year were reopened for the first time. The value of the beds is estimated at $60 million. And we move with alarm to protect some of the most productive waters in the nation. If you eat crabs and oysters in one of Washington's famous restaurants, don't think they are from the Chesapeake Bay—most likely they come from Beaufort, South Carolina. There was no Coastal Zone Management Plan in the Chesapeake Bay; there was no Coastal Zone Planning in Hampton Roads, Virginia, so that some Maryland and Virginia oyster and crab men have now moved to the South Carolina marshlands. If we don't step in quickly with Coastal Zone Management in South Carolina, then the South Carolina fishermen will, in turn, with their Maryland and Virginia colleagues, be forced to join the shrimpers in Brazil.

There will be no need at this conference for a long-range Paul Revere to be summoned to witness and spread the alarm. All we need do is walk outside and look at the bumper stickers on the cars in the street. The sticker "SAVE THE WANDO" signifies a confrontation between homeowners and State Ports Authority developers. While the local and State development boards cry "jobs", a recreational resort and the National Audubon Society struggle to preserve a pristine estuary in Beaufort County, south of Charleston. And let us emphasize that the conflict and interest in this area is not simply local. For while these struggles ensue, Canadians a thousand miles away cry, "Remember the Grand Strand. We are counting on South Carolina for our beaches." More than 70,000 Canadians visit the Myrtle Beach area at this time of year. And the country of Kuwait, 12,000 miles away, comes running with its millions to invest in a South Carolina coastal island just 30 miles from this meeting. Everywhere—from near and far—the cry is for a policy. But there is no Coastal Zone policy in South Carolina.

The road to Charleston has been long and rocky. For over a decade we have nibbled at the oceans. Only today do we become hooked. The President with the Navy Cross, John F. Kennedy, launched the first study. Thereafter, in 1966, a bi-partisan, inter-dependent, inter-disciplinary group of government and private citizens worked and studied to produce a report entitled "Our Nation and the Sea". This Commission on Marine Science, Engineering and Resources, more commonly known as the Stratton Commission, back in 1969 identified ocean policy as beginning with Coastal Zone policy. It was even bold enough to suggest the Coast Guard as having an interest in the coastal waters and in the Coastal Zone. Then the political fodder "hit the fan". The Transportation Department immediately marched the Coast Guard admirals before the committees of Congress to affirm that they were not interested in the coast—their primary function was transportation. And the Land Use supporters moved to put the oceans into the Department of the Interior. While the Stratton Commission had finalized its study and was ready to report during the last months of the Johnson Administration, they thought it wise to withhold the report and have it submitted to a new President who could take it on as a new initiative with a four-year follow-through. But John Erlichman, the Land Use Lawyer, said "No," over his dead body. "We won't have an ocean program; we won't have a Coastal Zone program; we won't have any program but mine—Land Use."

The Attorney General, John Mitchell, was kind enough to listen. I took my experts, Julius Stratton, chairman of the Ford Foundation, and Dr. Ed Wenk, executive secretary of the National Council on Marine Resources and Engineering Development, and we went directly to see the Attorney General, who brought his expert, John Whitaker. I explained the wonderful opportunity that the President, a former Navy man, had in launching a far-reaching program in the oceans which could benefit all mankind. The Attorney General agreed; President Nixon agreed, and Reorganization Plan No. 4, instituting the National Oceanic and Atmospheric Administration, was launched under the able leadership of Dr. Robert White.

But the fight had just begun. Reorganization Plan No. 4 did not include the Coast Guard. The President did not establish an independent Agency. And when we started with the Coastal Zone Management Bill, we had to fight the White House, the OMB and the Department of the Interior every inch of the way. President Nixon finally signed the Act into law in October of 1972, but OMB promptly gutted the program by providing zero dollars. And so the agency which prides itself on fiscal responsibility provided zero dollars for a program written into law and provided $20 million for the Land Use bill that has yet to pass the House, much less become law. So back at it we went. Only by forced feeding from the Senate Appropriations Committee last fall and sympathetic leadership from Mel Laird and Dick Fairbanks of the White House, do we meet here today.

These historical facts are cited, not to open old wounds, but to give this conference perspective. Coastal Zone Management and Land Use Management are one and the same thing. They are both, in a sense, Land Use Management. But the Coast Zone is restricted, or qualified, or especially affected. The Coastal Zone is affected by the coastal waters which are part of the world's oceans. Like love, the Coastal Zone is a very splendid thing. Its ecosystem is a splendid relationship between

ocean and beach, between marshlands and uplands, and between man and his environment. I wish I was an oceanographer or marine biologist so I could wax eloquently for a good 20 minutes about the beauty and delicate nature of the Coastal Zone. As a politician, I can give you only the people's side. Everybody wants Coastal Zone Management. But substantial groups fear and are suspicious of Land Use Management.

In fact, we in Coastal Zone Management often cannot use the expression "Land Use." When Land Use is mentioned, large groups in America immediately visualize the horror of national zoning. Land Use to them means whether a certain tract will be classified residential or business; whether there will be a funeral home in a residential area, or whether the approaches for a mammoth airport will be placed over "my quiet nook." Land Use means every local zoning headache over and over again; and there is but one thing the average citizen is sure of—he doesn't want to have to deal with Washington on his own property. But he may have to in the Durham, New Hampshire, area. For at Durham, an oil refinery has been planned. If the view of the citizens at Durham prevails, there will be no refinery at Durham. But, of course, Durham is not alone. The communities adjacent to Durham also have moved to block the refinery. The coast of New Hampshire is closing up. And the same thing is happening elsewhere. New Jersey has serious questions about deepwater ports. Delaware has halted development of heavy polluting industry in its coastal zone. And a Maryland county hangs out the unwelcome sign for oil refineries. So in the middle of environmental panic, suddenly there is the energy crisis.

When I first started working on Coastal Zone legislation, it was looked upon as a nice thing, not a necessary thing. We raised the specter of the year 2000 with 225 million Americans coming down to the sea and asked the obvious questions: What was to be done about urban sprawl? Where would we locate water-consuming industries and energy facilities? What about the fisheries? The recreational areas? The ports authorities? And how were we to locate these compatibly? We were looking ahead. Today we are looking behind. Already in commission are 30 supertankers that have no United States ports of call. Already should have been constructed offshore nuclear power plants. And with the oil shortage, we are only now looking at our hole card, the outer continental shelf along the Atlantic Coast. Because of the energy crisis, the pressure for offshore drilling, offshore power plants, and deepwater ports all create national needs and conflicts now in the coastal zone.

Somewhere along the coast in the Northeast, we are going to have floating nuclear power plants, offshore oil and gas drilling and a deepwater port. There will be give and take between energy and environment. Neither need suffer. But neither can stand delay. If coastal states don't move, the Federal Government will be compelled to move for them. Coastal Zone Management is no longer merely desirable—it is necessary—*now*.

And so it is that we meet—charged with the acceleration of Coastal Zone Management to solve an overdue problem. Coastal Zone Management charged with keeping the states ahead of the Federal Government. Coastal Zone Management charged with assisting the states in maintaining a flexibility in their state approaches. Charged with reordering the Federal role so as to respond to the state guidelines rather than the customary issuance of "thou shalt" directives from Washington. And charged with proving that we in the Coastal Zone are the Land Use supporters' best friend. Because if this Coastal Zone Management Act Program falters and fails, then we can forget about a National Land Use Act for some years to come.

We in the United States Senate have been to the top of the mountain and have seen the other side. The demands of the energy crisis could not await committee jurisdictional disputes and the intransigence of seniority fiefdoms. The Energy Policy Study organized three years ago was able to deliver last year a two-thirds vote or more on each of the facets of energy, whether it be conservation, administration, research and development, or emergency provisions. Now the committee chairmen and the leadership of the Senate have moved as one to institute the National Ocean Policy Study. This Study was sponsored by each of the 17 committee chairmen within the Senate. It was approved unanimously two weeks ago, and on the heels of this Conference we will be organized, taking the fruits of your deliberations here on Coastal Zone problems and considering new legislation. The consummate problems of deepwater ports, energy facility sitings, offshore drilling, population growth, fishing and more than any, the overriding national need to protect our coastal and marine environment, will receive decisive treatment by a group ready to lead. All we need is for you at this Conference to point the direction.

The oceans, the quality of life in the Coastal Zone, offer us the prospect of innovation and renewal. In a time of national drift, our challenge holds out opportunity. At a time when the future of the species is by no means guaranteed, it offers the hope of human survival. Your government has made a commitment with the Coastal Zone Management Act. In this room are the minds and talents capable of fulfilling this commitment.

DOUBLE STANDARD ON EXECUTIVE SALARY INCREASES BY COST OF LIVING COUNCIL

Mr. PROXMIRE. Mr. President, the salary increases for 1973 of many top U.S. corporate executives are not only outrageous but appear to violate the regulations laid down by the Cost of Living Council itself. As the proxy statements of America's giant corporations are published day by day the reasons why the administration's wage-price, economic stabilization program is an abject failure are seen in spades. While the ordinary, hard working, American wage and salary worker has been held to a 5.5-percent wage increase or less, some of the top executives of America's largest corporations have routinely received 20 to 50 percent cash salary and bonus increases in 1973 over 1972.

WRITTEN TO DUNLOP

As vice chairman of the Congressional Joint Economic Committee and the rank-ink Democrat on the Senate Banking, Housing and Urban Affairs Committee, which has jurisdiction over wage-price legislation, I am especially interested in this matter.

I have written a letter to Mr. John Dunlop to say that not only does this situation violate every standard of fair play Americans have come to expect of their Government, but it appears to be in direct violation of the rules of the Cost of Living Council itself. It ruled in August that increases for executives in the "executive control groups" would also be limited to the 5.5 percent general guideline applying to working men and women in general.

REASON WHY LEGISLATION WAS KILLED

If the President and his administration want to know why they have lost credibility and why even the limited wage-price legislation they propose has not got the proverbial snowball's chance in you know where of passing Congress, they need only look at their one-sided, biased, and even scandalous administration of the program. This was one of the major reasons the legislation was killed in the Senate Banking Committee Tuesday.

While the wages and salaries of ordinary American families did not even keep pace with the rise in prices, the cash salary, bonus, and other payments to General Electric's Jack Parker went up from $264,045 to $390,500 or a 50-percent boost.

And men like Robert K. Heimann of American Brands ($217,374 to $299,897), John J. Riccardo of Chrysler ($243,580 to $343,310), and Reginald Jones of General Electric ($231,674 to $312,528), got annual boosts of 40 percent.

The salaries of many of the top drawer American executives like Henry Ford and Richard Gerstenberg of GM, have not yet been published.

These increases are not only shocking but they indicate a prejudiced, unjust, uneven, and biased administration of the laws, regulations, and wage-price program

DON'T COUNT THIS ONE

When this situation occurred after the first year of the program, I held a series of hearings which resulted in the administration issuing its August guidelines for the so-called executive control groups. But as has so often been the case with the administration in the past, where the perquisites or salaries or prices of the giant corporations and their executives are at stake, the double standard applies.

When it comes to executive pay raises, the Cost of Living Council acts like the proverbial imbiber who, while allegedly on the wagon, asserted every time he took an alcoholic nip, "We won't count this one."

Mr. President, I ask unanimous consent that a copy of the letter I wrote to Dr. Dunlop, dated March 15, and the article and table from the March 25 New York Times, be printed in the RECORD.

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

MARCH 25, 1974.

Dr. JOHN T. DUNLOP,
Director, Cost of Living Council,
Washington, D.C.

DEAR JOHN: I'm enclosing an article from the New York Times today which details the huge salary, bonuses, and other payments received during 1973 by the top executives of American business.

This is a scandalous situation. If you want to know why your new proposals don't have a snow ball's chance in you know where, this details it in spades.

The average earner has been limited to 5.5 percent or less. And your "executive control group" guidelines allegedly do the same for management. But here you will find increases in one year of 20, 40, 45 and 50 percent.

Such an unfair, biased, and prejudiced, administration of the program has resulted in its abject failure. It is an economic disaster.

This has helped to ruin the credibility of the government as much as any one action.

I would appreciate a reply in which you

tell me what you expect to do about this matter under your guidelines. I would like to know how one man can get a raise of $125,000 in one year which is more than the entire annual income of 10 American families.

With best wishes.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

FOR THOSE AT THE TOP, RAISES IN 1973 EXCEEDED 5.5 PERCENT

(By Robert E. Bedingfield)

Compensation for the nation's top corporate executives continued to grow last year and at a rate well in excess of the general 5.5 per cent set under the Government's economic stabilization program for executives as a group.

Among the more than 50 big companies that have reported information on senior executives' salaries to shareholders, National Cash Register gave the fattest raise in 1973. It awarded a $132,155 increase to $275,000 to William S. Anderson, its president. Last July he became chief executive officer as well, when Robert S. Oelman, who has been chairman since 1960, announced he would retire this year.

It will be some weeks before the bulk of the proxy statements are in and the full story is told as to which executives got the most pay last year. But the winner among the companies reporting to date appears to have been Frank T. Cary, chairman of the International Business Machines Corporation. I.B.M. paid Mr. Cary a salary of $200,000, and supplemental awards of $246,900 in 1973. A limited number of I.B.M. executives receive supplemental awards for "extraordinary achievement."

ROCKWELL IS SECOND

Willard F. Rockwell Jr., who last month gave up the post of chief executive officer of the Rockwell International Corporation to Robert Anderson, received a total cash remuneration last year of $423,333.

Third spot among the top earners of the first companies reporting was taken by John W. Hanley, president of the Monsanto Company, who collected $406,900 in salary and bonus payments. When Mr. Hanley left the Procter and Gamble Company in November, 1972, where he had been executive vice president, he obtained a contract guaranteeing him a minimum $125,000 cash bonus for each completed year of employment during the three years 1973–75.

The others in the top 10 so far were: Russell DeYoung, chairman of Goodyear, $395,070; Mr. Anderson, president of Rockwell International, $393,586; Lynn A. Townsend, chairman of Chrysler, $393,440; William S. Paley, chairman of Columbia Broadcasting, $385,481; Robert W. Sarnoff, chairman of RCA, $375,000; Harry Bridges, president of Shell Oil, $365,000, and Arthur R. Taylor, president of Columbia Broadcasting, $350,381.

NO DEFERRED COMPENSATION

These figures represent the actual cash compensation paid in 1973—salaries, bonuses or other awards, but they do not include compensation earned in 1973 on which payment is deferred until future years.

The General Motors Corporation has not yet issued its proxy statement disclosing individual executive salaries, but among its executives sharing the $112.8-million in bonuses it paid last year, Richard Gerstenberg, its chairman, certainly must have been the winner.

In 1972, Mr. Gerstenberg was the highest paid corporate officer in the land. In addition to his salary of $300,000, he received a cash award of $251,575, an award in stock valued at $251,550 and $15,000 in a savings and stock-purchase grant.

Mr. Gerstenberg at the end of 1972 was listed in the company's proxy for the 1973 stockholder's meeting as holding 17,919 shares of G. M. stock, directly and beneficially in three trusts, in which he retains a reversionary interest. During 1973, G. M. paid dividends of $5.25 a share.

Until 1972, when Mr. Gerstenberg overtook him, Harold S. Geneen, chairman of the International Telephone and Telegraph Company, was American industry's highest paid executive. His $402,311 salary in 1972 was supplemented by other awards of $411,000.

The Cost of Living Council took a hard look late last summer at the big salary increases and bonuses some companies had been giving their officials. It issued rules requiring that every company subject to wage controls establish an "executive control group" that included all officers and employes who served as company directors.

The Council ruled that effective last Aug. 31, salary increases for executives in this executive control group could not average more in any fiscal year than the 5.5 per cent standard that applied to wage increases for employe groups in general. At the same time, the council said that bonus payments to executives could not exceed the level of bonus payments normally made to officers in any given company.

Until the Council acted, executives could be included in employe groups that included all of a company's workers. Under the old arrangement it was possible for a company to stay within the 5.5 per cent limit on wage increases by giving executives raises of 20 per cent, for example, and assembly line workers increases of only 3 per cent.

EXECUTIVE COMPENSATION—THE FOLLOWING TABLE LISTS CASH REMUNERATION, INCLUDING SALARIES AND BONUSES PAID DURING 1973 AND 1972, FOR TOP EXECUTIVES OF THE LEADING U.S. CORPORATIONS THAT SO FAR HAVE REPORTED TO THEIR SHAREHOLDERS IN 1974 PROXY STATEMENTS

Company: Name and title	Cash remuneration 1973	Cash remuneration 1972
AMF, Inc.: Rodney C. Gott, chairman	$204,167	$200,000
Amer. Brands: Robert K. Heimann, chairman-president	299,897	217,374
American Can: William F. May, chairman	221,571	221,571
American Standard: William A. Marquard, president	220,500	200,000
Armstrong Cork: James H. Binns, president	219,440	208,000
A.T. & T.:		
John D. deButts, chairman	325,738	256,250
Robert D. Lilley, president	266,513	212,500
Avco Corp.:		
James R. Kerr, president	180,000	300,000
Kendrick R. Wilson, Jr., chairman	140,000	190,000
BankAmerica Corp.: A. W. Clausen, president	209,900	209,400
Bankers Trust N.Y.: William H. Moore, chairman	220,000	220,000
Bethlehem Steel:		
Stewart S. Cort, chairman	300,000	291,670
Lewis W. Foy, president	245,000	220,000
Carrier: Melvin C. Holm, chairman	240,654	233,231
Caterpillar: W. H. Franklin, chairman	250,000	233,333
Celanese:		
John W. Brooks, chairman	287,167	264,500
Peter H. Conze, vice chairman	200,000	181,500
Charter N.Y. Corp.: Gordon T. Wallis, chairman	189,583	160,417
Chase Manhattan: David Rockefeller, chairman	230,000	230,000
Chem. N.Y. Corp.: Donald C. Platten (president since Sept. 1, 1973)	172,917	133,333
Chrysler:		
Lynn A. Townsend, chairman	393,400	311,140
John J. Riccardo, president	343,310	243,580
C.I.T. Financial: Walter S. Holmes Jr., chairman	196,333	183,591
Columbia Broadcasting:		
William S. Paley, chairman	385,481	385,000
Arthur Taylor, president	350,481	
Columbia Gas: John W. Partridge, chairman	216,000	201,667
Continental Can: Robert S. Hatfield, chairman-president	225,000	210,000
E.I. duPont de Nemours:		
Charles B. McCoy, chairman	330,510	228,280
Edward R. Kane, president (elected president 1972)	268,590	231,960
Eastern Air Lines: Floyd D. Hall, chairman	243,975	227,300
First Chicago Corp (First National Bank of Chicago): Gaylord Freeman, chairman	276,850	262,160
First National City:		
Walter B. Wriston, chairman	253,599	239,052
William I. Spencer, president	204,971	200,000
GAF Corp: Jesse Warner, chairman-president	200,000	200,000
General Electric:		
Reginald H. Jones, chairman	312,528	231,674
Jack S. Parker, vice chairman	390,500	264,045
Herman L. Weiss, vice chairman	271,500	262,545
General Tel. & Elec.:		
Leslie H. Warner, chairman	275,000	251,442
Theodore H. Brophy, president	206,154	188,923
B.F. Goodrich:		
O. P. Thomas, chairman	$367,850	$350,000
H. B. Warner, president	203,250	187,500
Goodyear:		
Russell DeYoung, chairman	395,070	298,350
Charles J. Pilliod, president	263,556	287,722
IBM: Frank T. Cary, chairman (president in 1972)	446,900	394,549
International Paper: Paul A. Gorman, chairman-president	269,231	250,000
Johns-Manville: W. R. Goodwin, president	235,114	201,850
Kaufman & Broad:		
Eli Broad, chairman	198,758	181,840
Eugene S. Rosenfeld, president	204,610	184,506
Kraftco:		
William O. Beers, chairman	320,913	263,809
O. Everett Swan, president of Kraft Foods	209,833	181,892
Loews:		
Laurence A. Tisch, chairman	208,000	208,000
Preston R. Tisch, president	208,000	208,000
Monsanto:		
John W. Hanley, president	406,900	281,900
Charles H. Sommer, chairman	303,475	272,283
J. P. Morgan & Co., Inc.:		
Ellmore C. Patterson, chairman	248,000	223,500
Walter H. Page, president	213,000	189,500
National Cash Register:		
Robert S. Oelman, chairman	275,000	215,000
William S. Anderson, president (elected president on May 17, 1972)	275,000	142,845
National Distillers: D. C. Bell, president	214,914	207,413
Polaroid: E. H. Land, chairman-president	199,509	159,970
PPG Industries:		
R. F. Barker, chairman	314,888	294,720
J. J. Neubauer, president	272,416	252,540
Ralston Purina: R. Hal Dean, chairman	265,155	247,500
RCA Corp:		
Robert W. Sarnoff, chairman	375,000	341,667
Anthony L. Conrad, president	258,333	250,000
Rockwell International:		
Willard F. Rockwell Jr., chairman	423,333	310,000
Robert Anderson, president	393,586	295,000
Shell Oil: Harry Bridges, president	365,000	325,000
Tenneco, Inc.:		
N. W. Freeman, chairman	289,060	248,580
R. E. McGee, president	217,170	191,220
Texaco: Maurice F. Granville, chairman	266,752	212,450
Travelers Corp.:		
Roger R. Wilkins, chairman	204,676	250,400
Morrison H. Beach, president	209,100	169,050
Union Carbide:		
F. Perry Wilson, chairman	280,000	250,000
William S. Sneath, president	205,000	175,000
Union Oil Co. of California: Fred L. Hartley, president	294,583	251,500

Company: Name and title	Cash remuneration 1973	Cash remuneration 1972
United Aircraft:		
Arthur E. Smith, chairman	$365,000	$304,999
Harry J. Gray, president	318,846	257,500
United States Steel:		
Edgar B. Speer, chairman	266,667	225,000
Wilbert A. Walker, president	245,833	225,000
Wells, Rich Green, Inc.: Mary Wells Lawrence, chairman	$310,595	$284,127
Westinghouse Electric:		
D. C. Burnham, chairman	281,250	326,250
R. E. Kirby, ex. vice president	212,497	247,498
J. W. Simpson, ex. vice president	216,242	243,742

THE ENERGY ADJUSTMENT ACT, S. 2813

Mr. BENTSEN. Mr. President, I would like to add as cosponsors to my bill, S. 2813, Mr. MCGOVERN, Mr. BENNETT, Mr. EASTLAND, Mr. MATHIAS, and Mr. JOHNSTON.

S. 2813 is a bill to establish within the Department of the Treasury, an agency for energy adjustment to administer a guaranteed Government loan program for adjustments necessary to convert to a petroleum-scarce economy.

Mr. President, the recent removal of the oil embargo against the United States has not diminished the need for effective action which will minimize the economic effects of the energy crisis. We are moving from an economy of petroleum abundance to one of petroleum-scarcity. Much of our manufacturing capacity was constructed in reliance on cheap petroleum products. Those days are at an end. S. 2813 provides the assistance necessary to protect jobs and the production of our factories; as our economy adopts. The program as outlined in S. 2813 will help keep factories and plants open, production lines moving and American workers off unemployment compensation welfare rolls.

Since this proposal will help move our Nation toward energy self-sufficiency by providing the loans for installation of energy conserving equipment, for conversion to coal and other more abundant resources and where necessary new product lines not as dependent upon cheap petroleum products.

I urge expeditious action on this bill.

VIETNAM VETERANS DAY

Mr. PERCY. Mr. President, about a year ago we welcomed our POW's home. They had borne a tremendous burden, and we demonstrated our thanks with great fanfare. We had parades in their honor. The President entertained them at the White House. Everywhere they went they received a hero's welcome, and every effort was made to help them adjust to the changes which had taken place in America during their absence.

In contrast, most of the 7 million soldiers who returned from Vietnam during the previous decade had been greeted with indifference. Often they were treated as though they somehow were to blame for the war. They came home to discover that a friendly helping hand was just as elusive as the enemy they had pursued in Southeast Asia.

They returned from a war which cost us tens of thousands of lives and tens of billions of dollars, from a war which caused bitter divisiveness here at home. As our military involvement in Southeast Asia drew to a close, we all wanted to put that episode of our history behind us. But in trying to forget an unpopular war, we were forgetting those who had sacrificed for it.

The veterans of the Vietnam era have faced a very difficult readjustment. They have had to reestablish family and social life in a society whose complexity seems to grow geometrically. Many of them returned with drug problems or with physical disabilities.

The most pressing problem has been finding a job. The war drew heavily on those who had not been in a position to go to college, perhaps not even to finish high school. Naturally, when they came home, many of them were not prepared to face the competition for jobs. Many of today's veterans are forced to take dead-end jobs.

In the last couple of years the Congress has begun to respond to some of these grave problems with legislation to provide improved medical care and rehabilitation. Efforts have been made at the Government and local levels to provide counseling and job placement services. But there is still much that needs to be done.

Tomorrow is Vietnam Veterans Day. We should use the occasion to focus on what we still need to do to pay them proper tribute. Educational benefits, for example, must be improved. My own bill to extend the eligibility and entitlement limits of the GI bill is one step in this direction. The full name of the GI bill is the GI bill of rights, and it is unfortunate that only about half of the Vietnam-era veterans have exercised their rights by taking advantage of these benefits.

We owe a great debt to our Vietnam veterans. They answered the call to duty, whether they wanted to or not, and fought in a difficult war halfway around the world. We must demonstrate our gratitude to them by providing benefits which will equip them to meet society's challenges and to compete for decent jobs. It is the very least we can do.

FEDERALISM AND NATIONAL NO-FAULT LEGISLATION

Mr. GOLDWATER. Mr. President, I am compelled to oppose S. 354, the national no-fault legislation now on the Senate calendar, not on grounds of policy, but on grounds of the Constitution. For if S. 354 is not squarely in conflict with the textual provisions of the Constitution, it is surely an infringement of the spirit of that document.

Mr. President, S. 354 is a gross invasion of the basic concept of federalism, the principle that the several States are to be preserved as independent bodies having important authorities over the many subjects which concern the people in the ordinary course of their daily affairs. The concept of federalism is not an afterthought which followed the creation of the Constitution, but rather is an integral part of the structure of our Government thoughtfully implanted in our basic charter by the Founding Fathers.

Federalism is one of the fundamental checks and balances which the framers of the Constitution embedded in our Government. Yet, S. 354 is destructive of this principle on at least three counts. First, the bill imposes over 10 novel and untested requirements in a field in which the States themselves are presently quite active and have not enjoyed any fair time to complete their tasks. Second, the proposed Federal law would abrogate constitutional provisions of at least nine States. Third, it would mandate administration of the Federal standards by State, not Federal, officials, an unprecedented idea.

Mr. President, the first fatal flaw of S. 354 is that it does not give the States an opportunity to legislate their own remedies in the area of automobile insurance reform even though each of the States is now actively engaged in implementing or considering laws in this field. Without allowing the States any fair time for experimentation and development of a range of answers to the public's need for motor vehicle insurance reform, the Federal Government would interrupt the momentum underway in the States and preempt all State laws with a single new set of Federal requirements. Before any adequate time for learning which standards are best suited for the people in particular States and which plans have the least mistakes, S. 354 would plant down in all the States a system which is untested in even one of them.

Not one State out of the 20 which now has adopted some form of no-fault motor vehicle insurance matches the requirements of S. 354 or the laws of any other of the States. The report of the Senate Committee on Commerce on S. 354 remarks that no two no-fault statutes "are the same even as to the basic elements of benefit levels and lawsuit restrictions."

Unfortunately, the committee report fails to comprehend the true significance of this fact in its relationship to the Federal system and turns this discovery topsy-turvy on its head as a fallacious reason for enacting a uniform Federal plan.

What should be noted by the advocates of a national no-fault program, if they are to pay more than lipservice to the idea of federalism, is that they are cir-

cumscribing and handicapping continued research and experimentation by the States in the automobile insurance area by imposing an entirely unproven system upon them. A true respect for the principle of federalism would follow a policy of restraint from mandating requirements upon the several States which are generally untried among any sizable number of them.

Mr. President, I propose to Congress today that we erect a new system for the guidance of our own conduct which should precede any efforts to legislate in areas which history and policy have traditionally reserved for the jurisdiction of State and local governments. Before venturing into new situations which abrogate long-standing State practices and jurisdiction, Congress should conscientiously examine precedents for what we are proposing among the usage of the States themselves.

Congress should ask of itself whether many States had ever put into practice the requirements we plan to ask all States to adopt. We must inquire whether these identical rules were proven feasible in day-to-day administration of similar laws. We must examine whether the proposed requirements actually achieved the purposes intended by Congress when these requirements were used by the States already living with them. Congress also should deliberate on the nature and significance of the interest which States may have in retaining their present practice.

Mr. President, these suggested principles for self-restraint by Congress are not academic. They are crucial to the continued health of the Federal system as a living feature of America's political system. And, if applied to the provisions of S. 354, we can see that this bill is completely at odds with a proper respect for federalism. In the words of Justice Powell, upholding the Texas system of financing public education out of local property taxes:

> It would be difficult to imagine a case having a greater potential impact on our federal system than the one now before us, in which we are urged to abrogate systems . . . presently in existence in virtually every State. *San Antonio School Dis. v. Rodriguez*, 411 U.S. 1, at 44 (1973).

Not only does S. 354 require the States to adopt an automobile insurance system untried in any of them, but it proposes to establish national restrictions before anyone can know very much about the operations of the 20 reform laws which States have already adopted. In fact, of those laws which the Senate Commerce Committee is willing to recognize as "genuine no-fault laws," only four have been in operation as long as 1 year. Surely, this is no solid empirical basis on which to erect a formidable national law.

Mr. President, the proponents of a national no-fault law view this question from the other side of the coin. They argue that the absence of a uniform system throughout the Nation leaves the American motorist helpless as he drives from State to State. This argument is no more than a strawman. It is simply not true. The American motorist has insurance protection wherever he drives in the United States, and in fact, in Canada, also. The private insurance industry has voluntarily revised their automobile insurance contracts automatically so that motorists are guaranteed full legal protection anywhere in the United States or Canada. This extension of coverage by the Nation's automobile insurance companies means that American motorists will have no worries as to whether or not their insurance policies will meet the legal requirements of another State. The Nation's motorists are fully protected.

Mr. President, in order that my colleagues may see for themselves the great gap between the requirements of S. 354 and anything that has been tested and proven at the State level to date, I ask unanimous consent that a table comparing S. 354 with current State law be printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. GOLDWATER. The second ground, Mr. President, on which I believe that S. 354 invades State sovereignty is by destroying express provisions now contained in nine State constitutions prohibiting limits on the right of recovery in tort. For example, article 18, section 6 of the Arizona constitution provides that—

> The right of action to recover damages for injuries shall never be abrogated, and the amount recovered shall not be subject to any statutory limitation.

Yet, the very essence of S. 354 is that it restricts the tort lawsuit remedy for automobile accident injuries. Though Congress arguably may, under the Supremacy Clause, possess the theoretical power required to abrogate these provisions of State constitutions, it is without question an affront to the dignity of States as important bodies in their own right to run roughshod over their constitutions in any case, such as this, where there is no showing of any infringement by State law or custom of any constitutional right of citizens. In this respect, S. 354 would make a mockery of federalism.

Though the preceding features of the no-fault bill would conflict with the spirit, if not the specific constraints of the Constitution, there is a third aspect of the bill which clearly runs counter to both the expectations and text of the Constitution. As incredible as it seems, S. 354 would compel each of the 50 States to administer the Federal insurance system established by the bill. The bill does not condition the availability of Federal assistance on the option of the State taking certain action; nor does it provide for Federal administration of the Federal law. Instead, S. 354 provides that each State must administer the Federal system. No other interpretation can be given to the bill, because unless it compels administration by the States, it would create an unconscionable situation in which State law has been preempted and American motorists are left without any motor vehicle insurance coverage at all.

Mr. President, I call upon my colBicentennial of American independence, I ask that we should address ourselves to what our forefathers meant when they conceived a new nation for this land.

Federalism is not a shibboleth. To comprehend its true meaning, we must return to the words of the Founding Fathers at the Constitutional Convention and in the Federalist Papers. Tested against the original principles followed by the framers, S. 354 falls far short of constitutional demands.

Mr. President, federalism is engraved in the Constitution from the very nature of its creation to the proposed extent of Congress' powers, James Madison reminds us in the Federalist 39 that the Constitution resulted from the unanimous assent of the several States that are parties to it. Thus, if we look at the original article VII, we see that the Constitution was established only "between the States so ratifying the same."

This assent and ratification was given neither by the decision of the people as composing one centralized nation, nor by that of a majority of the States. It resulted from the unanimous assent of the several States that are parties to it. Seen in its true light, Madison explains:

> Each State, in ratifying the Constitution, is considered as a sovereign body independent of all others . . . In this relation, then, the new Constitution will, if established, be a *federal* and not a *national* constitution.

From the enumeration of powers to Congress in article I, Madison also proves the purpose of the Founding Fathers to regard the States as distinct sovereignties left with important powers of their own. The new government will be one, according to Madison, in which "the local or municipal authorities form distinct and independent portions of the supremacy, no more subject, within their respective spheres, to the general authority than the general authority is subject to them, within its own sphere." The national government's jurisdiction, Madison assures his readers:

> Extends to certain enumerated objects only, and leaves to the several States a residuary and inviolable sovereignty over all other objects.

In the Federalist 40, Madison reaffirms the plan of the framers in alloting Congress' powers that these powers "should be limited, and that, beyond this limit, the States should be left in possession of their sovereignty and independence."

In the Federalist Papers 17 and 45, Hamilton and Madison respectively describe this reserved sovereignty of each State as encompassing "numerous and indefinite" powers, extending "to all the objects which in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State."

Further basis for the recognition of federalism as an inherent and considered plan of the framers is demonstrated by article I, section 3. In Federalist 62, Madison writes that the equal vote allowed by this provision to each State in the Senate "is at once a constitutional recognition of the portion of sovereignty remaining in the individual States, and

an instrument for preserving that residuary sovereignty:" Large and small States together ought "to guard, by every possible expedient, against an improper consolidation of the States into one simple republic." This theme, that giving the States an equal vote in one branch of the legislature is essential to their preservation, flows through the records of the Constitutional Convention from start to finish.

But the design of the framers is not merely one of placating the States. There is a much deeper, underlying purpose which the framers had in mind. For the brilliant men who founded this government were as much concerned with the dangers of a tyrannical Congress as they were with a despotic king.

Thomas Jefferson is quoted in the Federalist 48 as writing that the concentration of all the powers of Government in the legislative body "is precisely the definition of despotic government. It will be no alleviation that the powers will be exercised by a plurality of hands, and not by a single one. One hundred and seventy-three despots would surely be as oppressive as one."

So in the Federalist 28, Hamilton states:

> It may safely be received as an axiom in our political system that the State governments will, in all possible contingencies, afford complete security against invasions of the public liberty by the national authority.

And so in Federalist 44 and 46, Madison points to the expectation of the framers that the State governments will be "ever ready" to mark the invasion of their rights and prerogatives by Congress and "to sound the alarm to the people * * *." Active and strong State governments were viewed by Madison as an essential "intermediate body" between Congress and the people who would watch the conduct of Congress for innovations which misconstrue or enlarge its powers beyond due limits.

In Federalist Papers 17 and 45, both Hamilton and Madison tell of how the existence of a great corps of distinct State and local officers administering local programs will be an essential part of preserving influence with the people by the States. Consistent with this principle, Madison specifically rejects in Federalist 39 the concept that local authorities "may be controlled, directed, or abolished by—the national legislature—at pleasure."

But, S. 354 would control local authorities. It would be a precedent for drafting State officials into administering all sorts of Federal programs. It could transform our system of several independent State governments into one supreme central government.

Mr. President, if we allow the civil administrators of the States to be manipulated in this way; if we grasp from the States their responsibility over domestic local matters touching the great majority of people in fields which the States themselves are at this moment actively pursuing; and if we thrust upon the States schemes which are as yet unproven and untested by any great number of them, there will eventually be no States left to maintain the Federal system and the plans of the Founding Fathers. All will have been absorbed into one massive national creature, devouring of all else and alien to the most careful designs of the architects of our constitutional government.

EXHIBIT 1

COMPARISON OF 10 REQUIREMENTS OF S. 354 WITH CURRENT LAW

(1) Work Loss Benefits. (A) S. 354 requires that all of a victim's work losses must be paid, including at least; (1) up to $1000 a month, and a total ranging from $17,101 to $35,135 unless the state lowers the maximum work loss to $15,000; (2) reimbursement for replacement of services the victim would have performed personally but for the accident; (3) up to $1000 for funeral and burial expenses; and (4) compensation for surviver's loss. (B) Only 2 States would come up to the level of S. 354, Michigan and New York.

(2) Medical Benefits. (A) S. 354 requires that all reasonable charges for medical treatment and care must be paid. (B) Only 2 States would come up to the level of S. 354, Michigan and New Jersey.

(3) Emergency Health Services. (A) S. 354 requires that all reasonable charges must be paid. (B) No States would conform with this requirement.

(4) Medical and Vocational Rehabilitation Services. (A) S. 354 requires that all reasonable charges must be paid. (B) Only 2 States would satisfy this requirement, Michigan and New Jersey.

(5) Economically Disadvantaged Individuals. (A) S. 354 requires that each state provide automobile insurance coverage to all economically disadvantaged individuals who cannot afford to pay ordinary premium rates. (B) Only 1 State would meet this requirement, Hawaii.

(6) Restrictions of Right to Sue. (A) S. 354 does not permit law suits for victim's economic loss unless the loss exceeds the basic restoration benefits described in paragraphs (1) through (4), the injuries were intentional, or in the case of liability of uninsured motorists. No cause of action is allowed for bodily injury except for: (1) death; (2) serious and permanent disfigurement or other serious and permanent injury; (3) more than 6 months of total disability. (B) No States would satisfy this requirement.

(7) Assigned Claims. (A) S. 354 requires that each State must provide a system for the payment of assigned claims. (B) Only 7 States would satisfy this requirement, Massachusetts, Connecticut, New Jersey, Michigan, Nevada, Kansas and Hawaii.

(8) Comparison of Prices. (A) S. 354 requires that each State's Insurance Commissioner shall provide the means to permit purchaser of insurance to compare prices being charged by insurers for no-fault benefits and tort liability coverage. (B) No States would satisfy this requirement.

(9) No-Fault Between Insurance Companies. (A) S. 354 requires that a no-fault system operate in each State between insurance companies as well as between motorists. (B) Only 4 States would meet this requirement, Maryland, Michigan, Arkansas, and Texas.

(10) Priorities for Payments of Benefits Among Multiple Sources. (A) S. 354 requires that each State implement the system of priorities for determining which source will pay for the basic restoration benefits decribed in (1) through (4) in cases in which more than one source is available. (B) Only 1 State meets the wording of S. 354 for this requirement, Michigan.

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF WILLIAM JEWELL COLLEGE

Mr. SYMINGTON. Mr. President, on February 27, 1849, Gov. Austin King of Missouri, signed the charter for the first men's college west of the Mississippi River. Founded by Baptists, the college was located in Liberty, now a suburb of Kansas City, but then a small settlement that stood alone among sparse pioneer settlements and Indian villages. Kansas City itself had not been chartered. Liberty was important as one of the outfitting posts for the long trek across the western prairie.

In this year, 1974, that college still is providing leadership in American education. I am pleased to have this opportunity to salute William Jewell College in its 125th anniversary year as it celebrates a year-long festival of achievement.

William Jewell College has an illustrious history and a no-less-illustrious present. One of the few colleges educating leaders on the frontier, the college had a significant impact on the growth of Missouri and the West. A residence and hospital for troops during the Civil War, a citadel of learning in time of peace. William Jewell College established a reputation for academic integrity and Christian commitment throughout the last century. It built upon its tradition in our present century, becoming a charter member of its accrediting association, sending a high percentage of its graduates on to the best graduate and professional schools, and developing educational and cultural programs that marked it as an unusual educational establishment. Indeed, so many of its graduates earned places in "Who's Who" listings that by the 1940's William Jewell College was widely known as the campus of achievement.

In the current decade, under the leadership of President Thomas S. Field, the college has built upon its tradition of excellence to offer still more educational leadership to Missouri and the Nation. A pacesetting new curricular program called education for individual achievement has been designated as an antidote to the widespread depersonalization observed in contemporary American life.

A cooperative program has been developed with Regent's Park College of Oxford University. A premier fine arts series has brought some of the world's best performing artists to the Midwest. A championship tradition in athletics and forensics has been embellished even further. Education of a professional leadership for American society has been furthered.

Since its founding 125 years ago, the campus of achievement has earned a significant place in the history and current growth of American higher education. As a part of this year's celebration, I am pleased to offer this tribute to William Jewell College.

THE CONCORDE

Mr. BENTSEN. Mr. President, during the congressional debate in 1971 over development of a U.S. supersonic transport, a great deal was made by SST proponents over the challenge posed to U.S. aviation by the Concorde SST being developed by France and Great Britain. I was not persuaded by this argument at the time and I believe recent events have shown that it has even less currency today.

Those of us who argued against the SST felt that if it could not meet the test of securing private financial support for its development costs then it was not likely to meet the test of winning aviation industry support necessary for its production. The Anglo-French Concorde, I believe, is a good case in point. The British and French Governments have sunk more than $2.5 billion into development of the Concorde and to date the only customers for the production model have been Air France and British Airways—two state-owned airlines that seem to have very little choice in the matter.

When one considers the state of the U.S. airline industry today—with the new wide body jets actually being retired from service by many airlines—we can only be thankful that our airlines are not faced with the additional burden of attempting to capitalize the purchase of a new supersonic transport.

The decisions of the marketplace may seem harsh at times, but I believe that the private sector has a proven record of providing the United States with the best technology, at an affordable price and in harmony with the all-economic forces that are played in a free economy.

Mr. President, I ask unanimous consent that a recent editorial on the SST from the Houston Post and an article from the March 23 issue of Business Week magazine may be printed in the RECORD.

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

[From Business Week, Mar. 23, 1974]

MORE TURBULENCE FOR THE CONCORDE

The Anglo-French supersonic airliner, the Concorde, seems headed for its biggest crisis since 1964, when Harold Wilson's Labor government tried to cancel the plane on first taking office. Now, Tony Benn, Secretary of State for Industry in the new Wilson minority government, who regards himself as a Concorde partisan, has given Parliament facts that suggest that the cheapest thing to do with the Concorde would be to scrap it now. Firm sales to date still total only nine, all to Concorde's "captive" state-owned customers, British Airways and Air France.

Nobody in Paris was talking for the record on Benn's remarks, but the French did not appear to consider them a serious threat. "The cost problems of the Concorde have been long known and already discounted," says one high French official. Another speculates that Benn's remarks may be part of a broadly orchestrated effort to get a better deal for Britain in renegotiating its entry into the Common Market. British haggling on the Concorde, in this view, would put pressure on the French to allow Britain a better deal on farm prices. The French government announced on Feb. 19 that it favored continuation of the Concorde, including production of three aircraft in addition to the 16 now authorized, plus new fuel tanks to increase range.

LOST POUNDS

Benn, however, told Parliament that there is no hope that Britain and France will be able to recover any part of the $2.5-billion development cost of the Concorde through a levy on sales. He added that further development spending to improve the aircraft's performance, as urged by the Concorde's manufacturers, would also be lost, that production of any number of Concordes sold would result in further huge losses per plane, and that operation of the aircraft could possibly cost British Airways "many millions of pounds" annually in lost profits.

Benn emphasized that the new Wilson government had made no decisions about the Concorde's future. "In view of the size of the sums of public expenditure involved and the importance of the decisions that must now be made," Benn said, "I thought it right to place these facts before the House [of Commons] and the country before any decisions are reached." The failure of the Concorde, he told a press conference, would be "a national tragedy."

RAMIFICATIONS

Despite the disclaimer, Benn's statement sounded ominous. To Michael Heseltine, Minister for Aerospace in the Heath government, which was voted out of office on Feb. 28, Benn's statement seemed likely to do "the maximum possible harm and the minimum possible good" to the Concorde unless he intended to cancel the project. And seasoned London aerospace industry observers read the statement as preparing the ground for a possible cancellation attempt.

If the Wilson government does eventually press for cancellation, a head-on Anglo-French row seems inevitable. When Wilson last tried this tack, in 1964, he was advised that to cancel unilaterally might violate the treaty setting up the project.

MOUNTING COSTS

Benn's figures indicate that to cancel now would cost the British taxpayer $190-million. Merely to complete the 16 aircraft being built would cost the British public purse $480-million to $570-million. The French proposal for three additional planes and longer-range fuel tanks would raise the ante to between $510-million and $675-million. And, according to Benn's figuring, if 100 Concordes were built and sold, the British share of the production losses would reach $280-million to $580-million.

The Concorde's manufacturers—British Aircraft Corp., Rolls-Royce (1971), Aerospatiale, and Snecma—want to improve the Concorde's engines and change its wing design as well as add extra fuel tanks, which they forecast would make possible sales of about 130 Concordes by the early 1980s. Benn's statement disputes this, nothing the effects of both the temporary fuel shortage and other unresolved issues could "reduce sales substantially." British Aircraft had no comment, but the London *Times* summed up: "The gloomiest government report on the Concorde ever."

[From the Houston Post, Mar. 18, 1974]

SUPERSONIC PHOENIX

Americans who assumed that the SST had been killed off by Congress and who thought that the financial flop of the Concorde had justified the killing may be interested to know that the government is now spending $20 million in a three-year study seeking modifications of the SST to make it environmentally safe. Department of Transportation scientists report that the SST's environmental problems can be overcome within 10 years "without great cost."

This seems to overlook the fact that DOT is concentrating its scientists and millions on a plane that will serve no more than one-half of one per cent of all Americans—those few who fly overseas and would pay double and triple fares to cut three hours off the flight. The news comes at a time when Americans by the millions are in daily, practical need of better commuter trains and buses, of better mass transit systems and railroads, of motor vehicles that will use the least possible amount of fuel.

When the SST was voted down by Congress in March 1971, it had already cost more than $1 billion—86 per cent of it federal money. Then the administration asked for another $83.5 million in shut-off funds to cushion the shock of curtailment for the corporations working with the government on the project. But by May—three months after the vote to end the development plan—the administration was trying to have the $83.5 million diverted to revive work on the prototype.

Economists as well as environmentalists were fighting the SST. Walter W. Heller, former chairman of the President's Council of Economic Advisers, said then: ". . . the SST dismally fails the fundamental tests of the market place. The benefits will go mostly to the high-income and business travelers—for whom a three-hour instead of a six-hour crossing is meaningful—while the risks and costs will be borne by the taxpayers, most of whom will never fly the SST."

Britain and France forged on, finished their Concorde at costs running 500 per cent higher than estimates, and have not been able to persuade a commercial airline in this country to take one, even on a rental basis. The finished Concorde—a beautiful bird—is not economically feasible; it will never pay its development costs; no single Concorde will pay for itself even if flying with every seat filled on every flight.

Now the administration is asking for a comparatively modest appropriation for railroad research, while Congress and DOT expect railroads to make a comeback and become self-supporting with old tracks and obsolescent passenger cars. In contrast, Europe and Japan have been running fast, modern trains for years. And France is developing the Aerotrain. It clocked 234 m.p.h. on a test track outside Orleans last week. It runs on a cushion of air, and the French expect it to revolutionize rail travel.

SENATE ADOPTS NEW WAY OF HANDLING BUDGET

Mr. PERCY. Mr. President, an article by Philip W. McKinsey in the Christian Science Monitor of March 18 appropriately reflects the background and content of the congressional budget reform bill that the Senate passed last week. The article points out that the impetus for congressional budget reform came as a result of the President's 1973 challenge to Congress over the impoundment of funds. It reports accurately the evolution of our bill, from a rigid, disciplined bill, to one whose procedures are more flexible, but "still have enough teeth in them to make a real change in the way Congress handles fiscal policy." I commend this article 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:

SENATE EYES NEW WAY OF HANDLING BUDGET

(By Philip W. McKinsey)

WASHINGTON.—An historic overhaul of the way Congress handles the budget—designed to impose stern fiscal discipline as Congress votes spending and taxing measure—is nearing the final stages.

The Senate will vote this week on a comprehensive measure setting up new budget

committees in each House, establishing spending targets, and forcing Congress to reconcile national outgo with income before adjourning for the year.

A companion bill already has passed the House, and key legislators figure the final version can be enacted before this summer. It would take only partial effect next year but would be fully in operation by the following year.

"This is the most important budget reform since 1921 when Congress created the Budget Bureau in the executive branch," says Sen. Charles H. Percy (R) of Illinois, a prime backer of the legislation.

BATTLE STARTED IN 1972

The battle for better budget control got started in 1972 after President Nixon, charging Congress with exceeding the budget by some $8 billion in the face of inflation, impounded funds wholesale and enraged the Congress.

But Congress was in no position to insist that all the funds it had appropriated be spent, since members recognized that the total was too high. The need to impose new spending disciplines on Congress before confronting the President on the spending issue gave birth to the proposals now ready for adoption.

The first proposals attempted to set rigid spending ceilings early in the year for each category of spending. However, it was recognized that Congress could not realistically be forced into an iron mold, and the final proposals are more flexible. But they still have enough teeth in them to make a real change in the way Congress handles fiscal policy.

The start of the fiscal year would be changed from July 1 to Oct. 1. Then as soon as Congress receives the president's budget in February, new budget committee's in each house would go to work. They would make their own study of the president's budget, decide whether it was too high or too low in view of economic conditions, and recommend their own targets for total spending.

In addition, a target for each category of spending such as education or defense would be set. A new congressional office of the budget or a joint Senate-House staff would be created to provide more staff expertise in Congress.

Then as each appropriation bill came up, it would be debated in view of where it fit into the total spending figure. Congress would vote more for one measure and less for another than the original targets. But in the end, before Congress adjourned, it would have to vote one final "reconciliation" measure.

VAST DIFFERENCE

This contrasts strongly with the present system, where each appropriation bill is simply voted through on its own and if the total ends up billions over the president's budget—too bad.

An important innovation is that new "back door" spending which now escapes the annual appropriations process altogether would come under the spending ceilings. Back door refers to such programs as social security, veterans benefits or student loans, which, once authorized, must be spent automatically, whatever the amount. The money would still have to be spent, but if it exceeds estimates, some cuts would have to be made elsewhere.

There is a major Senate-House difference on impoundment yet to be settled. The House would permit the president to impound funds unless either body vetoes the impoundment. The Senate prohibits presidential impoundment.

IMPORTANT CHANGE

The Senate bill contains another important innovation. It sets up a procedure for Congress to rescind spending authority approved in the past but which now seldom gets reviewed. Each year there is about $300 billion worth of "carryover" where some economies

The Senate committee report disputes the idea that all overspending has resulted from congressional largess. Often the overspending results from the president submitting for political reasons a budget he knows will be hard to stick to, then asking for supplemental appropriations later.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, over the past quarter century a series of arguments have been advanced in behalf of Senate ratification of the Genocide Convention. These arguments are just as compelling today as they ever were.

The Genocide Convention has a very simple aim: to prevent the annihilation of racial, ethnic, national, or religious groups. Drafted in the aftermath of World War II, while the memory of the Nazi atrocities against the Jewish people remained fresh, the Genocide Convention became the first major human rights convention to pass the United Nations General Assembly unanimously.

While murder remains a crime in all societies, this treaty seeks to formalize genocide as a crime under international law. It recognizes that the integrity of all the world's peoples is a concern that goes beyond national borders. The destruction of any group—racial, religious, ethnic, or national—is a loss for all mankind.

Mr. President, this treaty draws upon the best traditions of our country. It deserves our wholehearted and enthusiastic endorsement. I urge my colleagues not to let another session of Congress end without affirmative action.

MAINE

Mr. MUSKIE. Mr. President, this morning's edition of the New York Times contained a sensitive short essay on what my home State of Maine means to one refugee from urban America. Her thesis, "Maine makes sense," makes sense to me and to share her wisdom with my colleagues, I ask unanimous consent that her article be printed in the RECORD.

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

MAINE MADE SENSE

(By Sandra Garson)

FIVE ISLANDS, MAINE.—People kept telling me I had guts to move to Maine. Frankly, I thought I had common sense, for I wanted to play where I understood the rules of the game.

I had already tried and abandoned a gaggle of life-styles: my Philadelphia heritage, the bittersweet Big Apple, world travel and expatriation (not glamorous but depressing, even if you speak the language)—so at a ripened 29 it seemed time to stake my claim to being what I was: an American, whatever that meant.

The nineteenth-century passion for going West didn't move me, for I, born in the mid-twentieth, suspect that God strategically placed America's major geological fault in California in order to replay His wipe-out of Gomorrah easily. So I went East to a state of mind, and landed in the state of Maine. Suddenly the jigsaw locked. Maine made sense.

Recently Bridgton voted to reduce to almost zero the taxes on land left untouched for the appreciation of passing townspeople when it was learned that local landowners had been forced to sell or develop land merely to bear the tax burden. A human being understands that.

The comfort of comprehension, something mid-nineteen-seventies Americans fear they have bartered to Beezlebub to get away from it all, has not been lost up here because Maine has never tried to get away.

As adamant as the tall pines and time-washed cliffs of her spine, it refuses to be moved one millimeter from the human condition.

Some people call its residents Mainiacs, but they are intensely sane. They know there is no getting away and so they adapt to life, setting out humane values and goals. They are the tortoises in the great race, but it is perhaps their Yankee genius that by not moving one inch they have gotten away from all that is troubling everyone else.

With less civilization there are fewer discontents. There are more chances to get in touch. Up here on this hardline landscape, nature whittles life down to human scale, peeling off the question marks.

Guerrillas in a war of attrition against the highly charged forces of nature and the well-equipped arm of "progress," Maine's people live in that constant state of alert that novelists say is exhilarating. When they lie down to sleep at night they know what it means to survive the measure of a day. Nothing is more worth knowing.

I understand better what it means to be human when I have to spend three hours chopping wood for a fire to keep warm than when I have to drive six times around the block trying to park and then get a ticket because it's the wrong day for the right side of the street. The other day a woman came into the general store and handed Ray a dollar. She had just gotten home and noticed that he had given her too much change.

Maine is what this country must have been all about once. I was an immigrant to this land, a single woman homesteader. Yet nobody posed tacky questions. Rather, they let me hang myself out and seeing that my pursuit of happiness wasn't inimical to their life or liberty they called me "friend" and "neighbor."

Democracy grows here because people need each other to survive. Here the town meeting is a bridge between neighbors. Decisions are not relegated to politicians. Self-determination is the Yankee way, and in Maine I have come to learn what that means.

On the agenda of my last town meeting were votes on a moderator, $500 to retain counsel to determine the rights of townspeople to certain water access, and $378 for transportation services for the elderly.

I have seen the past and it works. The present is out of order. Maine satisfies my human longing for consistency. I live now in a house that has stood by the sea for 150 years, in a village incorporteed since 1716 and among people who still do what humans are supposed to do. Maine people not only endure, they prevail. On this terrain they have no choice. And they have chosen this terrain.

In moving here from New York to join them, I did not abandon a sinking ship as some thought. I merely satisfied my own needs. Maine, the vast undeveloped country making possible the exploration of human alternatives, was not out of the question for the urban me because in desperation I dared pose the big question: Do I want to lead and understand my one and only life?

GOOD THINGS ABOUT AMERICA

Mr. HUGH SCOTT. Mr. President, the latest issue of U.S. News & World Report

brings good news. In an article entitled, "Good Things About America," the magazine points out that despite the many doubts and problems we are currently facing as a Nation, at least one group of U.S. citizens realizes that this country still offers the best possible way of life.

The group they refer to represents more than 6 million immigrants from all parts of the world. Their comments tell the story. I ask unanimous consent that this revealing article be printed in the RECORD.

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

GOOD THINGS ABOUT AMERICA

THROUGH THE EYES OF NEW CITIZENS

At a time when most Americans are beset by doubts or dismay at the state of the nation, one group of U.S. citizens still sees the country's weaknesses as relatively unimportant in comparison with its strengths.

These people are the more than 6.3 million immigrants, from virtually all countries of the world, who have come to the United States in the past 20 years, either to flee oppression or simply to better their chances in life.

To get an idea of how these Americans typically view their adopted land in a troubled time, staff members of "U.S. News & World Report" probed the reactions of four persons who have become naturalized citizens in recent years.

Over all, as these new Americans see things—

The U.S. is still a nation that offers unparalleled freedom—not only in politics but in social mobility, economic advancement and personal life.

They like the sheer size of America, its wide choice of careers and places to live, its readiness to assimilate foreigners, and the feeling of belonging to a society established to serve and protect the individual.

Immigrants do have complaints about the U.S., too.

They tend to believe that America is too permissive toward criminals and dissenters. Some miss the more-leisurely pace of life or the security offered by rigid conventions or social structures they left behind them.

Yet, these Americans are inclined to discount somewhat the turmoil over Watergate, inflation and shortages as being exaggerated in light of conditions elsewhere. In their view, the U.S. is still a nation that lives up to its historic pledge of liberty, justice and the pursuit of happiness for all.

"IN AMERICA, AN INDIVIDUAL HAS VALUE"

LOS ANGELES.—Had he remained in South Korea, Norrie S. Yuh says, he probably could have taken over his family's prosperous dairy business and enjoyed special status as a son of the Government's former Minister of Reconstruction.

Instead, he completed his education in the United States and Switzerland, became a U.S. citizen and at the age of 33 has worked his way up to the ownership of a travel agency and a small export-import firm in Los Angeles.

Why did he give up a privileged role in Korea for an uncertain future here? He replies:

"It's not because the money is here—I could make a living back there—the thing is that here people speak freely."

In Korea, Mr. Yuh says, a prominent person could get in trouble just for speaking to a member of a political party opposing the regime. By his account, news media are censored or controlled by the Government, people must register to move from one city to another and businessmen have to bribe officials to get the many licenses and permits they need.

"I know when I call Korea, all calls are taped," Mr. Yuh says. "I have even been called on by two men from Korean intelligence who played back a tape of a telephone conversation I had with my mother, and they wanted me to explain the meaning of some remarks we made."

But in America, he believes, "there is complete freedom." He adds, "Maybe some people abuse that freedom, but even if you do abuse it, you're left alone as long as you don't break the law."

As an example of what he considers abusing freedom, Mr. Yuh cites the calls for the impeachment of President Nixon so soon after his overwhelming re-election.

"The business of immorality is overpublicized," he says. "This kind of situation you find in other countries—maybe worse than here—but they don't talk about it."

Mr. Yuh also enjoys the social liberties that Americans often take for granted.

"My father wanted me to marry a certain person whom I had never met," he says. "But here I married the girl I wanted—my secretary. If that sort of thing happened in Korea, everyone would talk. It was a marriage not properly arranged."

Mr. Yuh thinks America's racial problems are no worse than mutual antagonism between Koreans and Japanese living in each other's countries. He says:

"There are prejudices in every country. But this country has the least discrimination against minorities. I strongly believe that I was more discriminated against in Switzerland than over here."

Mr. Yuh feels he has equal opportunity, and prefers that to being part of a privileged class. "In this country, you get what you work for," he maintains. "I don't think that is valid in any other country. Unless you have good connections or influence, you probably will not succeed. If I make it here, the credit comes to me. There, no matter what I did, I would still be only the son of Mr. So-and-so."

What it all boils down to, Mr. Yuh, is this:

"In America, an individual has value. He is recognized as a human being, equal to any other. There is respect for the value of one person."

"LIFE IS MORE EXCITING HERE"

NEW KENSINGTON, PA.—After more than 16 years in this country, Francesca Mognini early this year was sworn in as a U.S. citizen in Pittsburgh, Pa., 20 miles from her suburban home.

"Now I become an American," she said as she sat on a courtroom bench, waiting for the ceremony to begin. "But already I have been living like an American."

For Mrs. Mognini, 50, and her husband Cassio, 57, "living like an American" has been much like their life in Italy. Here, as in Italy, Mr. Mognini has tried to ply his trade as a shoemaker, then turned to construction labor. In both countries, Mrs. Mognini has gone to work whenever her husband was laid off, and at present she supplements the family income by working as a seamstress in her home.

"If Cassio was still working construction in Italy, we could make a living," says Mrs. Mognini. "But we could never own a house or a car. Only rich people have those things, because it's a small country and there isn't too much work."

During their first few years in the U.S., the Mogninis had to support two school-age children on $2,000 a year or less. But now Mr. Mognini brings home at least $200 a week when he is working steadily. Last year, they paid off the small frame house that they bought shortly after they arrived and have been renovating ever since.

"The real-estate lady and the man at the bank were so nice to us, even though we didn't have any money," says Mrs. Mognini. "They said because we were hard-working people we could have the house. In Italy, you have to know somebody or own property."

But they also met a fast-talking salesman a short time later who pressured them into buying $1,200 worth of faulty aluminum siding for their home. They got a lawyer who won an out-of-court settlement.

"Some people try to cheat you in every country," says Mr. Mognini. "Here, at least the lawyer could do something about it."

The Mogninis are sending their 23-year-old son to drafting school and paying tuition for their 30-year-old married daughter to become a trained beautician.

"In Italy," says Mrs. Mognini, "most children have to drop out of school and work because their families need money."

Mrs. Mognini also enjoys the more relaxed atmosphere in American homes. "In Italy, if my husband tells me to do something, I have to do it to keep the peace," she says. "Here I do it because I like to. And if I tell him I want to go dancing, I go."

A little democracy sometimes causes friction in the family, she says, but in this country "husbands and wives understand each other better—when we're working together and making decisions together, it makes us better friends."

Mrs. Mognini says she likes the variety and the livelier pace in America, although she adds that "life is more exciting here, but there's more worrying, too."

She says she has never run into ethnic discrimination.

"My son-in-law is Polish," she says. "We have all kinds of friends—Hungarian, Irish—and we will get along fine. The only people who call us 'Dago' are our Italian friends, and it's just for fun."

HERE YOU CAN BE ALMOST ANYTHING

WASHINGTON, D.C.—Marcelo R. Fernandez is a Cuban refugee who believes the great American ideal of freedom is already a reality in many ways.

"I don't mean just political freedom," he says. "I mean the freedom to choose."

Mr. Fernandez, 35, fled Cuba via the Brazilian Embassy in 1961, immediately after the abortive invasion at the Bay of Pigs. He says he was one of many Cubans who had stockpiled arms and awaited word to help the invaders, "but the word never came."

An economist by training, he has been a citizen since 1967 and works as an assistant to the superintendent of schools in Washington, D.C.

Says Mr. Fernandez:

"If I had stayed in Cuba and co-operated with the Government, I might have ended up in the same sort of position I'm in now. Or I could have kept on resisting and been shot."

This immigrant relishes the wide variety of careers offered in America.

"In many countries, there are only six or seven professions you can go into," he says. "Here, you can be almost anything, if you're able to do the work." He recalls:

"My father was a very successful man in Cuba, and because I was his son I had to conform to other people's ideas. Here, I am myself."

Having lived through the turmoil of revolution in Cuba, Mr. Fernandez is particularly impressed by America's political resilience. He observes:

"Look at the young people who used to be rioting. Now we have given them the vote, and they have a greater stake in society. In many countries, when one class or group gets upset, they just rise up and start their own repressive system."

Mr. Fernandez went to a park across the street from the White House the day President John F. Kennedy was shot, "because it looked like the Government had fallen, and

I wanted to see how the people would react." What he saw was this:

"People were going to church to pray. They were very sad, but no one was worried that things were going to collapse. In Latin America, everyone would have run home, because there would be a revolution."

Mr. Fernandez says the healing of rifts created by civil disturbances in the past decade shows "a great capability for love and compassion." By comparison, he maintains, "Latin Americans carry grudges and call it pride, but really it's compensation for their weaknesses."

Mr. Fernandez has also found Americans "very tolerant of foreigners," citing the quick reconciliation with Japanese Americans after World War II and the acceptance of German-born Henry Kissinger as Secretary of State.

"Once I criticized a taxi driver in Spain," he says, "and he told me to go back where I belonged if I didn't like his driving. Here, my accent is more noticeable, but people never say things like that to me."

Such tolerance is a sign that "Americans are becoming more mature and less arrogant," Mr. Fernandez thinks. "Since the difficulties in Vietnam and at home, we no longer act like we have all the answers for the rest of the world."

Watergate, he feels, will point up the nation's strength in the long run.

"Everyone knows these things happen at least as much in other countries," he says. "But we are able to get them out in the open in this country and perhaps keep them from happening again."

America's main drawback? Mr. Fernandez believes the pressures of the nation's economic competition produce excellence but are dehumanizing in some ways. Again, he recalls a recent trip to Spain:

"I went to visit a cousin I hadn't seen in 20 years, and he embraced me and kissed me. I remembered how an American friend of mine went to the airport to meet his son—who had been in Vietnam—and they just shook hands.

"I'm afraid, 10 or 15 years from now, I'll act like that toward my daughter."

Still, Mr. Fernandez would rather live in America than anywhere else in the world.

"For me, it's better to choose the way I want to live. I like the excitement of our wide-open, changing society."

"WHAT I LIKE IS THE FREEDOM"

NEW YORK CITY.—When the Yugoslavian Government confiscated his family's farmland and factories in 1947, Paul Konstantinovic began searching for two things that Americans often take for granted: political freedom and the right to own his own business.

On his seventh try, he escaped from Yugoslavia in 1958, only to spend seven frustrating years in France.

Now, after eight years in America, this 41-year-old refugee is a U.S. citizen and proud owner of an auto-repair shop in New York City.

Despite some grumbles about the attitudes of his fellow Americans, he declares, "I'm living a much better life here in every way." He says:

"I would never be able to be a manager or an independent businessman in Yugoslavia. I would always be working for someone else, because I am not a Communist."

Even in France, immigrants were barred from owning a business, he says. And he adds: "If you were a foreigner living in Nice, you couldn't get a permit to go and work in Paris."

Mr. Konstantinovic says of America:

"What I like is the freedom. You are free to do any type of business you can work at. And you can move about freely. There are no problems."

Recalling the discrimination he encountered as a foreigner in France, this refugee-turned-businessman says:

"When I hire people, I don't mind where someone comes from. In the U.S., people don't ask what race or religion you are or what your nationality is. They ask you, 'What do you know how to do?' "

Three years ago, Mr. Konstantinovic bought as an investment a $6,500 country house on Long Island, which he has fixed up until it is worth $36,000. Some day he would like to move out of the big city, but in the meantime he gets satisfaction out of working—frequently a 12-hour day—to provide little luxuries such as a recent $200 trip to Ohio for his son.

Even the basics of American life were luxuries for him once.

"In America, we can have meat two or three times a day," he says. "In Europe, we'd have it on Sundays and maybe three times during the week."

Despite his own long hours, he feels most Americans are too businesslike.

"In Europe, we talked more of cultural affairs," he says. "We also discussed vacations. Here, it's only business, business, business!"

Mr. Konstantinovic, whose apartment has been burglarized, is concerned, too, about lawlessness, strikes, racial troubles and the welfare situation. He warns:

"If the turmoil does not stop, people will want a strong man. Hitler, Mussolini and Napoleon came into power that way."

Although he feels the nation may be too permissive, he is optimistic:

"America is still an enterprising country. All the troubles we have here will settle down."

FARM COOPERATIVES TO EXPAND ENERGY AND FERTILIZER SUPPLY SOURCES

Mr. McGOVERN. Mr. President, on March 13, 1974, an announcement was made by the National Council of Farmer Cooperatives that 19 of the Nation's major farm supply cooperatives have formed an international trading company to search for additional sources of energy. This newly formed trading company, known as International Energy Cooperative, Inc., hopes to negotiate directly with the major oil producing countries to obtain needed supplies of fuel required to meet U.S. farm and rural energy needs.

Mr. President, I would like to request unanimous consent that this announcement be printed in the RECORD at the end of my remarks.

I would also like to call attention to another announcement made March 15, 1974, by Farmland Industries, Inc., and Alberta Ammonia Ltd., regarding plans for the construction of four new anhydrous ammonia fertilizer plants in Canada and a pipeline from those plants to some 15 U.S. Midwest States.

Both of these announcements dramatically illustrate the importance of farm cooperatives. Farm cooperatives, own and operate eight refineries which supply between 30 and 40 percent of the fuel needs of their 1.5 million farmer members in the United States.

The recent actions announced in these two public announcements are of the utmost importance to all Americans for the future supply of fuel and fertilizer will determine our Nation's supply of food and and fiber.

Now that all available cultivable acres of cropland in the United States are now in production, future increases in total production will have to come from increased yields per acre. And to increase yields, increases in fuel and fertilizer supplies will be required.

Mr. President, I want to take this opportunity to commend our Nation's farm cooperatives for these new undertakings, which are so vital to our Nation's future food and agriculture capabilities.

I also want to request unanimous consent to have the Commodity News Service Wire story of March 15 about the Farmland Industries—Canadian nitrogen plant construction printed in the RECORD following the International Energy Cooperative Agreement.

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

FARMER COOPERATIVES FORM INTERNATIONAL TRADING COMPANY

WASHINGTON, D.C.—March 13—Nineteen of the nation's major farm supply cooperatives have formed an international trading company to undertake a broad-based search for sources of energy.

The organization, known as International Energy Cooperative, Inc. (IEC), will attempt to negotiate directly with major oil producing countries for supplies needed by cooperatives to meet farm and rural energy needs.

IEC Chairman Sigved Sampson, president of Midland Cooperatives, Inc., Minneapolis, said that during the 1973 energy crunch farmer cooperatives found they couldn't rely on historical suppliers as they had done in the past.

"We realized then," said Sampson, "that if we were to adequately supply farmers with fuel for food production, we'd have to form our own trading company to find more reliable suppliers."

To achieve its objectives, the International Energy Cooperative will: purchase energy supplies—both crude oil and finished products; trade agricultural commodities; explore the possibility of operating jointly-owned food processing and marketing enterprises in the host country; explore the possibility of building and operating jointly-owned refineries; and provide the latest in food production technology to trading partners.

Farmer cooperatives currently supply about 30 percent of the total fuel used on U.S. farms. One-third of their supply is refined in their own refineries, and two-thirds is bought as finished product. They own about 10 percent of their crude oil supplies.

NEGOTIATIONS IN PROGRESS

IEC President Jack Thrasher, chief executive officer of National Cooperative Refinery Association, McPherson, Kansas, said that the trading company is currently negotiating with six major oil producing countries in Africa and the Middle East for crude oil and other supplies.

"From our discussions," said Thrasher, "we've found that these countries like dealing directly with a farmer-owned U.S. trading company. And, since most are developing countries, they like the agricultural technology and production know-how that we can bring them through the IEC."

Thrasher said that cooperative owners of the International Energy Cooperative believe that they can operate on the same scale as a major oil company.

In addition to Thrasher and Sampson, other officers of the IEC include: Secretary-Treasurer, Don R. Armstrong, executive vice president of Farm Bureau Services, Inc., Lansing, Michigan; and Assistant Secretary-Treasurer, Bill Brier, director of energy re-

sources, National Council of Farmer Cooperatives, Washington, D.C.

The International Energy Cooperative will be temporarily headquartered in Washington, D.C. It will be staff-supported initially by the National Council of Farmer Cooperatives until a full-time IEC staff is hired.

The nineteen farmer cooperatives owning IEC include: Agway Inc., Syracuse, New York; CENEX, St. Paul, Minn.; CF Industries, Inc., Chicago; FCX, Inc., Raleigh, N.C.; FS Services, Inc., Bloomington, Ill.; Farm Bureau Services, Inc., Lansing, Mich,; Farmland Industries, Inc., Kansas City; Fruit Growers Supply Company, Van Nuys, Cal.; Gold Kist Inc., Atlanta; and Indiana Farm Bureau Cooperative Assn., Indianapolis.

Also: Land O'Lakes, Inc., Minneapolis; Landmark, Inc., Columbus, Ohio; MFC Services, Jackson, Miss.; Midland Cooperatives, Inc., Minneapolis; Missouri Farmers Association, Inc., Columbia, Mo.; National Cooperative Refinery Association, McPherson, Kan.; Southern States Cooperative, Inc., Richmond, Va.; Texas City Refining, Inc., Texas City, Texas; and Tennessee Farmers Cooperative, LaVergne, Tennessee.

FARMLAND AND CANADIANS JOIN FORCES TO BUILD GIANT FERTILIZER COMPLEX

KANSAS CITY.—In a "hands-across-the-border" transaction that should eventually ease, if not eliminate, the fertilizer squeeze facing Midwestern farmers, Farmland Industries, Inc., and Canadian officials today announced tentative agreement of an anhydrous ammonia project that will ultimately produce some 1.5 million tons of nitrogen fertilizer products annually.

Announced were plans to build four ammonia plants in the Province of Alberta, Canada. The first two plants are to be on stream in 1976. Each plant will produce 1,250 tons a day and the product will be channeled by pipeline into position to serve farmers and ranchers in 15 Midwest States.

When completed, the complex will be the largest fertilizer manufacturing facility in the world.

Farmland officials headed by President Ernest T. Lindsey and representatives of Alberta Ammonia, Ltd., announced the agreement in Calgary, Alberta, Canada, today.

Estimated investment in the facilities, including working capital, will be about $325 million. This includes the four 1,250-ton-a-day ammonia plants and a 1,200-mile ammonia pipeline.

The pipeline will extend from the plant site in southern Alberta to a tie-in with existing pipeline facilities in north central Iowa.

Alberta Ammonia will own and finance the facilities in cooperation with Canadian and American banks. Farmland will be retained by Alberta Ammonia to build and operate the plants.

Lindsey said Farmland has agreed to market the output of the plants and to provide the downstream storage and facilities to handle the ammonia on a "as-produced" basis.

Farmland will construct eight new 30,000-ton storage facilities at locations along the pipeline route. In addition, Farmland will commit some $75 million to finance construction of urea, nitrogen solution and ammonium nitrate production facilities along the pipeline. These plants will be planned to come on stream as the pipeline is completed.

Natural gas producers headed by Great Basin Petroleum, Ltd., Sulpetro, Ltd., and Canadian Western Natural Gas, Ltd., will be responsible for the development of natural gas reserves, gathering systems and transmission pipelines to the plant site. Some 200 million cubic feet of gas will be needed to operate the four nitrogen plants each day.

Since natural gas supplies for such industrial purposes as nitrogen plants are on the wane in the United States, fertilizer production using Canadian gas is logical and beneficial, the Farmland executive said. "Our joint venture with Canada will free U.S. gas for such vital jobs as home heating, even as we produce more fertilizer for our farmers," Lindsey added.

Farmland Industries, headquartered in Kansas City, Mo., is owned by 2,100 local farmer cooperatives in 15 Midwest States. It is a major supplier of fertilizer, petroleum, feed and farm supplies to some 500,000 farmers and ranchers.

FOOD RESERVES

Mr. HUMPHREY. Mr. President, the March 27 issue of the New York Times includes a very comprehensive article on the subject of food reserves.

It outlines the main arguments raised at the recent hearings of the Senate Agricultural Subcommittee on Agricultural Production, Marketing and Stabilization of Prices, including the central question as to whether the grain business will be subject to an unfettered world market, or will the United States stockpile in bumper years as insurance against poor crop years, famine abroad and skyrocketing domestic prices.

While the question may be academic this year, this assumes that exports will continue at a high level, Bumper crops elsewhere or a dimming of detente could change the export picture and cause prices to plummet.

The article does not, in my view, adequately explain that the Government has asked our farmers to maximize production, and they have responded by making the necessary investments. All of our usable land has been brought back into production in order to step up production.

While these steps make sense from a production standpoint, we must be aware that we have increased the vulnerability of farmers. We should assure that the Government shares in the risks it has asked our farmers to take.

In spite of this qualification, the article is most informative and I commend it to the attention of this body.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

THE QUESTION OF STOCKPILING GRAIN DEBATED IN SENATE

(By Seth S. King)

WASHINGTON.—Should the United States, in bumper crop years, stockpile wheat, feed grains, and soybeans as insurance, in poor crop years, against famine abroad and skyrocketing grain prices at home?

Or should the Government, as Agriculture Secretary Earl L. Butz contends, stay out of the grain business and let an unfettered world market regulate the supply while American grain farmers continue to benefit from unlimited agricultural exports?

Or are these questions largely academic this year, when there may be hardly enough grain left over to satisfy the demands of a world population 60 per cent larger than 20 years ago, let alone establish a reserve?

Or when American farmers are expected to plant all the land now available and the long range weather forecasters are asking if this is the year when the 20-year drought cycle begins after the dust bowl years of the early nineteen-thirties and fifties.

The great debate over a grain reserve began another round last Thursday when a Senate Agriculture subcommittee again took up the matter.

THE ONLY ARGUMENT

The creation of a new grain reserve was the only farm policy argument being made this year, when grain farmers were making more money than they ever had before and when they were more concerned with finding enough fuel and fertilizer to plant some of the largest crops since World War II.

Government-owned stock piles of grains quickly become potent factors in the world market. When supplies are pulled down by crop failures and world demand pushes grains prices up, a reserve hangs over the market. Grain buyers know that if these prices go high enough, the Government will sell from the reserve and bring prices down. This, in theory, benefits the consumer.

But in years when surpluses accumulate and prices slide, the Government would be required to buy for the reserve. This would raise market prices and benefit the grain farmers.

Also, when the reserve accumulates, the taxpayers must pay the storage costs. In the nineteen-fifties when American farmers produced backbreaking surpluses, these storage costs ran as high as a million dollars a day.

Memories of those days when farmers had to turn over most of their crops to the Government through the price support program are still painfully fresh.

But today those price-depressing surpluses are all gone. The price support loans have been ended. Virtually all of the bumper crops that American grain farmers grew since 1972 have been consumed in the United States or sold abroad and grain prices are still the highest in history.

In the debate over a grain reserve there was no suggestion that it would be needed to prevent food shortages in the United States. This country, with its enormous farm capacity, exports from 20 to 60 percent of its grain crops.

The Government could always insure enough food for Americans simply by limiting these exports. But without a grain reserve the poorer countries could go hungry in years of drought and crop failures.

Before the committee is a bill by Senator Hubert H. Humphrey, joined by seven other Democrats and a Republican, that would require the Agriculture Secretary to buy stocks of wheat, corn, grain, sorghum, barley, oats, rye, and soybeans when the "carry-over," the amount of these crops left over at the end of a crop year, reach specified levels.

When demand indicates that these carry-over stocks would be reduced below these specified levels, the Agriculture Secretary would also be required to order export licenses for the sale abroad of such crops. When the stockpiles were above these levels, the Agriculture Secretary would be authorized to sell them at specified prices in the open market.

The prices the Agriculture Secretary could pay to acquire reserve stocks would be set at the "target" or subsidy price set by Congress under the new agriculture law. This means the purchases could be made only in years of abundance, when the market price would drop to or below the target prices. This year grain prices are two or three times higher than the target prices.

"No country can afford to be without a grain reserve, even the United States," Mr. Humphrey said recently. "The hungry people in the world need the security of a reserve in the years when their crops fail. We must get a stored supply here so the United States can remain a reliable exporter. The American farmers are entitled to a price stabilizing reserve when there are surpluses. And the consumer is entitled to protection against

the skyrocketing grain prices that are inflating our food costs."

LEVELS ARE NEGOTIABLE

Mr. Humphrey said the bill's levels for Government purchases, as well as the price levels at which the Government could buy, were "negotiable."

The carryover of wheat and corn from the 1973–74 crops are already below the required acquisition levels in his bill. But the prices are too high for the Agriculture Secretary to act.

"It would be very difficult in the immediate future to start another reserve." Mr. Humphrey conceded. "But Mr. Butz is forecasting record corn and wheat crops this fall. If he's right, we could start building reserves next year."

FARM GROUPS OPPOSED

Under the existing law the Agriculture Secretary has the authority to purchase grains or acquire them through crop loans when the market plunges. The Commerce Secretary also has the authority now to license or ban exports should American supplies drop too far.

But Senator Humphrey insisted that now there was nothing to compel these steps. He also said that export regulations were so loosely drawn that all they required was the reporting of exports, which could be out of the United States before it was known they were gone.

Many of the larger farm organizations are opposed, at least in this year of soaring prices, to any large-scale grain stockpiling by the Government.

At its recent meeting in Omaha, the National Association of Wheat Growers wrangled most of the day over the grain reserve question and was able to agree only a resolution directing the organization's national board to keep its eyes on the question.

But such non-Government organizations as the National Planning Association, the Overseas Development Council, and the Brookings Institution, have been urging an American grain reserve and the participation of the United States in an international stockpiling program.

Dr. Butz is fiercely proud of this country's farm export efforts this year, noting that the amount gained from farm exports offset the amount America had to spend for petroleum imports.

"Food reserves are important," he recently told the Senate Finance Committee. "Such questions as how they are to be acquired, where they are stored, and how they are dispensed must be explored. But to talk of building up reserves before we have talked about making sense in production is to put the cart before the horse."

All sides in the grain reserve argument are agreed that 1974 will be the year of the test. Acreage restrictions have been removed and American farmers are expected to plant virtually all of the land they have left for crops.

LARGE CROP EXPECTED

If the weather is normal and there is enough fertilizer, this should yield enough wheat, corn, and soybeans by autumn to start a reserve. At the same time the large grain producing countries, such as the Soviet Union, Canada, Australia, and Argentina, are also expected to reap large crops.

But Lester R. Brown, a senior fellow at the Overseas Development Council, questions, as do some other agricultural economists, the Agriculture Department's optimistic estimates for 1974 crops.

"Grain stocks in the exporting countries are at the lowest levels in 20 years," Mr. Brown said.

At the same time, he noted, there are 50 per cent more people in the world than 20 years ago.

"If we couldn't rebuild reserves in 1973, when we had record grain crops in the United States, when can we do it?" he asked. "If we do not take advantage of any surpluses we may get this year, we may not have the chance again for years."

ANNIVERSARY HYMN

Mr. HARTKE. Mr. President, I had the honor to receive the lyrics to an Anniversary Hymn written by a constituent of mine, Mr. Ira Frantz. In this day of political, economic and social unrest in the world, it seems most fitting to bring it to the attention of my colleagues.

As we prepare for our 200th Anniversary, we must renew our spirit and enthusiasm for the ideals upon which our great Nation was founded. In "America Lead On!" Mr. Frantz has captured the spirit of America in lyrics.

The last line of Mr. Frantz's anniversary hymn seems to sum up best the spirit which our great Nation must pursue during the next 100 years:

May he who wills that wars shall cease,
Use thee to give life, health and peace,
Learning and liberty, To all humanity.

Mr. President, I ask unanimous consent that the text of "America Lead On!" by Ira Frantz be printed in the RECORD.

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

AMERICA LEAD ON! (AN ANNIVERSARY HYMN)

(By Ira H. Frantz)

America, beloved land!
Both wealth and power dost thou command;
From coast to coast, men find at hand
Vast opportunity.
Thy rock-walled mountain canyons sheer,
And lakes of sky-blue waters clear
Enhance thy dignity,
Beauty and majesty.

Thy birth men proudly celebrate,
Two centuries have made thee great,
Land of free men, but contemplate
Thy past, and humble be.
To Red men this land once belonged;
Both Red and Black men thou hast wronged
By wars and slavery,
Deceit and cruelty.

Let now both these great peoples share
In all that makes this land so fair,
And may the nations everywhere
A trusted friend find thee.
Be this thy purpose high and good,
That earth become one neighborhood,
Of people strong and free,
Secure and free as thee.

May future ages, bright, confess
American trustworthiness.
May justice, truth and righteousness
Ever thy glory be.
May he who wills that wars shall cease
Use thee to give life, health and peace,
Learning and liberty
To all humanity.

SOUTH DAKOTA ENVIRONMENTAL CONFERENCE

Mr. McGOVERN. Mr. President, I ask unanimous consent to print in the RECORD the final section of the Proceedings of the Conference on Environmental Issues which I sponsored in Sioux Falls, S. Dak. on January 12, 1974.

This section includes the final group of statements by some of the panelists, the personal statements submitted for the record, and two new articles by the press on this conference.

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

SEMINAR I: COAL MINING AND POWER DEVELOPMENT

(By Brent M. Haglund)

We in South Dakota presently find ourselves neighbors to a great stampede. We are on the fringes of the great coal rush of the 1970's. An abundant, previously little-exploited resource is now generating a potential for more social disruption, more air pollution, more capital investment, and more land disturbance than any of the great historical gold rushes.

Our society has generated the demand and this fine area of the nation will pay an inordinately large share of the cost. The matters of demand and cost should both concern us in our planning of a more rational energy policy for this nation. But to act intelligently on these questions we need information such as that available from our panel members.

I am happy and eager to open this first discussion of the day, Coal Mining and Power Development. Present here beside me are a group of competent, involved men who will provide us with information and opinions on the magnitude and potential of these problems.

SUMMARY OF REMARKS

(By Patrick J. Godsil)

In my remarks I will focus on two main points: (1) EPA's conceptual relationship to the land use decision making process; and (2) some examples of EPA activities in South Dakota which relate directly or indirectly to Agriculture and related land use issues.

Land use decisions should conceptually involve balancing the many competing forms of land use against the carrying capacity of the land. But first the land's carrying capacity must be defined by society in terms of its social, economic, and environmental goals

The land has a finite capacity to absorb man's activities without exhibiting detrimental effects. Also there is a finite manner in which land may be used without causing detrimental effects on the associated air and water systems. In the Rocky Mountain-Prairie Region the air, land and water resources are fragile. Consequently, the natural capacity to absorb man's activities is quite limited. The visible remains of the Oregon Trail tracks stand witness to this fact.

Therefore, society must define the land's carrying capacity in its own terms. When this "new" capacity is threatened then procedures are followed which allocate land resources among competing uses. And frequently (especially in terms of environmental quality) there is a need to undertake remedial measures to achieve society's defined carrying capacity.

Within this general framework the role of the Environmental Protection Agency can be defined as it relates to the land use decision process. EPA is responsible for assuring that state and local governments establish ambient standards for air and water quality. These standards serve the purpose of defining the environmental framework or constraints in which land use decisions can be made. Once appropriate standards are established planning processes must then relate these ambient environmental objectives to the physical, social and economic factors of the land use decision process. Where needed the planning process will also define the remedial measures, such as wastewater treatment, required to meet ambient standards. Finally, a major role of EPA is to establish the administrative mechanisms to implement necessary remedial measures including enforcement procedures to achieve environmental objectives.

The following examples illustrate activities of the EPA in South Dakota which relate to agriculture and land use issues.

For the past three years EPA has financially supported a water quality management study of the Cheyenne River Basin—Black Hills region. Water pollution resulting from overgrazing and loss of streamside vegetation and from winter grazing and feedlots involve basic land use issues relating to rural residential development, agricultural practices, and highway construction.

The towns of Lead and Deadwood in conjunction with the Homestake Mining Company have applied for wastewater treatment construction funds to abate pollution of Whitewood Creek. The decision of where and how to treat the combined wastes involves competing values and uses of surrounding agricultural land.

EPA is in process of reviewing the final Environmental Impact Statement for the Oahe Irrigation Project. This issue involves the ability of the project to achieve water quality standards and other environmental objectives.

EPA is in the process of implementing a National wastewater discharge permit program. Permits to discharge are required for animal feedlot operations and will effect the location, design and operation of such operations.

SEMINAR IV: THE PRAIRIE ECO-SYSTEM

Moderator: Lee McCahren, President, Dakota Environmental Council, Vermillion, S.D.

Panelists: Gilbert Blankespoor, Biology Dept., Augustana College, Sioux Falls, S.D.; John Popowski, Secretary, S.D. Dept. of Game, Fish & Parks, Pierre, S.D.; Clyde Brashier, Chrmn., Division of Science & Mathematics, Dakota State College, Madison, S.D.; Marilynn Kelm, Chrmn., South Dakota Board of Environmental Protection, Sioux Falls, S.D.

Participants: Larry Green, Pheasants Unlimited, Madison, S.D.; Vic VanBallenberghe, S.D. Chapter. The Wildlife Society,

Since this summer is to deal with the prairie ecosystem, it is important that, at the outset, we understand what we mean when we speak of the prairie ecosystem. I suppose that the word "prairie" conjures up in the minds of most people an image of a flat, treeless, intrinsically uninteresting expanse of land which extends for untold miles in every direction. And the prairie as it exists today does have something about it that is uninteresting. During the growing season the prairie vegetation consists of a patchwork of a few monoculturally-grown crop species and during the winter season the prairie is often completely devoid of vegetation as a result of having been turned "belly-up" by industrious farmers who are already looking forward to the next growing season.

But those of us who have a fondness for the history of middle America and those of us who have studied the plants and animals in the "nooks and crannies" of middle America have a completely different concept of the prairie ecosystem. To us the prairie ecosystem includes unique communities of plants and animals which once existed across the whole of middle America from the Rocky Mountains to Ohio, and from north-central Minnesota to Oklahoma (1). These communities were dominated by perennial grasses with such strange-sounding names as big bluestem, little bluestem needlegrass, dropseed, buffalo grass and blue grama. Scattered among the grasses were a host of non-grass species, none very important by virtue of their numbers, but all very important, nevertheless, because their presence made a contribution to ecological stability and as Robert Betz suggests made walking through a native prairie infinitely more beautiful and exciting than walking through a field of wheat or a bluegrass pasture (2).

But native prairie communities are now largely non-existent and to "sniff out" their location requires a kind of prescient sixth-sense. The few small prairie remnants which still do exist are likely to be found along railroad rights-of-way, in road-side ditches in old cemeteries. Small bits of prairie continue to exist in some farmland areas because some feature of the topography prevents their being plowed up. Each year some of the remaining prairie remnants are plowed up or are destroyed by herbicide sprays or by being overgrazed.

Just how important are native prairies as a natural resource? Ought South Dakotans be concerned about the existence or non-existence of native prairie vegetation? Can an ecosystem type whose present areal extent is so small have any real importance? In light of the fact that farm policy in this country is now geared towards food scarcity rather than food "surplus" (3) is there any rational way to justify the growing of prairie vegetation instead of wheat and corn?

People who are convinced about the importance of preserving native prairie ecosystems usually present an apologetic which has two main thrusts. One of the thrusts focuses on esthetics while the other suggests that native prairies are important for scientific and theoretical reasons. I want to review some of the arguments presented not because I think they are unfamiliar to you but because I think it is important that we be reminded of them from time to time.

There are those who say that technological man has reached the point in his history at which he no longer needs nature. The implication of such an idea is that he can function perfectly well in an environment that is almost totally artificial, an environment, for example, which consists mostly of glass and steel and concrete. Whether or not such human beings exist, I do not know. My intuitive guess is that such is not the case. I would rather believe that the spirit of man retains its sensitivity to the natural world and, indeed, that it is not possible for man to have a meaningful existence apart from the natural world.

Robert Brower (4), writing about the larger concept of wilderness puts it this way: "Wilderness is a bench mark, a touchstone. In wilderness we can see where we have come from, where we are going, how far we've gone." One aspect of the natural world which is important to most of us, I think, is the diversity which it offers. Hugh Iltes (5) describes the importance of diversity in this way: "Anyone of us, if not blind, who has hunted for prairie flowers in Illinois, fished in the Mississippi . . . or tried to find a tree growing in Brooklyn, knows that life's diversity is what keeps the world from becoming dull." As one deals with the topic of esthetics, one experiences a sense of frustration because it does not seem to be possible to quantify something which one intuitively feels to be extremely important. I might add, parenthetically, that it would seem to be imperative that some sort of quantification of the esthetic be developed if studies involving cost-benefit ratios of proposed projects are to be at all valid.

The notion that native prairies are important from a scientific point of view can easily be defended. The importance has to do with the nature of ecosystems in general. An ecosystem consists of both living and non-living parts or components. One way to approach the undertsanding of an ecosystem is to look at the relationships which exist among the components. In a natural ecosystem these relationships, though complex, are well-defined and in balance. We are only now beginning to understand these relationships. We have so much to learn about energy flow, nutrient cycling, population dynamics and a host of other ecological principles. The important point to stress is that very likely much of what we have yet to learn will be important for man's own survival for man himself is an ecosystem component. Whenever a natural vegetation type is lost, a large number of plants and animals are lost and a large potential to learn something more about ecosystem structure and function is lost.

What might the microorganisms in the prairie sod have yet to teach us about soil fertility? What might the prairie phlox and the prairie gentian have yet to teach us about competition among plants? What might the prairie grasses have yet to teach us about the efficient conversion of solar energy to the energy of foodstuffs? What have the insects of the prairie yet to teach us about biological control? There is another scientific reason why the existence of natural ecosystems is important. In man's mad scramble to dominate he has broken almost every ecological principle and has seriously despoiled most ecosystems. Natural ecosystems, then, can serve as standards against which the extent of the damage can be assessed and on the basis of which restorative procedures can be ascertained.

If one agrees that the continued existence of the native prairie ecosystem is warranted, then one is faced with the question as to how this can be brought about. There are basically two approaches. The first involves the location and preservation of prairie remnants and the second involves efforts to restore native prairie vegetation on land areas where it once existed. I conclude with the following recommendations most of which involve either prairie preservation or prairie restoration.

1. Efforts to locate and preserve prairie remnants should be coordinated on a statewide basis. Such efforts could be patterned after those of the International Biological Program and might well make use of earth satellite imagery.

2. Particular attention should be paid to those prairie remnants which occur on state and federally-owned land. In those cases where the natural vegetation is in a state of deterioration, money and man-power should be made available for the purpose of initiating and sustaining management procedures.

3. Efforts should be made to organize a vigorous chapter of the Nature Conservancy in South Dakota. The Nature Conservancy is an organization whose stated purpose is the preservation of natural ecosystems. Through the efforts of Dr. David Holden at South Dakota State University the Nature Conservancy has recently been able to purchase a tract of land south of Brookings known as the Sioux Prairie. But the Conservancy in South Dakota suffers from a lack of manpower and in my opinion much could be accomplished in the way of prairie preservation if this were not the case.

4. Our efforts to promote environmental education must be redoubled on a state-wide basis. As many of you know, I think, the state Council on Environmental Education has responsibility for implementing a state plan for environmental education. It is to be hoped that increased environmental awareness on the part of school children will include a new understanding of and appreciation for native prairie vegetation. Such an increased appreciation might conceivably be translated into efforts by school districts to purchase prairie remnants which then could serve as nature centers and outdoor classrooms.

5. Since prairie remnants are so few in number, the future existence of prairie vegetation of any substantial areal extent is dependent on the successful completion of restoration projects. Although much needs to be learned about prairie restoration, a number of efforts have met with considerable success. Notable among these efforts are those expended at the University of Wisconsin Arboretum at Madison, Wisconsin. A perusal of the proceedings of two recently-held conferences on prairie preservation and restoration (6,7) will convince the reader that a considerable body of data on prairie restora-

tion is available. In the upper Midwest the efforts of the Federal Wildlife Service people to restore native prairie on certain Waterfowl Production Areas might serve as models for similar restoration projects. The possibility of using highway ditches for restoration projects merits consideration.

6. Proposed land-use legislation which construes the preservation of natural areas to be a legitimate land use deserves to be supported at both the state and national level.

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PRESENTATION BY JOHN POPOWSKI, SECRETARY, SOUTH DAKOTA DEPARTMENT OF GAME, FISH AND PARKS, PIERRE, S. DAK.

Although the science of wildlife management is only 40 some years of age, it is a discipline that has reached maturity with a reasonable degree of wisdom. We know *what* the basic forces and conditions that affect various wildlife populations are, and we know *what* the management techniques necessary to support those objectives are.

Of course, I am not saying that the science of wildlife management is perfect—anymore so than is the science of medicine—there are problems for which we do not have solutions. For example, we know that South Dakota's pheasant population could be considerably increased, and maintained, by adding and improving nesting cover and winter cover over a 40,000 square mile range. We also know that the cost of providing that cover is beyond wildlife management's present capability.

The wildlife manager, in his efforts to promote a healthy and varied wildlife community, strives to overcome esesntially the same obstacles that face the environmentalist: economic feasibility, public acceptance, special interest influence, and last but not least, the voracious appetite of our society to consume natural resources.

In the time alloted to me here it's impossible to list, let alone detail, all the issues that affect the management of South Dakota's wildlife resources. I have mentioned pheasants and touched upon habitat as the primary factor that governs their future. But habitat, in fact, is the regulator of all wildlife and fish . . . and habitat is a product of the land.

The land, therefore, remains our most precious resource. We have seen devaluation of the U.S. dollar abroad, drouth in India and Africa, poor fishing conditions off the coast of Peru, a U.S. balance-of-payments deficit and our need for crude oil from other nations. All of which sound like a jumble of newspaper headlines.

But if you add them up, you have the reason why the United States is a grain exporter to the world. Consumers have already felt the pinch; wildlife will be feeling it as more habitat is cleared to produce grain in exportable quantities. We will all probably benefit in our standard of living, certainly South Dakotans will, but it is going to be at a cost we might want to consider.

Habitat and pheasants only begin a list of wildlife-related issues. Here are some others:

I have said the wildlife manager faces the obstacle of public acceptance. Nowhere is that more obvious than in the issue of predator control. Somewhere between the anti-hunting and trapping approach and the kill-everything-that-walks approach is the logical approach.

We do not, as has been suggested by some persons, ignore the non-game species of wildlife. Two such species that I can readily think of are the black-footed ferret, and if you will, the mourning dove.

Anti-hunting attitudes have been expressed with greater frequency in recent years, and now I see that a local television station a commercial is being aired that expresses an anti-trapping message. The announcer on this commercial, and it is a commercial since donations of money are solicited, states that fur coats are a luxury. For the wearer they may be, but for the trapper it's the harvest of a renewable natural resource.

It would be negligent of me to appear on a panel discussing the environment without mentioning our waters. Lakes, particularly natural prairie lakes such as we have in South Dakota, are living ecosystems. And like anything living, they will eventually die. You know the Surgeon General has warned that smoking cigarettes is harmful to your health . . . might cause you to die sooner. Civilization is harmful to a lake's health . . . ours will cause them to die sooner.

There are ways that we can stall the death of our lakes: better watershed management (land use planning), chemical rehabilitation, rough fish removal and controlled lakeshore development.

As Secretary of the Department of Game, Fish and Parks, my responsibility includes not only fish and wildlife but also forestry and outdoor recreation. And there are environment-related issues in these fields, too.

The overuse of parks and recreation areas by large numbers of summer visitors has diminished the quality of the individual's outdoor experience, and threatened the natural beauty of some parks. To preserve any semblance of park atmosphere and unspoiled nature, we have found it necessary to limit the number of campers that may use a park at any one time. And to avoid depriving picnickers, bird watchers and hikers, we have found it necessary to restrict campers to camping areas only.

Forest management seems to be a subject that many people misunderstand. To some, forest management means fire protection and *no* cutting of trees. Both of these philosophies, carried to the ultimate, would destroy the forest and all the wildlife within it.

The issue that I have saved for last concerns land acquisition. Our Department buys land from willing sellers only, for wildlife production and outdoor recreation. This would include land that is intended for park purposes, waterfowl marsh, lake access, and many others. We have been criticized for buying certain parcels of land through the purchase, in all cases, is for public benefit. Some of the areas that I refer to are key areas to the preservation of an environment that we all want . . . keys to an environment that this conference seeks to enhance.

CHARACTERIZATION OF PRAIRIE LAKES AND THEIR PROBLEMS

(Statement of Dr. Clyde Brashier, Dakota State College, Madison, S. Dak.)

Prairie lakes are not pristine pure. They probably never were. But they are certainly less pure now than ever before.

Prairie lakes are somewhat unique in character. They are quite different from the cold deep lakes of northern Minnesota and northern Wisconsin and even some in northern South Dakota which still show relatively few effects of pollution. Our prairie lakes are much more delicate. The prairie lakes are typically quite shallow and become very warm during the summer. Most of them are too shallow to achieve a thermocline as do the deeper and colder lakes of northern Minnesota. But similar to most of the lakes throughout the rest of the United States, they have become plagued with problems of pollution and destruction in recent years. Because of their characteristics and location, they are perhaps more vulnerable to the effects of pollution than are most other types of lakes. Because they are shallow they are subject to siltation damage and many have become filled with mud in recent years. Many are now marshes, and others have completely disappeared. If you fly over eastern South Dakota in a small plane, you can see the outlines of a number of old lakes that no longer exist. Many of these may have died naturally, but the death of many was speeded up by our activities.

The watersheds of most prairie lakes are being intensively farmed. This farmland is subject to heavy soil erosion, especially during heavy spring run-offs and high intensity rainstorms. Many farmers now farm by recommended conservation practices which means that they plow on a contour, and in areas with relatively steep grades they have their farms terraced. This, however, does not completely stop soil erosion and in a heavy downpour considerable quantities of soil are still lost from the land.

According to the U.S. Soil Conservation Service standards, up to five tons of topsoil per acre per year may be lost from eastern South Dakota farms without any damage to the land. Many farms do not meet the five-ton standard in their farming operations. Better conservation practices are needed on the farms to reduce topsoil loss to an absolute minimum. This is needed in many cases to save the land and especially to save the lakes.

I believe it is possible to save our prairie lakes. The use of contour plowing, terracing where necessary, the development of meandering grassed waterways, a move toward a grassland economy on land immediately adjacent to the lake feeder-streams, the proper application of fertilizer, and the more extensive use of minimum tillage techniques are all practices that can result in less silt and less nutrients getting into the lakes from farms.

As I mentioned earlier, prairie lakes get warm. This coupled with an abundance of nutrients from farm and feed-lot runoff and from domestic and industrial sewage causes heavy green pea-soup algal blooms during most summers. Because of their lack of depth, and consequently their lack of volume, nutrients become concentrated in them rather easily producing a highly enriched condition. In deeper, colder lakes nutrients sometimes become trapped in water layers near the bottom, the so-called nutrient trap, and are effectively removed from the area of algal growth that eventually produces the bloom. But this is not the case with most prairie lakes. Although a number of algae have been found causing the blooms, most of them are caused by the blue-green alga *Aphanozomenon*. The high water temperatures speed up growth of the algae; then the algae die; then the high temperatures also speed up the breakdown of the dead algae. This causes the lakes to become foul-smelling and unpleasant to be near. This occurs in some South Dakota lakes almost every summer. Occasionally the effect of this abundant production of hydrogen sulfide, which causes the foul odor, also causes people on the lake to become ill. In 1968, we had two of our Lake Madison researchers hospitalized because of it and a coin collec-

tion in a cabin on the lakeshore turned black as the silver reacted with the noxious gas.

Because of their shallow and warm characteristics, some prairie lakes can become euthrophic and subject to heavy algal blooms even with the introduction of small amounts of nutrients. These lakes have a delicate balance between maintenance and destruction. That delicate balance of many of the prairie lakes is rapidly being upset. At the present time it seems that where there are people and farms the lakes are being destroyed. Now there are some of us that don't think this is necessary. Many scientists and laymen consider this inevitable and accept it as a fact of life. "Lakes are born to die" is a statement you often hear. But we're speeding up their death much too soon. It is without doubt inevitable that the prairie lakes will be destroyed as long as we continue the current practices of dumping domestic sewage and industrial wastes into them and allowing them to become enriched with nutrients from farms and feedlots.

Many people simply refuse to accept this premature destruction of our lakes as inevitable and are promoting better conservation practices in farming and are pushing for new ideas concerning the disposal of domestic and industrial wastes. But for this promotion to succeed will require more than just words. The leaders of our communities and our state have to start action programs to stop the pollution practices. I know that more studies are necessary. But we don't have to know every last detail about these lakes to start clean-up programs. Once the action programs are begun, I believe we will find that most people are interested in the salvation of the lakes and will help. But the programs have to start and the people have to become involved.

One thing that we have found in dealing with groups whose activities adversely affect the lakes is this: A total lake restoration program needs to be started. If you approach a group of lakeshore cabin owners and ask them to stop waste waters and other materials from the cabins from entering the lake, they immediately point to city sewage effluent, feedlots and farms that are contributing to lake pollution. If you approach another group you again get the same response. And so we have found that if you use a total approach to solving the pollution problems of a lake, you can get better cooperation from all concerned groups.

One thing we can be sure of is that we must stop polluting the lakes and begin clean-up programs. Another one or two decades of inaction, even though many words may be spoken or written about the need for action, may seal the doom for many of our most prized prairie lakes.

PRAIRIE ECOSYSTEM—AIR POLLUTION

(By Marilyn Kelm, chairman, South Dakota Board of Environmental Protection)

The first federal legislation which attacked air pollution was the Clean Air Act of 1963. It was mainly concerned with interstate air pollution problems, but it did provide funds so states and localities could expand their control programs.

However, it was not until the Air Quality Act of 1967, that a meaningful start was made in controlling air pollution. Very briefly, these amendments to the Clean Air Act of 1963 set in motion a regional approach. Air quality control regions were designated for some 100 major metropolitan areas of the country. The rationale for this was that where people are concentrated—where people live, work in factories, drive cars, where power is produced—this is where air pollution occurs. Procedure was outlined in the Act whereby each region sets its own standards for the five pollutants named by the federal government. When the standards were approved, the region formulated an implementation plan which told how and when the standards would be met.

There were a couple of problems that arose under this procedure. First, businesses and industries threatened to leave a region and move to a non-designated area, if stringent air quality controls were imposed. Secondly, different standards and compliance schedules, sometimes within a state, created a competitive disadvantage for some companies.

Three areas in South Dakota were named in air quality control regions. The Sioux Falls Region consisted of Minnehaha, McCook, Lincoln, and Turner counties in South Dakota, and adjoining counties in Minnesota and Iowa. Union County was part of the Sioux City Region. Butte, Meade, Lawrence, Pennington, Custer, and Fall River Counties made up the Rapid City Region. Before the process of setting standards and formulating implementation plans could begin in South Dakota, the Clean Air Act was again amended. The three designated Regions remain, however, with the rest of the state making up a fourth Region.

With the Clean Air Amendments of 1970, sweeping changes were made to clean up the country's air. The Clean Air Amendments of 1970 made important changes that dealt with the weaknesses of the 1967 Act. The federal government, through the EPA, would now establish standards for six pollutants, that would be uniform for the entire country. In addition, the responsibility for formulating implementation plans were given to each state. The Clean Air Amendments of 1970 are the basis for the program and action in the field of air pollution control in South Dakota.

There are six pollutants for which federal standards have been set. They are sulfur oxides, particulates, photochemical oxidants, hydrocarbons, nitrogen oxides, and carbon monoxide. The standards for each are the maximum total amounts of a specific pollutant permitted in the ambient air.

Under the provisions of the Amendments of 1970, the Air Pollution Control Commission in South Dakota formulated an Implementation Plan in late 1971. Hearings were held and the final Implementation Plan was submitted to the EPA in May, 1972. Only six of the fifty states' plans were approved by the EPA. South Dakota's plan was basically acceptable, however, some legal authority required by the federal Act was not present in South Dakota statutes. Governor Kneip requested that the necessary legal authority be delegated to the Air Pollution Control Commission. The Implementation Plan was then approved. Incidentally, South Dakota's Clean Air Act was amended during the 1973 Legislative Session to give the Air Pollution Control Commission the legal authority required by the federal Clean Air Amendments of 1970.

The provisions of the Implementation Plan went into effect on July 10, 1972. It provided that all air pollution sources be in compliance within one year, July 10, 1973, except for the wood waste burners in the Rapid City Region, which were given until January 10, 1974, to be in compliance.

The Implementation Plan addresses itself to the six pollutants, but in addition, South Dakota's air pollution rules include pesticide control and control of odors. In an agricultural state, such as we are, these are very important provisions.

When the Implementation Plan was formulated in 1971, the four Regions in the state were prioritized I, II, and III for each pollutant, with III being the best rating. The four Regions are rated III for all pollutants, with one exception. The Sioux Falls Region has a II rating for particulates. This means the standard is being exceeded for this pollutant.

It should also be noted that the samples for particulates in the Rapid City Region were taken in Custer State Forest prior to 1971, and showed a very low particulate level. Since 1972, particulate testing has been done on a regular basis in Rapid City. The samples show that the average particulate level is far above the standard. It may be necessary to change the Region to a priority II, or even I.

The Implementation Plan also said that all existing sources that were in compliance would be issued a permit to operate; and, any source that could not meet the deadline of July 10, 1973, had to request a variance, which could be issued for up to one year by the Board of Environmental Protection. (On July 1, 1973, under Executive Reorganization, the Board of Environmental Protection assumed all the functions of the Air Pollution Control Commission.) Variances are renewable, however, according to the Implementation Plan, every source in the state must be in compliance by July 31, 1975, or cease to operate.

Last fall, the Board of Environmental Protection held hearings on the applications for permits and variances from all the air pollution sources in the state. There were over 1200 applications. Many of the sources were in compliance and were given a permit. Those not in compliance were given a variance and put on a schedule for acquiring and installing air pollution equipment.

Citizen participation is an essential ingredient in the air quality program in South Dakota because we operate with a limited staff and budget. Suspected violations should be reported to the Department of Environmental Protection for investigation. Environmentalists can also assist the Board by attending hearings on variance and permit requests and reporting their observations of air pollution sources in their locality. It is as important to note those in compliance as those who are not. With the cooperation of citizen environmentalists and operators of air pollution sources, South Dakota can easily attain the goal of clean air for all its citizens by July 31, 1975.

STATEMENT ON BEHALF OF NCRLC

(By Fr. Leonard Kayser)

Again and again today we have heard: "What do the people want? What does society want?" Very simply, dear people, we are here perhaps seeking "What *ought* to be." What ought to be concerns values, what is right and good; and to these basic values, I speak.

MOTHER EARTH

Man is mortal in relation to the earth; man is immortal in relation to God. The earth is finite and so are her resources: the basic elements of air, soil, water, and fire are limited, though they are recyclable ad infinitum under proper sybiotic conditions. Nature herself is well balanced, but man has disturbed that tender balance. He does this as soon as he considers only one aspect of his environment apart from the others.

JUDEO-CHRISTIAN HERITAGE: A COVENANT OF STEWARDSHIP

The Book of Genesis states for all time man's place in the world. "Let us make man in our image, after our likeness . . . let them have dominion . . . over all the earth . . . I have given you every plant yielding seed . . . you shall have them for food." Genesis 1/26 & 29.

This trust and stewardship of air, soil, water and fire was given to all men. Representative government, even freely choosen, does not change that trust or the corresponding responsibility of all the people to hold possession of the earth. Those who control or keep for their own use, amounts of property or goods in excess of their own needs, in a way thieve it from those who are thus

prevented from obtaining or keeping ownership of, the means of livelihood for themselves and their families.

THE SECULAR GOSPEL

We have legitimized our gospel of technological growth, progress, and know-how by depleting our capital of natural resources. We are beginning to realize this is inefficient management of resources. As Mr. Ernst Habicht suggested this morning, our short term focus has forgotten our most precious resource, human beings.

Many educators and project directors would have us believe that financial incentives alone will motivate us to provide for the production, exchange, and distribution of goods and services. This necessarily leads to a love of things instead of a love of men who have superior social and spiritual needs. It generates a growing loss of human freedom. The economic factors are not more important than the kind of world we want to live in. Freedom comes at a cost, not at a profit. Nor does freedom allow that a few make the decisions involving the lives and well-being of large numbers of people. This is especially so when it advances the economic gain of only or primarily those some few.

What proves efficient in RPM's or units per hour, is not necessarily efficient growth of the human spirit. Senator McGovern's film this morning portrayed that extremely well. It has often proven to be just the opposite in man hours lost on the job because of frustration caused by a real sense of slavery to technology. Efficiency and economic feasibility must be defined in terms of how it makes our lives better. In all this there is no substitute for some kind of ownership in the means of production by every laborer. Even animals can be fed a completely balanced ration of feed and yet be in a state of malnutrition. Human bodies may be well fed and clothed while at the same time be dying in spirit. What is true of individuals is even more true of a society or a generation of men.

THE DIGNITY OF MAN: REGULATION

Expertise in advertising has made us very dependent on life's comforts. Luxuries of the recent past have become necessities for all of us. At the same time we have come to realize that we cannot afford all these necessities, even economically, simply through non-availability of resources. This may be due in large measure to manipulated supply after artificial demands have been created.

When man lives only for today and for his own personal concerns, he regresses. Life's goals lie always in the future, generally in the future of others. This is why, not merely economics, but human values with their social and spiritual dimensions, must prompt our use of every earthly and human resource so that the lives of future generations will be freer than ours.

NCRLC POLICY: THE FAMILY

National Catholic Rural Life Conference's policy has always been to encourage the good which will advance truly human values. It has been convinced that this is the better way to control or eliminate questionable programs and policies. However, there are and need be exceptions. In 1964, the Conference included the following reflection in a policy statement: "NCRLC has consistently and vigorously supported the purposes of the Federal Reclamation Program. These purposes, expressed in the basic reclamation law, are briefly stated: the promotion of the family farm and prevention of land and water monopoly. Under this 60 year old program millions of acres of arid and semi-arid West have been brought under irrigated production at the cost of billions of dollars of federal funds . . . Recent study, however, of reclamation legislation and administration, persuade us that the family farm and anti-monopoly objectives of this program are being frustrated. In a number of reclamation projects the chief benefits have gone, or threaten in the future to go, not to family farmers but rather to exceedingly large landowners."

In conclusion then, the earth is not meant to be consumed but gardened. Man himself must never be only an instrument for consumption. Man is in process of becoming a new creature and in this process of redemption, must bring a new order of justice and peace to all. We cannot arrive at such a day unless we first have this order and freedom of spirit within ourselves. Man must be lord of his own life through regulation of his conduct, or be doomed to be ruled by some one or some thing else.

STATEMENTS SUBMITTED FOR INCLUSION IN THE PROCEEDINGS ON BEHALF OF INDIVIDUALS AND ORGANIZATIONS (LISTED IN ALPHABETICAL ORDER)

STATEMENT BY MRS. ERVIN BAYNE, HARROLD, S.D.

The following comments are what we believe about the proposed Oahe Irrigation Project.

The morale behind the Oahe Irrigation Project plan appears to be: robbing Peter to pay Paul, under the disguise of progress. Proponents would have us believe the completed project would make South Dakota a land of Utopia for business; employment; farming; and recreation. While it's true new jobs will be created during the building process, the over-all end result will create more hardships and problems than exists presently. The projects high finance costs will result in higher rates for land, machinery, pasture rent and taxes; real estate, transportation, and utilities; which in turn will escalate business and farming costs, thus ending in higher food costs to consumers.

Small business' and small family farms cannot exist under rising prices; increased wages; and OSHA requirements. So, no employment there—only hardships for those squeezed out. When this happens large corporations and conglomerates can move in and monopolize the food industry—causing still higher food costs which will dig deeper into South Dakotans pockets. Sully countians are already feeling the effects, in higher taxes.

The agriculture, livestock, and wildlife production loss on the 110,000 degraded acres required for project facilities cannot be gained through irrigating 190,000 acres. That is taking (1) acre for project facilities to irrigate (1 4/5) acres.

South Dakota's short growing season cannot be changed. Spring's cold windy weather and Summer's hot windy weather can destroy millions spent on irrigation. If what we read about weather modification is true then money spent on further tests to perfect the experimentation would benefit more people than the irrigation project will.

The irrigation project will interrupt the livelihood of too many people: jeopardizing their economic, environmental, and social welfare to enhance the livelihood of others in another territory.

Prices offered by the Bureau of Reclamation aren't in conjunction with what displaced people would have to pay for other land; nor compensation for upheaval and relocating.

Aside from those who will be displaced there will be disruption of mail, school bus, and farm to market routes; township roads closed; splitting land ownership patterns; farmers having to travel many miles to land across the ditch; aquifers and wells drained; increased mosquito breeding; and flooding where there has never been flooding before.

The Flood Act bill drew such comments as, "people should be disuaded from living in flood-prone areas". Some folk aren't living in flood-prone areas; but if the Oahe Irrigation Project is built, as planned, our place and many others will become endangered during flash floods. The Rapid City, flood disaster should be taken as a warning. Those broken dams intensified the cause. They may have seemed like progress, for awhile; but were all those deaths, pain and hardships suffered by the people involved worth the progressive years? Is progress for a few years worth disaster in later years?

There is no absolute certainty Oahe project will be to the betterment of South Dakotans, in the long-run. So, why let the Bureau of Reclamation gamble with our stability? Other steps less risky can be taken to combat food shortage. The Government can cut food quotas sent to other countries; it can let farmers put set aside acres back into production; individual farmers can be assisted in water development programs etc. to go into diversified farming, if they choose; irrigation dams can be built nearer the farms to catch rain, snow, and springs run off; also, treated sewage drainage. More people can plant gardens and truck patches to supplement the food supply. Stricter curtails should be placed on certain welfare recipients. The past food costs versus continued increased wages, increased welfare payments, increased social security payments etc. have caused too many people to depend on commercial and Government provided foods.

Should the completed Oahe project not succeed, many millions of dollars will have been wasted and many people will have been put through inconveniences, hardships and disappointments to no avail. Our once productive land will be raped and ravished never to return to it's original resourcefulness.

NOTE.—The comment about irrigation dams should read; irrigation dams can be built in low areas, nearer the farms, to catch rain, snow and springs run-off; also treated sewage drainage. The water supply can be supplemented with water from wells.

STATEMENT OF BLACK HILLS CONSERVANCY SUB-DISTRICT

DEAR SENATOR MCGOVERN: You are well aware that our concern and efforts for the environment span nearly a decade as we have conscientiously tried to respond to and relay the concerns of the people of the Black Hills area. The very creation of our Sub-District is evidence in itself of the concern of the people of the Black Hills area for water conservation and development.

The compilation of the Black Hills Area Resources Study, the authorization for planning and later for operation of the Black Hills Area Resource Conservation and Development Project, the grant from the Environmental Protection Agency to develop a water quality management plan, and the research project to test a non-aqueous waste disposal system at Mount Rushmore are but a few of the fruits of the cooperation between your efforts in Washington and ours in the Black Hills. This is why we feel this open channel of communication is so vital.

Your conference touches a couple of responsive chords. First is the development of the Oahe project. Again we would like to give our unqualified support of this vital program. The shortsightedness of the American public is currently manifesting itself in the alarming prospect of an energy crisis, and I would hope we would not be so shortsighted and foolish as to retard the development of this and other good projects which will help us avoid a "food crisis." We thought an energy crisis could never happen, so let's not kid ourselves that a food or water crisis cannot.

We have every confidence in the officials of the Oahe Conservancy Sub-District that they will direct this project to the efficient and effective use of the water and land involved, which will be to the benefit of our entire

state, nation, and world. As a renewable resource, we feel that the maximum use should be made of our water resources, which is what the Oahe project does.

Secondly, we are interested in the potential coal development in western South Dakota and eastern Wyoming. We feel the development of this resource is inevtiable and that it can be done with proper land conservation practices and water conservation techniques. We are also interested in any potential water importation that may be required to facilitate the coal development. We have been in contact with both the federal and state agencies involved to assure that maximum benefit can be achieved from any project developed. Your assistance to this end will be greatly appreciated.

Please be assured we are continuing to strive for the best use of the water and related resources in the Black Hills area.

STATEMENT BY RICHARD BROWN, ROCK RAPIDS, IOWA

I welcome the opportunity to present my views on the topics to be discussed at this conference.

As a citizen of the United States I am concerned about the location, extraction and use of our mineral and other natural resources. Past decades have shown how people have utilized natural resources for short term gain at a rate which could not permit the continued use or enjoyment of that resource. This was true of the exploitation of the upper midwest white pine forests to the destruction of the soil protecting prairie sod of the great plains areas. The grazing lands of the west from Montana to Arizona were used by numbers of livestock now known to cause irreparable harm to these grasslands, associated wildlife and reduction in future use value. We have seen some of our major and minor waterways turned into natural waste disposal facilities in the name of progress and National industrial development. These are simply a few of the many occurrences of the American people showing what disregard many have for the future of this country as an enjoyable place to live, enjoyment of the beauty and productiveness of our natural resources.

The development of the large and important coal deposits in South Dakota, North Dakota, Wyoming and Montana provide yet another opportunity to demonstrate the disregard for natural resource management and proper utilization. If the need exists for development and extraction of these deposits then I feel it is imperative that these resources be utilized. However, I feel technology exists which if utilized could enable the development and use of these deposits with little environmental or resource degradation or waste. I also feel that the economic use of these deposits must justify and bear the cost of protection measures to air, water, environment and reclamation of the areas laid waste by the use processes. If the economic use of these or any other resource will not offset the costs of protecting the environment and other resources the need of the American people is not sufficient to allow such a project to begin.

Technical expertise is available to plan the orderly removal, use of these deposits and reclamation of the land areas. This technical ability exists through the land grant universities and existing Federal, State and local agency personnel. Development of these coal fields should be regulated to require the use of acceptable procedures without a program of subsidizing by the American people.

In this same vein I would hope the Federal Government will step up the input in developing other sources of energy. Solar energy and nuclear fusion systems should receive immediate emphasis as safe, non-polluting sources of energy that do not consume our limited supply of fossil fuels.

Soil is one of our most vital natural resources and its proper use should be the concern of all thinking citizens of this country. The protection of this soil resource is vital to everyone. I feel financial assistance to agricultural producers for a portion of the cost of protecting the soil resources is justifiable due to the financial situation of most agricultural commodities. Producers are usually unable to pass the cost of this protection to the product sold.

The assistance to these producers should be at the Federal level to alleviate undue burden on a local or regional situation when the concern and dependence is on a national scale.

Regulation of land use and protection of the the soil resource should be provided through State legislation and supervised by existing State organizations. Land use needs on a national scale should of course be included in the regulations of individual states. Regulation of land use must be implemented to provide an orderly development and maintain land areas sufficient for essential land uses. Compatible land uses may also be segregated to provide a more harmonious existence for all.

STATEMENT OF VERN W. BUTLER, SECRETARY, DEPT. OF NATURAL RESOURCE DEVELOPMENT, PIERRE, S. DAK.

"PRIORITY OF WATER USES IN THE MISSOURI RIVER BASIN"

During the questioning period following the third seminar, Mr. Ray Linder, Brookings, asked the following question:

"Please list in order those water uses which will be discontinued when Missouri mainstem flows are reduced for meeting the coal oriented water demands in Wyoming, Montana, and North Dakota."

In answering this question, Mr. Holum indicated the federal government had not established a full list of priorities for uses of the mainstem waters, but the federal government had in authorizing the Oahe Unit guaranteed that sufficient water would be available for the project.

I concur in this answer, but would like to expand upon it by providing some additional explanation. While Congress had not provided a full list of priorities, it did in Section 1(b) of the 1944 Flood Control Act (58 Stat. 888) establish the policy that waters used for beneficial consumptive use, present or future, in States lying wholly or partly west of the ninety-eighth meridian would take precedence over use for navigation. This is the essence of one of the famous O'Mahoney-Millikin Amendments worked out in the compromises between upstream and downstream states in the Missouri River. Another of the compromises as given in Section one of the 1944 Act was that ". . . it is hereby declared to be the policy of Congress to recognize the interests and rights of States in determining the development of the watersheds within their borders and likewise their interests and rights in water utilization and control . . ."

For the past thirty years, all water resources planning in the Missouri River Basin has recognized these principles and has been so oriented. In 1951, the MBIAC published a report on Adequacy of Flows in the Missouri River. Long-term (1898 to date) streamflow estimates were derived for Sioux City and other points on the river. These studies showed long-term average annual flows of 24,593,000 acre-feet at Sioux City at the 1949 level of development. In the MBIAC Framework Study and subsequent studies, the depletions between 1949 and 1970 were determined. This showed Sioux City flows at 1970 level of depletions to be 21,821,000 acre-feet or about 2.8 million acre-feet of depletions between 1949–1970.

The framework studies conducted in 1965–1968 showed estimated depletions above the 1949 level of development to reach about 11.5 million acre-feet by 2020. At this level of upstream development, navigation would be cut back so that out of 71 years of record only 15 years would have a full eight month season, 45 years would have a six month or longer season, and 13 years would have no navigation. With the projected upstream depletions, average annual power generation would be reduced from the present 9,230 million KW hours to 5,864 million KW hours. All other downstream needs for M&I water supply and water quality management would be met.

Subsequent studies by the Corps and Bureau completed just within the past few weeks shows that the general depletions estimated for the Framework Study are not being made as fast as initially estimated (example, Garrison and Oahe Irrigation Projects are being delayed) and that the generous allowances provided can take care of any reasonable coal development projected. In these latest studies based on current NGPRP projections, three levels of coal development are being considered, one at 0.7 million acre-feet depletions (reasonable minimum depletion), a second at 1.4 million acre-feet (most likely depletion), and a third at 3.0 million acre-feet (reasonable maximum depletion). The two lower ranges fall within the depletions anticipated in the framework studies while the third exceeds the Framework Study projections only after the year 2040.

I conclude that sufficient water is available for upstream beneficial consumptive use including both a reasonable maximum coal development and irrigation and is somewhat beyond the 11.5 million acre-feet of depletions (1949–2020) considered in the Framework Study. This assumes navigation service must take a cut and that hydropower production will also be reduced. The limit of depletions is reached only when water available for navigation reaches zero.

I further believe that it is the affected States, not the federal agencies, that determines what the beneficial consumptive uses will be under the laws of the States. This is a policy that must be upheld if present and future water users are to be protected. I would hope that Congress will not allow this important issue to be glossed over in any hasty action triggered by the so-called energy crisis.

STATEMENT BY CONNIE C. COTTON TURKEY-CLAY WATERSHED DISTRICT IN VERMILLION, S. DAK.

Considerable progress in soil and water conservation has been made in South Dakota since federal assistance became available in the 1930's. Most of the practices have been done on a piecemeal, individual farm basis. Because of this, the efforts of the good conservation-minded landowner have all too often been negated by the actions or indifference of his neighbors. Heavy thundershowers with rapid water run-off and enormous sheet erosion soil losses unfortunately are still the normal occurrence. Our rivers run muddy and our lakes and sloughs fill with silt.

Public Law 56, the Small Watershed Act, administered by the Dept. of Agriculture's Soil Conservation Service was enacted to try to meet and overcome the aforementioned problem. Any natural drainage area of less than 250,000 acres can be included in a Small Watershed Project. Some states have made good use of this Act, but S. Dak. has accomplished very little to date. In some states the Soil Conservation Service has attempted to drain and bring into crop production some heavily wooded creek bottoms and some water areas. This has aroused the ire of environmentalists and brought much unfavorable publicity upon all Small Watershed projects. Unfortunately many environ-

mentalists after reading an unfavorable write-up on one of these projects quickly condemns all Small Watershed projects without ever bothering to investigate for themselves or to consider the alternatives.

Here in S. Dak. we badly need to keep our thin topsoil in place and to let as much rainfall as possible soak into the ground. The soil and water that whooshes down to the Mississippi Delta is part of our capital and we can ill afford to lose it. The cost of fertilizer to replace the minerals lost alone would stagger the imagination. This, by itself, should be incentive enough for any reasonable person to want to stop these losses. The Small Watershed Act is the soundest and most practical way presently available to accomplish this. However, many changes need to be made in the application of that Act to make it more effective, namely:

1. The Soil Conservation Service needs to be beefed up with personnel and funds.

2. Private engineering and construction firms need to be hired by the Soil Conservation Service on a contract basis to augment and speed up their work.

3. Greater public participation in all aspects of Small Watershed projects is needed especially in planning, management, land use, and cost sharing. Reasonable environmental objections need to be met. Public benefits should accrue from the use of public funds. It is unreasonable to expect participating landowners alone to pay for public benefits. It is equally unreasonable for participating landowners alone to benefit from public funds. Mutually agreeable compromises need to be worked out.

4. Administrative practices and procedures need to be greatly speeded up. It takes much too long at present to bring a project to completion. From organization of a Watershed District to completion of the Watershed Project should not take over ten years.

5. Watershed Districts need to be organized and Watershed Projects need to be completed in a greatly accelerated scale if there is to be any significant reduction in soil and water losses in the lifetime of those farming today.

Aldo Leopold in Conservation—A Bird That Flies Faster Than the Shot We Aim At It despaired "There is as yet no social stigma in the possession of gullied farms, a wrecked forest, or a polluted stream, provided the dividends suffice to send the youngsters to college." Louis Bromfield in his fine book *Pleasant Valley* said "A good farmer in our times has to know more about more things than a man in any other profession. He has to be a biologist, a veterinary, a mechanic, a botanist, a horticulturist, and many other things, and *he has to have an open mind, eager and ready to absorb new knowledge and new ideas and new ideals.* The Conservation Movement has come a long way since Leopold and Bromfield wrote these words. The times are right for a great expansion in soil and water conservation. Minimum tillage practices are a step in the right direction. They are gaining widespread acceptance. The energy crisis will provide further incentive. Land Use Regulations are coming very soon. Conservationists need to participate in their formulation and execution to see that these regulations are both sound and practical. The Soil Conservation Districts should have supervision over agricultural land. I am optimistic about the future and I will end this statement with a hopeful message "Expect the best from a man and he will do his best to live up to your expectations."

STATEMENT OF CRESBARD RESERVOIR ASSOCIATION

This area will not be benefitted by the Oahe Project, rather, it will take a loss directly opposite to what the project professes to accomplish. The Cresbard Reservoir and surrounding areas will lose large amounts of valuable lands, tax base, osthetic values, family farm units and be faced with a number of inconveniences relating to roads, access to lands, etc. We believe that in a large part, the damaging aspects of this project have been ignored or overlooked and must be promptly corrected before further acquisition of land takes place in order to provide a minimum of loss or damage to those areas that are not benefitted by the project.

We further believe the continued refusal to clearly answer our questions related to these problems is unnecessary as certainly they are not questions which should not be answered before construction on the proposed Cresbard Reservoir can begin. We offer the following suggestions in regards to these problems:

Minimum land use: We see no related need for some 9000 acres of land to be acquisitioned to provide a 2700 acre reservoir. We want this acreage reduced and we want an accurate map of what is intended for acquisition so our people can plan ahead what they need to do. We expect open and clear explanations to all activities involved in this project.

Roads: We know locally what we need for roads, so all we need is an answer from those responsible (yes, they will be provided). We would request entry of a copy of our road discussions for your records.

Texas: The relation of tax base loss or gain on the Oahe Irrigation project will occur completely within the Oahe Conservancy Sub District. Consequently the Sub District will have the responsibility to equalize the related Tax Base problems. We will be glad to aid in any additional law considerations needed to correct this problem. We have had some assurance from the Sub District that efforts will be made to help this situation.

Trees: Certainly at this time, after considerable discussion on this matter, the Bureau of Reclamation can say yes, an equal number of new trees will be planted on some of the additional acres acquisitioned beyond the high water mark. All parties involved should make an effort to pass a law requiring this tree loss to be replaced in the state of South Dakota.

Sub Impoundment: The Sub Impoundment on the South Paul Creek will replace some recreational loss the area will take and is so situation that the over flow system can serve a dual purpose both to regulate the water depth in the Sub Impoundment as well as provide a drop from the ditch to the reservoir proper. Thus providing a reasonable cost relationship for the Bureau of Reclamation and the Dept. of Game, Fish, and Parks. Enough data is available at this time to say yes, it will be provided.

We further believe that unless these things are agreed upon before construction and become a part of that construction, "traditionally speaking" they never will occur. We are mutually agreed under our Constitution and by-laws that these considerations are reasonable and are prepared to resist individually and collectively in order to accomplish a fair consideration for our community and county. We voice no objection to the project in making these statements, but express hope that full consideration will be given all people affected so the project can be constructed within time limit goals.

We appreciate this opportunity to express our thoughts and hope they are thought provoking.

THE BUREAU OF RECLAMATION, HURON, S. DAK.

The September 12, 1973 board of directors meeting of the Cresbard Reservoir Canal and Land Owners Association reached unanimous agreement on the following:

The Cresbard Reservoir Association is primarily composed of members who hold the major fee title lands within and beyond the proposed Cresbard Reservoir site, which is a part of the Oahe Irrigation Unit. Members of this association, the Cresbard community and Faulk county, not being beneficiaries to any great extent and after joint meetings with the Cresbard Consolidated School District Board, County Commissioners, members of Faulk County government, Oahe Sub-District Board and members of the Bureau of Reclamation do hereby make the following jointly agreed upon request.

In order to protect the health, welfare and general economy of the community and to fully serve the needs of the local people, the local school board, township and county government, recognition and joint consideration are necessary by the Bureau of Reclamation and the State Highway Department of the actual need of no less than two major crossings north of the dam site and one minor service crossing to the north part of the reservoir proper. These are existing Highway 20, County Road No. 2 (½ mile west, 1 mile north, and 3 miles west of Cresbard), and the service road to be north to county line or no more than 2 miles south of county line.

We further state with all due respect to the individuals and agencies that may be involved, this association under it's constitution and by-laws and in accordance with Public Law 91-646 referred to as the Federal Acquisition Policy Act of 1970 and adopted in full by the State of South Dakota, that no decisions which affect it's membership, the Cresbard community, the county of Faulk or the Oahe Conservancy Sub District of which it is a part, should be made by any agency or member of any federal or state government without when necessary, the advice or assistance of the aforementioned local and state groups or the full knowledge of this association, the local school board, county government and the Oahe Sub-District Board.

POSITION PAPER FOR THE PROPOSED CRESBARD RESERVOIR & LAND OWNERS ASSOCIATION

I. Land: Accepting that the indicated loss to Faulk County and the Cresbard Community will exceed benefits of the Oahe Irrigation Unit, this association will seek all ways and means to minimize those losses thru a minimum land use approach.

II. Taxes: Recognizing inequities created by loss of tax base, this association will direct its efforts by seeking ways and means to replace those tax losses by the beneficiaries of the project.

III. Coordination: Recognizing that all parties and all levels of government are needed to consider these local problems, the association will seek to coordinate all such group efforts to accomplish the recognized needs of each.

IV. Environment: Recognizing that damage will occur to fish, wildlife, natural, and unnatural conditions this association will seek full and proper replacement of such losses including the losses of approximately 60 acres of planted forest and 30 acres of natural protected forest growth.

V. Legal Rights: Recognizing the vast loss of private land containing many family farm units which were planned to remain in future family operation, this association will retain qualified legal counsel dealing with its membership's individual problems and such counsel where needed in community and county problems and will ask all involved groups, local, state and federal to recognize these problems and assist in this effort to provide minimum loss to the community.

STATEMENT OF LARRY D. DEMERS AND BARRY H. DUNN, BROOKINGS, S. DAK.

As environmentally concerned citizens, we would like our opinions and expressions to become part of the written record of your "Conference on Environmental Issues," which we attended. We would like to stress that every question is an environmental question, and only the different priorities that we may have, be they economic, social,

political or biological, determines our positions on these questions. The environmental concept is a total one, for an environment deals with all of the aspects of an organisms surroundings, not just his biological surroundings. With these considerations in mind, we would like to express our opinions on the topics of three of four seminars held.

As South Dakotans we are extremely sensitive to the possible adverse effects that strip mining and power production in neighboring states may have on our own state. We are thinking in terms of air and water quality and especially the effects on water availability to South Dakota after thousands of acre/feet of water each year are used in the cooling processes of large power plants. This is of vital interest to us both, as both our families have agricultural interests in the western half of the state. We suggest extensive research by all interested federal and private organizations into all aspects, economic, social and biological of coal mining and power development. After this research is concluded, we demand wise and careful administration of these natural resources that belong to all of us, and not just the power companies and their eastern customers.

We support Land Use Planning policies with several key thoughts. Planning must be done with the utmost care and research into all aspects of the situation in question. It should not become bent on its own completion and ignore changing opinion, needs and new information. Planning should be dynamic process and not tie the hands of succeeding generations with outdated, irrational projects and plans. a good example of which is the Oahe project, our next concern.

Why should our lives, our land and our children's land be unalterably changed from its natural state to an artificial one, decided upon almost 30 years ago by an administrative decision that we had no input into? We demand a moratorium on the Oahe project to completely reaccess the true need, effects, and desirability of this inane project. Instead of holding the Federal Government to its words when it took those 500,000 acres of land along the Missouri, that is to irrigate along the James River, why not stop and look at the true effects upon our total environment and not be blinded by the $340 million figure that is waved in front of us like a Playboy centerfold, but like the centerfold is just paper and in no way represents the loss over the next generations of energy, manpower and twisted production needs. Who is to say that in 10 years the needs of the world will be for cereal grains (which is grown very successfully there now) and not for the corn and alfalfa that would be grown if an irrigation project is completed?

We hope, Senator McGovern, that you will use your influence to stop the Oahe project.

STATEMENT OF PROF. L. O. FINE, PLANT SCIENCE DEPARTMENT, SOUTH DAKOTA STATE UNIVERSITY, BROOKINGS, S. DAK.

I wish to offer a comment for the "Addendum" portion of the January 12 Environmental Conference. It pertains to Dr. Brashier's statement that—"silt and fertilizer are accelerating the death of our prairie lakes," or words to this effect. I share wholeheartedly Dr. Brashier's concern and I agree that siltation is a major contributor. The indictment of fertilizer as a nutrient contributor is not on a very solid base, however. If fertilizer erodes with the main mass of the soil, a 50 lb. per acre nitrogen addition to the plowed layer of topsoil is about 1/120 of the native soil nitrogen already present, and thus would impact on a lake only to the extent of 1/120 as much as the naturally existing soil nitrogen. The fraction for a 50 lb. P_2O_5 application of phosphorus would be about 1/70 of the naturally occurring soil phosphorus.

STATEMENT OF GARY D. GILBERT, CARPENTER, S. DAK.

I request this testimony be submitted for permanent record on the Environmental Conference held at the Downtown Holiday Inn, Sioux Falls, South Dakota.

I would like to take this opportunity to express my personal thank-you for your *growing concern* about the Initial Stage, Oahe Unit, Pick-Sloan, Missouri River Basin Program of South Dakota. I believe, that the sponsoring of this environmental conference shows your concern for a better South Dakota for both the generations living and the future generations.

As you already know, there is rapid growing opposition to the Oahe Unit from various groups and many select individuals throughout the project area. I have conducted my own extensive research on the project. As I'm sure you've heard, the story of why haven't the people on the land (Family Farmers) brought forth opposition to the project before this time. Through my individual contacts with the Bureau of Reclamation, I have repeatedly gotten the run-a-round with its representatives telling me the information is not available or not of my interest etc.

Before the release of the Final Environmental Impact Statement, I was promised a copy. When the statement was finally filed, the Holidays had shortened the review period by 10 days. After calling the Regional Bureau Office at Billings, Montana to ask why only 250 copies were printed, I was given every excuse from poor printing equipment, to being told the Oahe Unit was of low government priority. Our review period, should be lengthened to facilitate needed time for adequate review to assure intelligent comments to the CEQ.

As you have already recognized, the family farm is the sum total of the stability of South Dakota's economy. The Oahe Unit, if completed, will not only destroy 110,000 fertile reproductive areas, to irrigated 190,000 but will cause a long term threat to the 190,000 acres. Due to the uprising cost of equipment, fuel, interest, and high management requirements for irrigation, what will become of the 190,000 fertile acres. Sufficient information and studies have not been conducted as to the soil's acceptability of repeated water applications. What happens to the land adjacent to irrigated land that is susceptable to rising root zone water containing salt? What will ditches do to underground water supplied? I've seen the results stemming from the Garrison Project in North Dakota. The outcome is not very pretty.

Who's paying for the irrigation project? The public is not aware that their power rates will undoubtly be increased time and time again to pay for 90% of the project.

The James River is another shakey portion of the project. The ditches will be dug and the project will need a drain so we *must* destroy one of the only natural rivers we have left. The Bureau calls it a dirty old meandering river, but it's natural and beautiful to many that enjoy the natural wild life it employs.

With inflation continuing at such a fast pace, the benefit-to-cost-ratio of the project is rapidly decreasing. The projects cost now is $1,369 per acre. I sincerely believe that the Oahe Unit will never be able to pay for itself.

Before summarizing, I would briefly like to mention many other portions of the project which have raised good valid questions which cannot be answered. What will the loss of 110,000 acres do to the tax base in individual counties and townships? What happens to the many roads that are closed? What does the loss of a large natural lake (Byron) mean to Huron and the surrounding area? What does the loss or disruption of hundreds of family farms do to South Dakota's economy? Will corporate farming be a threat because of high capital investment to irrigate? Many other important questions roll in my mind and seemingly cannot be answered. Lastly, why is the Oahe such a hush-hush matter?

In summarizing my testimony, I honestly believe that a moratorium should be called on the Oahe Unit until independent and qualified individuals of *various* professions have fully and truthfully examined the *adverse* as well as the beneficial claims of the project. For 25 years the information has been with-held and covered over smoothly to make even the worst look good. Let's not whisper anymore about the Oahe Question!

STATEMENT OF VIRGIL GILBERT, CARPENTER, S. DAK.

I would like to make a few statements regarding the development of the Oahe Project. During the years and years of planning and promotion of the project, a very limited amount of information was widely known. I believe the general public still fails to realize the scope of the project or the impact of this development on the natural resources, and on the social and economic conditions of the existing family farm system and rural communities of the area.

Over the years we have heard nothing but great benefits from the project, no adverse effects. Such benefits as economic boom unlimited supply of high quality water, increase fish and wild life. In the farming business it is highly competitive if some one wants to irrigate, that is his business. If my neighbor wants to buy a new tractor that is his business. I expect him to pay for it which he does. I don't believe I or anyone else should have to pay for anyones irrigation through our power bill.

We are all concerned about our natural resources. I believe the destruction of 110,000 acres of good productive land, one large and only lake in Beadle County, and the near by area, namely, Lake Byron. Channeling of the James River and destruction of a large number of family farmsteads and disreputing the operation of many more is certainly distruction of our natural resources.

No study has been made of the economic, social or environmental tax loss to the areas affected. Even the Bureau of Reclamation admits this might encourage Corporation farming. If so, won't our food supply some day be in the hands of a few, the same as our oil supply is right now. Then what will be the outcome? Corporations will control production, processing, and marketing of the food which we need for our salvation.

I would also like to draw your attention to the loss of electric energy. All of this will have to be replaced by higher cost from other sources. There will be an annual loss of 199,000,000 K.W. from water lost that will not be going through the generators. 43,000,000 K.W. for pumping which amounts to 242,000,000 K.W. This total is equal to the amount of electricity that is used in 10 Rural Electric Coop the last year. Besides another 43,000,000 K.W. which will be used if 50% of the irrigation is by the sprinkler system.

I believe with the weather modification programs being studied in our area and the state, plus the new varieties of grains and forages we have nowadays and we know they will improve, we can't afford to experiment with our productive land in South Dakota and take any chances of ruining it forever. Finally, to spend $1,369 per acre to get the water to the land plus $10.80 per acre for water and operation maintenance cost per year. Cost of the equipment and operation expenses is surely going to lead the financial disaster for this part of South Dakota.

STATEMENT OF DANA C. JENNINGS, MADISON, S. DAK.

Your environmental conference in Sioux Falls Saturday was one of the best I've at-

tended. It was remarkable for the number of women attending, and for the proportion of young people of both sexes. Thank you for calling it.

May I insert the following statements into the record:

1. This nation's philosophy toward exploiting natural resources seems to be—and has been for 40 years at least—let's steal from our grandchildren and let them pay for it. This attitude must be reversed to let's conserve for our descendants for all time and pay our own bills.

2. As I mentioned in our short conversation, the world has been on a collision course with resource extinction at an exponentially rising rate. At our present rate of increasing demand, the world will be all out of oil in 20 years, natural gas in 22 years and coal in 111 years (if we transfer more of the load to coal, we'll use it up that much sooner.) If vast new discoveries should suddenly increase our reserves 500%, with the world demand continuing to increase at its present exponential rate, this will extend the day of reckoning only 39 years for coal, 27 years for gas and 30 years for oil. [The limits to growth, Meadows & others, 1972, Potomac Association, 1707 L St., NW., Washington, D.C. 20036.] This clearly means that even if the current energy crisis is soon solved, we are heading for trouble, fast, not only as a nation but as a world. And of course the U.S. is the worst offender. We've got to reduce not just our rate of increase but our actual consumption. This requires a worldwide change of attitude from consumption to conservation.

3. It seems that the environmentalists and the energy people confront each other in a spirit of intransigency, the one saying thou shalt not dig, the other saying to hell with the earth. Is there some way we can adopt the attitude; we need the energy and we must preserve our environment. Let's see how we can extract the energy with minimum damage.

4. As Rev. Del Lind said to me at the conference, "It's irresponsible free enterprise plus technology that have shafted us."

Keep up the good work.

STATEMENT OF ROY LARSGAARD, PRESIDENT, SOUTH DAKOTA ASSOCIATION OF CONSERVATION DISTRICTS, FAIRFAX, S. DAK.

In response to your announcement of the January 12, 1974 "Conference on Environmental Issues" I am submitting this written statement.

Your announcement and the agenda convey the thought that environmental protection and economic development are two significant national goals; that activities or regulations related to environmental protection which stifle economic well being are not acceptable alternatives in the long run; that these two goals while competing at their extremes, can be made compatible by rational thinking, legislation and administration.

The operation of Conservation Districts is a prime example of such a rational approach. Forty years ago Districts were criticized, by some, as being overly evangelistic in publicizing the need for soil and water conservation. However Districts have gained wide acceptance by the cooperative, voluntary program we have administered. Conservation has been applied with concern for sustained protection of the natural and of man's environment; concern for the farmer's and rural community's economic welfare; and concern for the national need of current and sustained food and fiber production.

We are pleased to see the recent development of interest by the public in protecting the natural environment, but we become alarmed at the irrational extremes that certain individuals, organizations, agencies, legislatures, and even the courts have gone in ignoring man's total environment for the sake of minor or indeterminate benefits to the natural environment.

While the National Environmental Protection Act expresses concepts that Conservation Districts can approve; the administration and interpretation of the Act leaves much to be desired.

Part of the confusion and shortages (energy, food, water) that are apparent, or potential, on the national scene are in my judgment due to irrational, short sighted and dictatorial administration of NEPA.

Actions by EPA in fostering outside citizens groups to bring suit under NEPA have caused delays, hardship and financial loss to local rural residents who are seeking to implement watershed protection programs. Rural people need these projects in order to benefit the natural environment, to improve their well being and for the development of South Dakota.

The concept of environmental impact statements for the purpose of identifying environmental impacts, public disclosure, and agency analysis has been subverted by using it as a method to veto or delay needed projects. Under the guise of legitimate comments on these statements, material has been submitted which is irrelevant and contains half truths and generalizations.

The matter is further complicated in that these comments take on the status of veto power over the thoroughly investigated and locally accepted project plan. Adverse comments submitted by agencies and organizations whose representatives have never viewed the project, and whose comments are based on conjecture and generalization should not be permitted to terminate or cause undue delay of worthwhile projects.

In short this means that water resource development programs and natural resource conservation efforts have been tied up by the indecision, inadequate guidelines, and bureaucratic red tape created by NEPA.

The courts have added to the confusion by allowing most anyone with the word "environment" on their lips to cause an injunction to be issued thereby delaying or terminating a project. The proof of such assertions should rest in part, at least, on those making them; not entirely on project sponsors.

We believe Congress needs to take a hard look at the results of their NEPA handywork. The simplistic approach of considering the "status quo" as most desirable for man's environment needs to be questioned. Maintaining the "status quo" ignores the complicated inter-relationship of the factors that make up our environment; that is our well being. This is not the area in which to advocate sledge hammer arbitrary regulations or procedures, even if well intended, for the protection of the environment. Congress needs to advocate a more evolutionary assimilation of environmental actions which will permit our development and our economy to move forward. To move forward while considering environmental impacts—reducing adverse impacts—correcting or improving the existing environment.

To move development forward, in this setting, even with occasional environmental set backs (which in most cases can be corrected) will do much toward stemming the tide of bad news (shortages, rationing, etc), reduce national confusion and put the nation back on track.

Recently the South Dakota Conservation Commission prepared a document on "Land Conservation and Development Policy." I'm enclosing a copy as representative of the thinking of Conservation Districts.

I appreciate the opportunity to submit these comments; I hope they will be helpful, and that the Conference is a success.

STATE LAND CONSERVATION AND DEVELOPMENT POLICY

INTRODUCTION

South Dakota land area, of some 49,611,904 acres, is for all practical purposes fixed. Eighty point one per cent (39,952,900 acres) is in private ownership. Federal lands total 3,345,740 acres, state lands 1,578,633 acres and Indian tribal and individual land 4,734,629 acres. The general welfare of the people of South Dakota is heavily dependent on land, for its agricultural productivity, its mineral resources, its natural beauty and its allied resources of water, natural vegetation and wildlife.

The purpose of this policy for land conservation and development is to make use of the land while maintaining its productivity for the economic, the physical and the environmental well being of its people now and in the future.

The authority for the State Conservation Commission to develop and implement a state policy for land conservation and development is contained in 38-8, subsection (6) of the Natural Resources Conservation District Law.

The policy of the State relating to the conservation and development of land and related resources is stated in 38-8-1 of the Conservation District Law as follows:

"It is hereby declared to be the policy of this State and within the scope of this chapter to provide for the conservation of the soil and soil resources of this State, and for the control and prevention of soil erosion, and for the prevention of flood water and sediment damages, and for furthering the conservation, development, utilization and disposal of water, and thereby to preserve natural resources, control floods, prevent impairment of dams and reservoirs, assist in maintaining the navigability of rivers and harbors, preserve wildlife, protect the tax base, protect public lands and protect and promote the health, safety, and general welfare of the people of this State."

This document has been developed by the State Conservation Commission in order to continue and update the above policy by means of identifying certain specifics and by prescribing a broad method or process for implementing the State policy. In updating its policy for the use of its land and water resources, the State of South Dakota will:

1. Consider all land and water use in the light of providing for people's needs while sustaining quality in the environment.

2. Insure that the ecological effects are considered for all land and water conservation or development proposals.

3. Provide for coordinated development of its land and water resources including the protection of critical areas and areas with unique natural resource values by advocating the development of state, county and multicounty plans based on the subseqeunt principles.

SCOPE

1. The scope of this State Land Policy shall extend to the conservation development and use of all land, both public and private within the state.

2. The purpose of this State Land Policy is to insure environmental protection to all lands and waters within the State; to provide coordinated planning and use of such land; to provide for the protection of areas of critical environmental concern; to insure its implementation through plans for present and future land use prepared by public agencies in effecting their authorizations, and by private individuals and organizations in pursuing their conservation and development goals.

PRINCIPLES

1. Private ownership of land is a right to the extent that its use does not infringe upon the rights of others, including future generations, or become a public nuisance or a menace to public health and safety. In meeting

public needs or in implementing these principles, access to or use of privately owned property will be subject to reimbursement to the landowner. When compliance with any land use regulation requires the establishment of special public benefit measures by private individual or organization, incentives will be provided by the public.

2. Multiple land use, subject to the rights of the owner, will be a goal. If compatible uses of the owner, will be a goal. If incompatible uses exist or are apparent a compromise solution will be sought.

DEFINITIONS

a. Multiple use means that equal priority is given to all possible uses of land and water resources, not necessarily the combination of uses that give the greatest monetary return, but the uses that best meet the indicated present and future needs of the people.

b. Predominant land use is a modified form of multiple use pertaining to various private (i. e. agriculture, industry, business, etc.) and public (i.e. transportation, parks, utilities, housing) activities which by their nature or purpose indicates an existing, or planned, predominant use of the concerned parcel of land. However, predominant land use differs from single purpose use in that it does involve development of uses other than predominant use including protection of the environment.

c. Single purpose or limited use means the preservation of unique, rare, or relic areas of historical, archaeological, natural, or scenic value.

3. Land disturbing activities for public and private uses and developments shall provide for the control of soil erosion by wind and water, the minimizing of deleterious effects upon the natural or existing environment.

4. Land development plans and their implementation are to provide for consideration of the long term environmental effects of the land as well as the economic, physical and social well being of the individuals and communities concerned.

5. Land use and land use practices shall be in accordance with land capabilities in order to maintain its productivity, prevent excessive soil erosion, siltation, pollution to lakes and streams, and damage to public or private facilities.

6. Flood plain land use shall be restricted to developments that provide protection to: human life, the economy, and the natural environment.

7. Research will be sought for problems of land conservation and development and control of natural erosion for which solutions are not readily available.

8. Informing and educating both children and adults that land is a finite resource basic for man and all his activities will be fostered as a continuing process.

9. In the assessing of land for taxing purposes consideration will be given to encouraging those uses and management practices necessary to provide a quality life for people and provide for conservation and environmental protection.

10. A State Land Use Plan developed with citizen participation which will include measures and regulations for its implementation shall be developed. This plan shall be based upon an inventory providing information on the amount, distribution, nature and condition of the land, water, and environmental resources; and the present and future needs of people for these resources. Objectives of the plan will include the conservation of the productive capacity of the land and water resources, and the protection of the natural environment, while providing for the present and the future economic, physical and spiritual well being of the people of this state.

IMPLEMENTATION

1. This policy statement will be submitted to the Legislature of the State of South Dakota for its adoption. This adoption to include the directing of all agencies and political subdivisions of State Government, with authorities and responsibilities for land and land use, to be cognizant of the policy and utilize their forces and authorities to implement this policy.

2. The Conservation Commission will review this policy annually at its January meeting for the purpose of considering progress in implementing the policy and to consider revisions.

3. The advisory committee which was instrumental in developing this policy will be retained as continuing advisors to the State Conservation Commission as needed.

EXPLANATORY NOTES FOR PRINCIPLES OF LAND CONSERVATION AND DEVELOPMENT

(1) This principle recognizes that the implementation of a policy of land conservation and development will be subject to the right of private property. However, while recognizing the right of private property as paramount, it also recognizes the obligation of good stewardship of the land. In the event that misuse of the land causes damage, or is a menace, to others; public intervention to correct the situation is indicated.

Public intervention to regulate land use or treatment; to acquire for public use; or preserve through public ownership will involve reimbursement of the private landowner to the extent of the infringement or loss of the private property right. Incentives (i.e. tax relief, cost-sharing, etc.) are indicated in event public needs for land use and treatment require special use or treatment; the net effect of which is an economic loss to private individual or organization.

(2) This principle recognizes that land can be used for more than one purpose. That its use for all applicable purposes is to be considered and attempted. The principle also recognizes that some land uses are competing especially when an attempt is made to accord them equal priority. In this event a category of a predominant land use, is recognized. However, by definition, predominant land use requires that action be taken to develop land uses other than the predominant use and to provide for the protection of the natural environment.

Finally for special purposes such as those mentioned, single purpose preservation may be needed.

(3) While this principle applies to all land uses and treatment, its thrust is aimed at such activities as mining, top soil removal, highway construction, developments of airports, etc. The principle encompasses conservation considerations (i.e. soil erosion, water pollution) and treatment during both the operations or construction stage and the condition of the land surface following the cessation of operations, or completion of construction. Further legislation and regulations such as now provided by the "Surface Mining Land Reclamation Act" may be needed to implement this principle.

(4) This principle is directed toward land development (i.e. housing, industrial, commercial) which involves disturbing the land surface; presents a hazard from water pollution (i.e. soil erosion, inadequate sanitary and waste disposal); effects the environment (i.e. loss of open space); effects the economy and use of surrounding areas (i.e. restrictions in use of agriculture lands for dairies, feedlots, etc., or increases taxes for special districts such as water, fire, and sanitary); results in social and community problems (i.e. substandard developments and (or) substandard housing caused by inattention to soil conditions, water table, flood hazards, building and development standards; existing facilities such as airports, industrial developments, etc.)

The principle implies that development plans provide full disclosure of site conditions and corrective measures to recitify any inadequacies or hazards. Further that decision makers (i.e. planning commission, county commission, city councils) take into account not only the on-site effects of the development but the immediate and future effects on the surrounding lands, developments, and the community. Legislation and regulation may be necessary for implementation.

(5) This principle applies to all land uses and development, but is directed mainly at agricultural and other extensive land uses. The concern expressed here is that the land remain productive by use of conservation measures which will also maintain or improve the natural environment.

The development of land use regulation or Erosion and Sediment Control Legislation will be necessary to implement this principle.

(6) This principle is limited to use of flood plain lands. A separate principle was developed because the special significance in terms of loss of life and property caused by intensive flood plain developments. Regulations including, exclusion, special use, special building codes, etc., may be involved in implementing this principle.

(7) This principle recognizes that there is a continuing need for research in the technical, economic, social and governmental aspects of land conservation and development.

Funding by Federal, State, and local government may be needed to further implement the principle.

(8) Many problems in land conservation and development result from a lack of knowledge and a lack of appreciation for the factors and considerations that are involved in land use and treatment. This principle recognizes the need for a continuing effort to educate all people in the subject of natural resource conservation and development. Implementation through teacher training and funding may be needed.

(9) Policies and procedures used in taxing real property can have a significant effect on land use. Other states have witnessed the effects of poorly planned and (or) uncoordinated land developments. Land assessments based on these developments continue and (or) accelerate this uncoordinated, unregulated, often sub-standard conditions. Developers lured by low prices for land beyond city limits initiate housing and commercial developments in a leap frogging manner. Open spaces (i.e. agriculture) surrounding these developments may be assessed on their apparent potential for such development even though the landowner wants the land to remain in its present use. This results in economic hardship to the landowner, resulting in eventual sale of the property, economic instability for the community, idle land, and loss of open space. Incentives should be considered to retain class 1, 2, and 3 for agricultural purposes.

This principle implies that planning and tax assessment needs to be coordinated in order to provide for orderly growth of our communities and our State, while providing equitable tax assessment. Legislation to provide tax equity, orderly development, and protection of extensive land use (i.e. agriculture, forestry, recreation) may be needed.

(10) This principle embodies all the foregoing principles. These principles provide state policy for land conservation and development for use in developing a State Land Use Plan.

STATEMENT OF MRS. HELEN METZINGER, PIERRE, S. DAK.

Although I was unable to attend these meetings, I would like to express my personal appreciation for the opportunity afforded all of us by the exchange of opinions regarding especially, the above stated issue.

After a great deal of consideration and as a result of past experience of personal involvement in complete loss of our home,

ranch and farm operations in the Oahe Project, I must go on record as being opposed to the Oahe Irrigation Unit, primarily on the basis that too many acres of land will be taken out of production, off the tax roles, and too many families will be forced to lose their entire operations, as well as those who will suffer disruption and loss of acreage, only to benefit a relatively few.

I also question the evaluation of the Oahe Irrigation Unit since the so-called benefits will be realized in an area which is already in a highly productive region of the State.

The biggest industry in South Dakota is farming, and very possibly always will be, because of our geographic location. It does not seem likely that raw materials will be shipped in and manufactured goods will be returned from here, to more densely populated areas. It would seem wise, then, to conserve and reserve the industry, rather than deplete and forfeit more and more of our productive land to one project after another.

South Dakota, and especially Central South Dakota, has already sacrificed enough from it's chief industry for the sake of progress and benefit for others. We cannot be satisfied for our loss nor repaid, by continuation of land acquisition. It is most ironic that we are now being asked to forfeit our farms and ranches for the sake of improving other farms and ranches. This, in any language would appear discriminatory.

The practice of land acquisition is becoming much too common and most selfish.

I have lived on a farm and in South Dakota all my life. I have witnessed the struggle of farm families trying to exist in all stages of our economy. It is fantasy to conclude those farm families who are supposedly to benefit from this project will be able to do so, or that more farms will be created by this project. There are no figures to support the theory that irrigators realize more profit than dry land farmers. I fail to see then, who will profit from this project, so costly, but the contractors and the Agency which propagates its office.

It is truly the youth of South Dakota, interested in agriculture, who are the real losers. Statistics tell us that most of our farmers are old men. Farm economy does not allow young men into the business easily, unless they inherit the family farm. The average farm boy, would, in most instances, inherit as many debts as he would equity in the average family farm.

The capital required to begin a career in farming is preposterous. The capital required to begin or continue a career in irrigation farming is impossible.

The possibility to obtain a farm or ranch is a rare opportunity, even with capital available. The chances of paying for a farm in one lifetime, is a thing of the past. Now we see that it takes more than one generation on the same farm to accomplish this feat. So not only the present owners suffer the loss of land, but the inheritable rights of their son's is lost, also.

Under the threat and intimidation of a project to acquire land for public use, it is always possible to buy a certain amount of land (as is the case of land already purchased in the Blunt Reservoir tract) because there is always those people who can be influenced to sell for reasons such as retiring, relocating, or because they simply accept the fact that they can do nothing to prevent the loss of their farms. Under this guise, the public is led to believe the action of a few to sell their land is an assent toward overall approval. This same land would have been swallowed up on the open market, overnight, and for more money than has been paid heretofore, by the Bureau of Reclamation, and an opportunity would have been created for a young farmer.

Land is expendable. No one has figured out a way to make any more, but every agency seems to be working on a way to take it out of private ownership and place it in public use. The threat of land acquisition surrounds us everywhere.

This abdominable practice must come to a halt. Private enterprize built this nation. The conclusion of this practice will destroy it.

We were a young family when we lost our lands in the Oahe Project. I know we will never recover from that loss. We now have sons who desperately look for an opportunity to engage in farming and ranching. They have been denied that opportunity by our loss. I have learned to forgive what has happened to us, but I cannot forgive what our loss has cost our sons, and now I can see this happening again to the sons of other families who are threatened by still another project.

There really is an impact to humanities to be considered and I seriously doubt that much attention or concern is given to study of same. I emphasize again, that land acquisition is becoming much too commonplace.

Besides our losing our farm, my Father lost his in the Big Bend Project. My aunt lost her house in Rapid City in the Urban Renewal Development Act. Now we are threatened a second time with losing sizable acreage from another farm for the Oahe Irrigation Unit Proposal.

We who have forfeited our inalienable rights for the benefit of others are the forgotten people. No one has shown concern for our welfare nor considered what the effects of this has been. Before such time that more people are asked to make sacrifices, there is a moral duty to make a thorough evaluation of the "costs" of this project to conclude beyond a shadow of a doubt that it is worthy of the price.

I believe also, it is the moral duty of every public official to conduct a study of same and make an honest evaluation known to the public. So far, the public has been spoon fed to believe this project is worthy and very little publicity has been given to the contrary.

In closing, I would like to call attention to the ironically direct contradiction in Land Use recommendations and the Oahe Irrigation Unit Proposal. Land Use recommends conservation of farm lands for future generations. The Oahe Irrigation Unit proposes destruction of entire farm lands, wetlands, natural scenic areas, and all else in the way, to fulfill its purpose of enhancing another area of slightly more than equal proportions.

I urge you to hold subsequent hearings so that every consideration may be given before this project goes any further.

I sincerely support a moratorium on the Oahe Irrigation Project until every question is answered.

STATEMENT OF RICHARD A. SCHLEUSENER, DIRECTOR, INSTITUTE OF ATMOSPHERIC SCIENCES, SOUTH DAKOTA SCHOOL OF MINES & TECHNOLOGY, RAPID CITY, S. DAK.

Thank you for your letter of 10 December inviting me to attend a state-wide conference on environmental issues scheduled to be held on 12 January in Sioux Falls.

Your announcement of 1 December invites written comments for inclusion in the record of the conference. I am enclosing a copy of a memorandum for the record prepared by Dr. B. L. Davis of our staff documenting evidence for pollution effects on precipitation processes. This document, and the attached news clipping from the *Rapid City Journal* prepared by Dick Rebbeck, explains some of the reasons for the concern that I have that far too little emphasis is being given to studies on possible cloud and weather changes that can result from pollution from industrialization. This is an area for which I believe substantially more research support is essential if we are to deal intelligently with the requirements for increased energy and understand the physical effects of the particulates that will be produced from burning of fossil fuels.

A SUMMARY OF THE EFFECTS OF URBAN- AND COMBUSTION-PRODUCED AEROSOLS ON PRECIPITATION PROCESSES

(By B. L. Davis)

1. INTRODUCTION

A number of studies in the past 10 year period has produced substantial evidence that inadvertent modification of the weather may take place both from the urban "heat island" effect as well as from various types of aerosols produced by urban industrial processes and agricultural burning techniques. Most evidence suggests a positive effect (that is an increase in precipitation) due to the process of aerosol entrainment into clouds. However, there has been other direct observational evidence with regard to agricultural burning techniques, as well as less obvious evidence from urban produced aerosols, that under certain meteorological conditions precipitation may be suppressed by the action of the pollution produced.

The information collected during the past several years does not represent an overwhelming body of support for one stand or another, but considering present state of interest and attention for this problem such information will likely be gained within the next few years. There is at this time, however, sufficient evidence to show that inadvertent weather modification is a very likely reality, and which is further complicated by the types of weather systems present in the various geographical areas under consideration. The summary below is not exhaustive, but attempts to provide both the positive and the negative aspect of this type of inadvertent weather modification in so far as such data are documented through formal publication or by presentation in professional meetings sponsored by organized scientific societies.

2. EVIDENCE IN FAVOR OF INCREASES IN PRECIPITATION

The now well-known "LaPorte precipitation anomaly" is probably the most well-documented evidence in favor of marked increases in precipitation downwind from a pollution source that has ever been collected. This study was initiated by S. A. Changnon, Jr. in 1968 and resulted in several conclusions concerning the precipitation processes over the town of LaPorte Indiana, some 30 miles downwind of the Chicago-Gary, Indiana industrial complex. It was his conclusion (Changnon, 1968) that notable precipitation increases began about 1925 and resulted in a 31% increase in total precipitation, 28% increase in thunderstorm activity, and 240% increase in hail incidences. These increases showed a definite correlation with the production of steel and haze-smoke days in Chicago. There was no study, however, of the types of particles that may have caused the increase in precipitation.

The LaPorte anomaly was challenged by Holzman and Thom (1970) with the major argument in their analysis being a lack of objectivity by the observer, and changes in observers at the LaPorte weather station. The original conclusions of Changnon was later supported by a surface water flow analysis of the Kankakee River by Hidore (1971). Changnon (1969) also summarized data of a preliminary nature showing similar increases in precipitation in the cities of Chicago, St. Louis, Tulsa, Washington, and New York City.

In a more recent paper Huff and Changnon (1972) summarized more comprehensive studies on precipitation over Chicago, Cleveland, Houston, Indianapolis, New Orleans, St. Louis, Tulsa, and Washington with the following general findings:

"Substantial evidence was found that both

thermal and aerosol inputs can lead to increased precipitation from existing storm systems. Overall, evidence indicated that the thermal effect (heat island) may be the more important of the two stimulation factors."

In addition it was observed that these data supported the Chicago-LaPorte anomaly validity. It was noted that the most pronounced effect was on days with moderate to heavy natural rainfall and that the anomalies were most pronounced in the warm season. Evidence from the St. Louis part of the study also included the observation that "inadvertent weather modification mechanisms reacted differently in wet and dry years, with indications of a suppression effect in dry summers."

It was further observed in an associated study by Changnon and Huff (1973) that the severity of storm in the vicinity of St. Louis, Missouri, would be further enhanced downwind of the major urban industrial area. These increases included the number of thunderstorm days, the number of discrete thunder periods, and duration of thunder periods.

Using a two-sided t-test Hobbs *et al.* (1970) demonstrated a strong positive correlation between industrial sources of cloud condensation nuclei (CCN) and above-average rainfall for the period 1947–1966 in comparison to the period 1929–1946. The CCN production in 1929, 1946, and 1966 from pulp mills in Washington State is indicated by the respective pulp production for these years: 500, 4,000, and 11,000 tons respectively.[1] The mean annual precipitation for some areas increased by more than 30% during the second period.

These results are in substantial agreement with the METROMEX data in that increases in precipitation result from pollution incorporated into clouds when an *excess* of low-level moisture is available.

3. EVIDENCE IN SUPPORT OF A NEGATIVE (DECREASE) EFFECT ON PRECIPITATION

The early observations on the negative aspects of modification of clouds by pollution were summarized by Schaefer (1969) with regard to agricultural burning techniques in Puerto Rico, Africa, and the Hawaiian Islands. In these studies direct observation of the depth and precipitating characteristics of clouds in the vicinity of smoke plumes from agricultural burning resulted in the following conclusion:

"I pointed out the large difference noticeable even then between the "raininess" of the clouds upwind of the island and those which formed over the land after entraining the polluted air from San Juan, the sugar fields and refineries, the cement mills, and the myriads of charcoal pits which dotted the island, each sending out its plume of bluish smoke. In our studies in the vicinity of Puerto Rico we observed that in many instances trade wind clouds would start raining by the time the clouds formed a vertical thickness of not more than a mile while those over and more immediately downwind of the island often reached three times that thickness without raining."

Schaefer noticed similar phenomenon over Africa in which large cumulus clouds would attain a height of 35,000 ft. thickness without producing any rain. Large extensive ice crystal plumes (anvils) extended from the cloud hundreds of miles downwind but no glaciation was observed in the side turrets indicating a deficiency of ice nuclei at temperatures warmer than the homogenous nucleation threshold of −40C. It was stated that

"Thus it appears that the precipitation process was being controlled almost entirely by coalescence and that so many cloud droplet nuclei were being entrained into the cloud from the fires below that the coalescence process was impaired so that no rain developed."

In the Hawaiian Islands Schaefer observed similar effects in which he states:

"Similar effects have been observed on a smaller scale in the Hawaiian Islands. During the trade wind cloud regime clouds which form over sugar fields when they are burned prior to harvest are actually larger than the surrounding clouds, but they have never been observed to rain even though the smaller ones nearby produce showers."

It is also important to note in this same article by Schaefer that in the continental U.S. ice nuclei were being added to the atmosphere from urban sources which often resulted in widespread low level ice clouds which would produce only drizzle or no rain at all.

Kocmond and Mack (1972) studied the effects of cloud and aitken nuclei downwind of the town of Buffalo, New York. It was their observation that cloud nuclei would often form downwind of the pollution source as much as 15 miles with significantly higher counts than closer to the observed source. It was suggested that photochemical processes may have been responsible for producing the additional cloud nuclei. In this study the cloud droplet spectrum was also measured upwind and downwind of the pollution source. It was their conclusion in one comparison that:

"The average drop radius in cloud 3 was significantly smaller than the upwind cloud and the drop size distribution was narrower. Cloud 3 therefore may have been considerably more stable than the cloud 1 (all other things being equal) and hence less likely to precipitate."

Not all of the data obtained by Kocmond and Mack gave such conclusive evidence of the shift to smaller droplet sizes but other comparisons showed little if any effect. It was suspected by them that some of the changes were lost due to differences in sampling time of the various clouds.

In addition to the previous quotation of Huff and Changnon dealing with the possible suppression effect in dry summers, Auer (1972), also obtained information from the same METROMEX study, offered the following implications:

"In cases where the air mass remained stagnant over a densely inhabited industrialized region, a significant proportion of all cloud and aitken nuclei may be anthropogenic suggesting that convective clouds forming in the plumes of contaminated air would be highly continental in their microstructure and possibly less efficient in forming precipitation than their 'country cousin' clouds outside the contaminated air, other things being equal."

Similar climatological implications were reached by Lawson (1973) in his analysis of recent METROMEX data in which he states:

"The results from analyses of our case studies of 23, 13, and 9 August 1971 supported by the climatological inferences of Huff *et al.* (1971) and Huff and Changnon (1972) seem to indicate that under the 'dry' synoptic regime of these case studies the immediate area of major urban build up may not be a region of precipitation stimulation and may actually serve to inhibit the precipitation process at that location. When considered over a climatologically significant period it is suggested that the presence of elevated aerosol layers and entrainment mechanism associated with elevated stable layer inhibit convective cloud activity."

Studies made by Squires (1958), Squires and Twomey (1960), Twomey and Warner (1967), and Fitzgerald (1972) have shown that cloud microstructure may be controlled to considerable extent by both updraft speed and the presence of cloud condensation nuclei. On the basis of these studies, one can conclude, as did Fitzgerald and Spyers-Duran (1973), that cloud condensation nuclei may modify warm clouds and their precipitation processes significantly. It was also noted by the latter authors in their analysis of some of the METROMEX data that downwind clouds "are composed of a higher concentration of proportionally smaller droplets and have a smaller dispersion of droplet sizes than superficially similar upwind clouds." It was further suggested by Fitzgerald and Spyers-Duran in their conclusions that on the basis of coalescence calculations such as those of Twomey (1966) that the time for the formation of drizzle and precipitation size drops is greatly increased by the decrease in mean droplet size. This should result in an increase in continentiality of the cloud base microstructure and therefore also result in a suppression of the precipitation development in such warm clouds.

Finally, some larger-scale, long term conclusions were made by Changnon (1973) with regard to thunderstorm frequencies in the eastern portion of the United States. It was observed by Changnon in his analysis of the data that there was a significant decrease in the number of thunderstorm days in the east coast, midwest, and gulf coast zones, and, less strikingly, in the Rocky Mountain zone of his data. These decreases lie in the range of 5 to 15% in the continental United States. It was concluded by Changnon;

"The generally accepted man-made increase in atmospheric particulates in the 20th-century would greatly increase the number of condensation nuclei which in turn would lead to many more small cloud droplets (Braham, 1973), and greater in-cloud colloidal ability. Gunn (1964) and Warner and Twomey (1967) have hypothesized that regional hemispheric, or even global increases in condensation nuclei from man-made aerosols would lead to an increase in non-precipitating clouds and a decrease in rainfall. Such conditions would also be expected to lead to a decrease in convective motions and activity with a consequence being a decrease in thunderstorms."

4. CONCLUSIONS

In nearly all of the cases referred to in the sections above the investigators performed some type of statistical test to indicate that the data had a significant reliability to strengthen the conclusions of their arguments. There have been portions of the data analyzed (such as in Changnon's "anomaly" studies of many of the southeastern cities of the country) which show that either there is no statistical support of positive or negative effects of urban produced aerosols or that insufficient data had yet been collected to provide statistical reliability to the conclusions. It can safely be said, however, that considerably more of the results *do* have statistical reliability and suggest strongly that weather may be positively or negatively modified by anthroprogenic aerosol sources. The difference in the conditions surrounding a positive effect as compared to a negative effect have not yet been adequately determined. The meager information now at hand lending this type of distinction suggest only that the quantity of moisture present in the lower atmosphere is likely the most important influence determining whether the effects will be positive or negative.

Of utmost importance in any analysis is consideration of *both ice nuclei* and *cloud condensation nuclei*, because in continental clouds it is probable that some combination of quantities of these two types of nuclei produce the observed effect. Very little has been determined with regard to quantities of these types of nuclei in the Metromex and other studies conducted to date.

In our opinion the evidence is sufficient to warrant considerable attention to such problems, and in particular to establish proper

[1] A large kraft mill will produce 10^{18} CCN per second!

count measurements of such nuclei in areas downwind from anticipated industrial or urban sources of pollution; such, then, would be a logical approach to the development of the coal-fired generators of the Montana, Wyoming, and North Dakota region.

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CAN COAL DEVELOPMENT CAUSE DECREASE IN GREAT PLAINS RAINFALL?

(By Dick Rebbeck)

You don't hear much about what coal development might lead to by way of decreasing Northern Great Plains rainfall. Maybe you should. And maybe you will, if scientists can find someone to sponsor research into the question.

It's a serious question. There's enough evidence around already to indicate urban and industrial activities inadvertently change the weather—decreasing precipitation in dry climates, for one thing, according to Dr. Richard Schleusener, director of the Institute of Atmospheric Sciences (IAS) at Rapid City.

But so far, he hasn't had much luck interesting environmental agencies in research to define what might happen here in the wake of upwind coal development leading to electric power generation and industrialization.

"I consider this a problem of high import to the state," he said.

Using part of a $70,000 appropriation passed by the last legislation, the institute, located at South Dakota School of Mines and Technology, is starting to monitor "small particle" air pollution around Rapid City.

"Small particles" can provide condensation nuclei for the process of conversion from vapor to liquid to ice nuclei and on to precipitation.

Observations over the years indicate Rapid City's air abounds in such condensation nuclei, much of material originating in urban and industrial activities. Before the State Cement Plant cleaned up its stacks, IAS observations found "a significant number of nuclei" in the smoke plume.

Air pollution doesn't have to be visible to put condensation nuclei into the air. IAS Researcher Briant Davis explains that electrostatic precipitators, or other air pollution abatement procedures, can remove most large particles but gasses escape, and as they move downwind their molecules joint into clusters until they form particles in a process of conversion to condensation nuclei.

It's entirely possible, he elaborates, to have more particles downwind than at the stack and a potential for inadvertent weather modification despite compliance with air quality regulations on particulate matter at the discharge point.

"One of the unknowns is how many condensation nuclei get through air pollution control filtering of particulates," Schleusener says in discussing some of the things he hopes IAS research can get into.

Some of the other puzzles relate to observations that air pollution apparently increases downwind precipitation in a humid climate but decreases it in a dry one.

Weather research in the St. Louis metropolitan area showed fewer but larger raindrops and higher rainfall rates under humid conditions downwind from major urban-industrial centers. The reverse situation prevailed under dry conditions.

Another study concluded that an "increase in man-made aerosols would lead to an increase in non-precipitating clouds and a decrease in rainfall."

A worldwide examination of thunderstorm activity found the more industrialized parts of the globe were seeing fewer thunderstorms, perhaps because conductivity of the air is reduced by an increased load of particulates from air pollution.

"That's one piece of circumstantial evidence," Schleusener acknowledges in summarizing that "there is getting to be more and more evidence that changes are taking place" in weather due to man's activities.

"We know very well that when we burn something we produce condensation nuclei," he says.

Smoke from, say, a few burning pine cones immediately produces a cloud over Yellowstone hot springs under certain atmospheric conditions, he offers as a demonstration.

It is also known that automotive engines, industrial processes and other uses of combustion add nuclei to the air that are not visible.

Some of the questions IAS scientists want to get at deal with the effects of these materials on cloud processes, and what effect an increase of coal burning in Wyoming and Montana might have on changing this region's weather.

"We don't know," Schleusener confesses. Neither does anyone else.

Official interest by environmental agencies apparently ends with standards as set for obvious hazards—sulphur oxide, particulates such as dust and dirt, haze, carbon monoxide, photo-chemical oxidants, hydrocarbons and nitrogen oxide.

There are no air quality standards for condensation nuclei or ice particles as they might involve significant changes in weather downwind from pollution sources.

"People in the field see this but it's not generally recognized," Schleusener comments.

With a "small particle" sampler, IAS personnel are testing air around Rapid City "to see where the city's products are going downwind."

In addition to a particle "count," records are made of humidity, air temperature and wind direction and speed. Later, researchers hope to refine their observations to specific precipitation processes.

In initial readings, the charts show what everyone assumes, that the air is much cleaner upward from Rapid City than it is downwind.

The concern, though, is that this plus greatly increased coal burning farther upwind might well be a "potential problem that is not now receiving attention," Schleusener says.

STATEMENT OF FRANKLIN W. SCHLUETER

I do have some thoughts that I would like to feel are included in some of the issues that you will be considering:

1. The big dams on the Missouri, plus power.

a. The Corps of Engineers, who are still locked in the military concrete of the mental confusion, always want to put a big dam on the mainstem of a river, while they are talking about conservation of soil.

b. Soil conservation occurs when you put a lot of little dams back up the fields, where the soil is actually being eroded, to prevent it from being flooded down into the main dam.

c. Twenty-five or thirty years ago South Dakota got sold a bill of goods in the big dam problems, when they flooded land that someone said was not worth too much, in order to build the big dam to save flooding downstream. It always absolutely amazed me that people downstream would watch rivers flooding over, tearing hell out of countryside, and yet they rush right down as close to the river as they can to build a new house or set up a new factory that pours other waste into that water, besides being pushed downriver in an annual flood.

d. This is supposed to give us cheaper power. I have never noticed my light bill in my home or office being reduced at any time when the power that was produced by the

dams was supposed to be saving me and giving to me a cheaper power. I am helping to pay the taxes that pay for the dams. These taxes constantly go up, together with my monthly light bills. I believe that we are now reaching a fifteen percent (15%) increase shortly to go into effect on our light bills, together with the usual increase in taxes. I just can't see how we can slow down inflation or stop inflation when you raise my light bill.

e. These dams are producing certain amounts of electric power.

We now have an era of power shortages. At the same time we are talking about pumping water over a hill to come down into an Oahe project for irrigation. No one has ever stated right out to tell us the percentage of power that will be subtracted from the power producing capabilities of the dam, in order to pump this water up over the hill to start it flowing toward the Oahe Irrigation Project. Taking the water from the dam to do the irrigating means less water available for all of the other purposes and needs and priorities of the water. If we as people are willing to concede the use of power to pump water over the hill and provide the irrigation, or we are willing to concede the anticipated costs of establishing an irrigation program, then fine, let's go ahead. All I have noticed so far is a great deal of concealment and little games played to try to keep the public from finding out or knowing just what the hell the Corps of Engineers really are trying to do.

I neither oppose the Oahe Project nor do I support it. We just haven't had enough facts. I have heard approximately 200,000 acres will be subject to irrigation. If average farm affected by this are 500 acres, this will improve 400 farms. Instinct tells me that most of the farms that lie north of Huron, from what I have heard, will average between 800 and 1200 acres, so possibly we are talking about improving from 200 to 300 farms. If the general public is willing to spend the tax money and accept the tax increases, in order to help from 200 to 350 farmers in South Dakota, I'm all for that. If we could be told what is the total amount that will be spent on this project. Then we can figure out whether or not it is worth going ahead and doing it. We would also be able to determine whether or not the expenditure of the electrical power to put the water into the irrigation project, compared to other needs that draw upon the power that is now in existence, are worthwhile. We should also determine whether or not the dams are producing power at the full capacity and if they are not, should be advisable to place them at full capacity, and then the power be used to help the big cities, as our needs are more distant from South Dakota than those currently being supplied. It would be nice if I could have my light bill reduced, in as much as it does not appear that our taxes are going to be reduced.

f. Directing our attention to the question of navigation that we were promised prior to the Corps of Engineers installing the dams on the mainstem. There isn't a single lock on any one of the large dams providing navigation for South Dakota or this country in any of the big dams. Until now about the only thing that we had to navigate out of this country would be grain, that could be shipped to the downstream cities. This might have some value for a cheaper method of transporting our grain out of our grain producing areas.

g. If our lignite coal ever moves from being sub-marginal product, to a point where it would pay to mine it, we would then have something definitely to navigate out of this country. Navigation out is insufficient and not efficient way to take advantage of transportation. We still have to have something to navigate into the country, in order to make economic feasibility to transportation, such that investors will invest in the necessary boats and equipment to travel up and down the stream, and to hire the men and people that it takes to run an operation like this for private investors. The railroads are gradually and completely withdrawing from this part of the country, either by closing, abandoning, or tearing up tracks at key points around the state, so that we will still have to rely on trucks to navigate grain to the mainstem, or if we lose gas and oil, to go by horse and buggy again.

h. Creation. From this point all you have to do is take a look at the map of this state and see what problems the family who wants to go on a picnic, or a sportsman has, who wants to get to a lake that has no decent access roads or places convenient for the recreation that we want to be able to enjoy. As a goose hunter, I am still annoyed by the managers of a dam that raise and drop water, at whatever mysterious formula that they are using, that covers up a sand bar, pushes geese out of the area that I am hunting in. During the goose season there is no irrigation going on, definitely no navigation going on, compoundment of water should have occurred during the winter and spring, and irrespective of what some of our so called game experts say, each year I notice fewer ducks and geese in our recreation area.

i. Another point of irrigation. Some of our game experts saying that we have very fine fishing. I don't believe these people have put a rod and reel in the water when they say that. Apparently our game experts have forgotten to tell the fish to breed and to reproduce and to produce other little fish, and their natural life cycle has been completely fouled up by the other governmental experts that are trying to decide how many tons of water to put through today.

j. As to the use of water. Each of them have irreconcilable demands for the amount of water that is impounded. We must assess our priorities. Even as to this. We must also foresee possible problems in the future as to irrigation. The usual leeching of soil that occurs, as well as soil runoff. It appears to me that constantly increasing rural population, variable soil must be religiously protected. I do not know what the experts would say. It would appear to me that a multitude of small dams constructed on sites on the land, to tend to hold the soil, together with good crop management, terracing the hillsides, which is usually much too expensive for the individual to do. But a multitude of small impoundments of water would naturally increase a water cycle in rainfall, that could possibly eliminate the need of irrigation. Many small impoundments of water would also naturally tend to increase the normal water table. I believe it is also one of the problems in irrigation, of having the constant problem of fertilizing. I would assume this would be by chemical process. Isn't this one of the things that is killing our water now, for those people who must use it downstream? I have never seen any article directed to this point, which I feel in the future will be a very serious psychological problem.

k. Other than recreation, I feel it may be important for us to fully investigate the possible value during a day of constantly increasing meat prices, an investigation to be made to determine whether or not we could harvest fish as food from these current existing dams, and what is the best management to produce the most food, as from this food source. Also, what would happen when we return some water after it has picked up different chemical properties from fertilization and whatever runoff may be returning to the mainstem? What effect would it have upon natural life, including the fish, ducks, geese? It also would be interesting to know your investigation has been made to determine whether enough sufficient food from this source could be developed, in order that we might make an intelligent judgment as to cost versus feeding anticipated world population, and how many years will it supplement the diet of people who are living then. Has anyone ever made comparative analysis to determine use of water to produce grasses to raise beef, as against the use of water to produce an increased number of bushels of grain, for the use of water to produce food in the form of fish?

l. I do not know if it is possible to extend power lines from the dams into the lake city area where power is needed. Is there enough power available from these dams that would be any effective help to those people? If this were done, will this create further power shortages for the areas now served by the electrical power currently generated from these dams? In view of petroleum fuel shortages, I believe we can anticipate an increased number of people converting from gas or oil to electrical heat in homes and industry. Is there and will there be enough power in the current areas available, at a cost that is economically feasible for the average homeowner and businessman to make use of the electrical power for such heat purposes? Will it be necessary for the public to put some type of controls in private industry engaged in "public utilities", or will they be free to get everyone converted to this type of power, and then start cracking us by further increasing our power or light bills? It always makes me quietly burn when I notice Northwestern Public Service Company report of how much money they returned to their investors, as a result of my increased light bill, when much of their power comes from the facility that is being paid by my taxes to produce that power. The original rationale was that this would give us cheaper power.

m. As to the development of our coal fields. I can see where this would produce a good economy for our state. But is not one of the problems basically, that there are other coal fields that have a much better product, where there are already existent mines that are producing this product? That with a smaller amount of economic help, could produce needed coal fuels, that would actually be a net saving to the taxpayer by approaching it from this basis. Or are we in such desperate straits that we must develop a coal that frankly does not burn very well? Is it possible to use the sub-marginal product in our land here in South Dakota, in such way that it will not pollute our air and produce sufficient energy to bring it out of the sub-marginal category? I can't help but remember the World War II costs of producing manganese at something like $4.00 a ton, to effectuate a 95¢ value manganese. Because of the necessity and exigencies of war, economics was not a question. Navigation will produce a cheaper method of taking fossil fuel where it is needed in the more heavily populated areas. Would we not still have a problem of transportation of these fuels to the mainstem, where they can be navigated? As far as the promises for recreation. In all of these different Corps of Engineer projects. I think priority as to recreation as against food for future world population, necessary energy and fuels to continue a comfortable existence, it is basically seen that recreation must fall by the wayside. It is my understanding that there will be many additional thousands of acres flooded in our current Oahe Project, to produce areas for wildlife. This is wonderful, except when you flood these acres, are you not taking possibly areable land out of productive capabilities that could produce additional beef or grains? How much of our land is going to be put to a swamp in order to raise a few ducks?

2. For the past fifty (50) years, in order to conserve soil and stop the wind from blowing it all away, we have been using a lot of common sense in development of shelter belts across South Dakota and the Great Plains areas. I wonder if it isn't time for use

to change some of our concepts on these shelter belts. Could we now go in and start planting, not fruit or berries or food producing plants in these shelter belt areas, or increase the number of shelter belts? Also looking forward to the future, for building needs to build homes. What programs are we developing that will raise the type of lumber, oak, walnut and other scarcer materials, in a long range plan?

a. I would like to propose for consideration a program throughout the entire mid country, that we start now paying some farmer a reasonable amount of money, say $100.00 a year for a ten (10) year program, giving him a net of $1,000.00 over ten (10) years, for the use of sixteen (16) feet of his land across each quarter, and then this becoming more or less public domain land.

In this land we plant rows of the type of trees that will be needed in building homes 20–25 years from now. Also, that we plant nuts, fruits, berries, food producing trees, that over the next 4 or 5 years will start to produce crops of food.

I would suggest that each person on welfare be granted a picker's permit, that these families could go out into these particular belts in the public domain land and harvest the food that was there. That the rest of us, upon the payment of a small fee of $5 or $10.00 a year, could also secure a picker's permit.

This would certainly be a boost to natural life. With each hunting license we could also sell a special permit that would permit a hunter to go upon these type of identifyable strips of land in pursuit of game.

As to what type of nut, fruit or berry to plant. I believe we would have to depend upon our agricultural schools within the various areas to determine which are the most feasible type of plants to put upon these strips.

The young people could be employed through youth employment, be engaged in going upon these strips of land during the summer to plant these different strips, and after planting, to be employed to go out to maintain these strips. Here again we are providing jobs for people, as well as possible resources of food for those who will go out and collect it, as well as possible future lumbering uses.

I note that the conference January 12, 1974, is a conference on environmental issues.

Is this basically educative program, or possibly propagandistic type of program as to why we should be interested in the Oahe Project? If this is so, then I wish to address my thoughts to another possible issue.

The ripping up of the soil to make the canals from the river to where the water is to basically start to flow down the hill, irrigating land in between will cause how much of a problem for the normal, natural flow of people back and forth across this state, with the possible future economic development of these areas. Impact will occur. How deep are the ditches that are to be dug? Will we be able to run roads across or over them? It's like sitting down with a group of county commissioners. A road is to be run down through our county, we have to determine how many metal passes must go under the road and how many field access must be built from the road, and how badly are we going to disturb the current land use and ownership by running a road down through the middle of a man's land, where he will not be able to farm the other half. Now we have determined this, we must then compare the public good and the best good for the overall public and mankind, as compared to a few individuals, who may suffer. The right of eminent domain is the final issue. It is true that a few farmers would be flooded out, a few farmers will be cut in half, but compare the number of farmers there as against the number of farmers who will have benefit from the navigation and the irrigation, is something that we can and overall must determine.

Is it not true that once irrigation begins, large farm holdings begin to break up? Is it not true that a man on a farm and family on a farm, is not able to work as much land once irrigation begins? How much will the individual farmer, after he has reduced his landholding, have to spend in order to put irrigation upon his land? Once this land is irrigated, what types of food are going to be produced? If we are going to become truck farmers, such as the irrigated lands in California produce, what is the cost of taking the foodstuff produced to the cities or populated areas where it will be consumed? In view of petroleum shortages, are we not going to be restricted in the fast transportation movement by trucks? We will not be able to rely upon the slower transportation of navigation.

I am not too enthused or enthusiastic about large corporations owning and having large landholdings here in South Dakota. Once we begin to really get irrigation into our area, does this not in fact, economically encourage corporate farming? Can we go into irrigation without destroying the small family farmer?

STATEMENT OF LEWIS H. SCHMITGER, HARROLD, S. DAK.

I am writing in regard to the Oahe Project. I believe this project should be stopped. I live in Sully County, where we will lose 41,000 acres and taxes of $50,000. These taxes will have to be paid by the rest of the people of Sully County. Sully County will not get any benefits from the project.

Sully County lost land in the Oahe Dam, which we have not received any benefits from yet.

It will be a hardship on our schools because of the loss of tax-base. Also our roads will be closed and we will have to drive miles to get to the other side.

There are several farms where the owners will not have to move, but they still lose part of their farms. I have 11 quarters of which I will lose 5 quarters in the reservoir; we will not have a good unit left. It takes all our pasture land and excellent alfalfa ground. There is not any land to replace this in our area. Therefore we will not be able to raise any livestock.

It does not make sense to take 110,000 acres of good productive land to irrigate 190,000 acres, part of which received Disaster payment because of too much rain in 1972.

The Bureau says that few people will be hurt by this project. I know of 30 Farmers that will have to move, others will lose land, and the rest of Sully County will have to pay higher taxes. It looks to me like a lot of people will be hurt by the project.

So far there hasn't been much information to the people of Sully County or to the people of South Dakota. All you read or hear about are the benefits, you don't hear or read about opposition to this project, even though there is a lot.

STATEMENT OF GARY SHARP, ABERDEEN, S. DAK.

The following is a statement which I gave at the Upper Missouri Water Users Assoc. Convention, on Nov. 28, 1973 in Rapid City, S.D., on behalf of the Oahe Conservancy Sub-District & West Brown Irrigation District:

Distinguished guests, delegates, members, ladies and gentlemen, friends of water development, I would first of all like to thank those responsible for giving me the honor and opportunity to speak to you on behalf of the Oahe Conservancy Sub-District and the West Brown Irrigation District.

I will be presenting to you, my thoughts about this project in the eyes of the young farmer.

The present main feeling of mine and many, many other young farmers in my area of Brown County, S.D. is disappointment.

Let's turn back the clock to approximately 25 years ago, officials in Government, my Father and Grandfather, and their neighbors began talking about this vast project and being able to irrigate within 10 years from that date.

In the meantime, my Grandfather has passed away without ever seeing irrigation in our area, my Father has become quite active in the pursuit, and I started college, testified for this project at Field Hearings and at Washington, D.C.—being hopeful and quite confident that I would be able to irrigate upon returning to the family farm after college and a hitch with Uncle Sam.

Well, I've graduated from college, served in the Air Force, returned to the family farm this past June—and we're still talking about 10 years.

I know many people that have virtually devoted their life to this project and just at the time that we're close to water, someone or some group puts a burr under the saddle.

At present, it's the environmentalist. Well, I too, am concerned about environment—in fact I am also an environmentalist, I'm a farmer—in my opinion a farmer is the true environmentalist, rather than the so-called environmentalist.

Farmers create environment for wildlife. This coming spring I will be planting 13.5 acres of trees, paying taxes on this land for the rest of my life, and never realize anything from this land but environment.

I have two power lines going across two quarters of my land, they're miserable to farm around, and I don't like them—but they're for the betterment and convenience of people like you and I. Just because I don't like to farm around them nor do I like the land that they use, are complaints that do not outweigh the wealth they bring to my area.

The same holds true for the Oahe Irrigation project. This project will greatly improve the James River in Eastern S.D. The environmentalists are stating that this will destroy the wildlife population. On the contrary, the James River has less than a foot drop in Brown County, So. Dak., As a result the river floods many acres the majority of the time prohibiting farming of this land and destroying wildlife. Contrastingly, this past summer when our county experienced one of the worst droughts in history, having less moisture than the "dirty thirties" the James River was bone dry—this kind of condition didn't do much for our crops nor wildlife—destroy wildlife? I would guess so!

This project would leave many of the Oxbows in the river and establish many more wildlife refuges and areas than at present. There will be bridges constructed across the James and the other canals that we won't think will be exactly in the correct locations, but it's just like an interstate highway system; the entry roads may not be positioned exactly where we would like them to be, but once you're on, who's going to deny the wealth of the over-all system?

I've been trying to stress the improvement of the environment for you and I through water development more specifically the Oahe Irrigation Project for South Dakota.

You see, I am concerned about the environment—I am a Father of a new son and I would like to be assured that his environment will always be healthy. I feel that water development is one of the keys to a healthy and lasting environment.

In addition to environment, I feel water development will give my neighbors and I, as young farmers, financial security, more diversified farming, increased crop production, resulting in increased livestock production, increased electrical energy, and encourage and increase more industry. These are just a few of the benefits that would effect the young farmer and the area.

Speaking of the increase in crop and livestock production, a few years ago we heard a large amount of conversation concerning overproduction or surplus food; you don't hear that anymore, do you? I feel that the days of food surpluses are gone in this world and we *need* more food production. Let's not permit our food supplies to ever be in the situation as our oil supplies are today!

Concerning industry, I know of many young men and women who would dearly love to remain in our area and State if only they could find the jobs and opportunities which other states offer.

In general, water development and more specifically the Oahe Irrigation project would be a huge boom for our entire area and State, not just for the young farmer, but, rather, everyone.

Some question the cost of progress. The Oahe Irrigation Project is to be developed by the Federal Gov't. and 85% of the total cost will be repaid by the sales of power. In Nebraska, there are more acres developed by *Private* money *each* year, than the *total* acres involved in the Oahe project.—People wonder why many persons, including myself, are disappointed—We're ready for water, we've been ready for many years and just when we're getting close some new group appears and wants another study.

We've had studies concerning this project for over 25 years, and we've even had moratoriums calling for more studies while a different study is being conducted. Kind of hard to believe isn't it? You can talk yourself out of loving mankind if you try hard enough!

We're *ready* for water—we *want* water—let's get water and realize its worth—it is my sincere hope and prayer that when my 6 month old son is ready to farm that *he* is not told, "another 10 years"! I'm quite confident that that won't happen. There certainly can't be *4* generations of disappointment, can there?

STATEMENT OF ROBERT SHARP

As a Board member of the West Brown Irrigation District, I am pleased to be able to assure you and your Committee that there is every bit as much support for our Irrigation Project as there has ever been. To my knowledge there has been virtually no complaints from future irrigators. They are disappointed that the project is not progressing as fast as they would like it to.

As you know, we just came through the driest period ever recorded for our area. During this period, it was common talk to discuss what it would be like if we only had water to put on our crops.

I might also point out, that while the people of Aberdeen and other towns in our area, have been a little reluctant to take an active part in pushing for the project, there is no doubt about their strong support.

We do hear a few people voice their opposition to this project. When we look at the facts, we find that this is a small group of so called environmentalists that are not, (except in rare cases), affected by the Project. We, who have followed and supported this project from the beginning, with a constant awareness for an improved environment, will be disappointed if this small group can slow this great project by even one day.

The people of our area and especially the members of the Board of the West Brown Irrigation District, sincerely appreciate your strong support in the past for this and all other sound development projects for South Dakota! We have confidence of your continued support. We are hopeful that we can actually be irrigating in the near future.

STATEMENT OF CITY OF SIOUX FALLS ON ITS WATER SUPPLY, BY EARL MCCART, COMMISSIONER OF WATER, SIOUX FALLS, S. DAK.

The Survey and published report of the United States Geological Survey (See U.S.G.S. Water Supply Paper No. 2024, pp. 46–47) states that the City of Sioux Falls has a sufficient water supply in the aquifer from Sioux Falls to Dell Rapids to supply its needs only to the year 1995.

There are three possible sources of water for the citizens of Sioux Falls. These are:

1. A pipeline from the Missouri River either above or below Fort Randall Dam pumping water to the City.

2. A dam in the vicinity of Flandreau, S.D. storing spring flood waters for year round use.

3. A reservoir on Slip Up Creek with water pumped from the Big Sioux during periods of excess flow and returned to the Sioux Falls Water System as needed during periods of low or no flow in the Sioux.

REQUEST OF THE CITY OF SIOUX FALLS

I. That the Corps prepare an indepth Environmental Statement as to the impact both positive and negative of a pipeline from the Missouri River to Sioux Falls. The environmental degradation of the pipeline should be zero and conversely the recreational benefits will also be zero along the pipeline, but we urge the Corps to also consider the energy depletion to dehydrate the rock to concrete, the transportation energy use to build the pipe, transport it to the site and install it. Also the continuing energy depletion to raise the water from the lower elevations near the Fort Randall site and transport it via pipeline to Sioux Falls as a part of their impact statement.

II. Environmental Impact of a dam in the Flandreau area. We request that the Corps research an indepth Environmental Impact Statement with specific emphasis to the effect on the two state area between Sioux Falls and the Missouri River. This would include specific reference to the fauna and the effect of stabilizing free flowing stream as opposed to the spring ice breakup flood. It should include an indepth survey on the possibility of reestablishment of crustation and mollusk populations, the effect of dilution with increased summer flow on siltation and agricultural run off.

We urge the Corps to tabulate the areas in the two state area that are in a native state and to estimate how many of these acres would be taken out of natural growth and be put to row crops if spring flooding were eliminated. This should be a negative impact and should not be used positively to increase Benefit Cost ratio.

The Corps is urged as a part of this Environmental Impact Statement to utilize E.R.T.S. imagery to establish a base for siltation load on the Big Sioux as a function of time of year and correlated with upstream flooding.

The Corps is urged to determine the degree of fishery enhancement if increased flow is released from the Flandreau Dam in times of maximum siltation load, i.e., after flash flooding in Split Rock, Skunk Creek, or Rock Rivers, to minimize adverse aquatic environmental damage due to the siltation.

We urge the Corps to study in depth ways and means that exposed land behind the Flandreau Dam after seasonal water release, can be made more compatible for wildlife. This could be pot hole type construction with hammock type embankment above the high water mark to provide predator free nesting areas in spring and stock type dams, to maintain green areas and wildlife habitat during periods of draw down.

We further urge the Corps and other Federal agencies to report in depth changes positive or negative that may be expected with free stabilized flow on the flora with specific references to the possible demise of the American and Siberian Elm to Dutch Elm Disease and the make up of the wooded areas following this.

III. We further urge our Congressional delegation, and the Executive branch of the government to take a leadership role in ascertaining how best water can be supplied to the 100,000 citizens in Sioux Falls and the Sioux River Basin by resolving and coordinating the studies and recommendations of the Corps of Engineers and the Bureau of Reclamation on either a pipe line from the Missouri, a Dam in the Flandreau Area or the Slip Up Creek Dam and Pump Station.

STATEMENT OF SOUTH DAKOTA COUNCIL FOR ENVIRONMENTAL EDUCATION, JULY, 1969–JANUARY, 1974, BY SARAH EKLO, PRESIDENT, MOBRIDGE, S. DAK.

The South Dakota Council for Environmental Education was organized in 1969 by men and women who recognized the needs for a better understanding of our environment and the delicate balances which exist in all parts of it. These men and women were willing to go beyond the bounds of job descriptions or personal convenience to assure that these needs will be met. More than that, many of them traveled to meetings, classes, or environmental conferences at their own expense in order to gain a more comprehensive view of the whole problem. Others gave unstintingly of their time beyond office hours without compensation because of their concern that the many environmental abuses be recognized and corrected.

Several definite actions were taken by the Council which proved beneficial and effective with no additional cost to the taxpayer. When we reached the point of making application for federal funding we were designated as the Governor's Council for Environmental Education—not as a new state bureaucracy or expense, but at the request of the people based on the accomplishment of the Council during its short period of existence. The fact that we received the $50,000.00 grant requested was also based on the progress in environmental education which had already been made in the state.

Documents to support this progress are available for inspection. They include:

1. Articles of Incorporation and By-laws.
2. Governor's letter.
3. Scrapbooks.
4. Files of correspondence.
5. Materials developed in the Title III projects.
6. Programs of the workshops developed and carried out in 1973.
7. Membership list.
8. Publications.

It will be easily observed that each member group or organization has enriched the Council and environmental education efforts in the state, while at the same time being enriched themselves by reason of their participation. New channels of communication have been opened. Some of the effects of our efforts are having nation-wide impact.

Now we have come to the point where we can no longer carry out our objectives without financial support from the state. We believe the understanding of the relationship between environmental harmonies and economic harmonies in South Dakota are too vital to all of us to gamble on the vagaries and inconsistencies of federal funds. However, we will continue to seek funds we are eligible for in federal programs. We will also seek support and funding at local levels.

We are convinced that environmental education, far from being a cost, will be the most

lucrative investment we can make. As we come to understand the interdependencies of the environmental and economic well-being of our communities, state, and nation we will experience a new wealth in being and living which reaches into every area of life.

STATEMENT OF SOUTH DAKOTA LIVESTOCK FEEDERS ASSOCIATION, SIOUX FALLS, S. DAK., BY DENNY OVIATT, EXECUTIVE SECRETARY

Since it is not possible for representatives of the South Dakota Livestock Feeders Association to appear in person at these hearings, we would like to submit to you for inclusion in your records the following statement of a resolution passed by the South Dakota Livestock Feeders Association at the last annual meeting held in Sioux Falls, South Dakota on Thursday, November 29, 1973:

RESOLUTION NO. 19—LAND USE

Whereas, Increased public attention is being focused on land use, with environmental and recreational considerations receiving disproportionate emphasis; and

Whereas, The right to own and use land for private purposes is basic to the American way of life and to our economic system; and

Whereas, Land is perhaps our most vital natural resource, upon which we depend for food, clothing, shelter and recreation;

Therefore, this association holds:

(1) That Government interference with the right of the individual to own and use land should be kept to the minimum consistent with the overall public interest;

(2) The dominant government role in connection with land use should rest with local and state governments.

(3) The role of the Federal Government should be limited to that of overall coordination and technical assistance;

(4) That the use of land for food production should be given high priority, consistent with the need for ever-expanding production; and

(5) That freedom of ownership and land management be recognized as essential to a strong, healthy, and productive agriculture.

We thank you for the time and privilege accorded our association and for your considerations on our behalf.

STATEMENT OF JAMES SPERRY

I am James Sperry, the operator of a family farm and at present the entire labor force of this farm. This fact prevents me from appearing in person today.

It is my opinion that the people who are presently opposing construction of Oahe are not operators of family farms, but oppose the project for various private and selfish reasons. They have banded together and hung the environmental label on themselves because of the recent favorable climate for environmental causes. I believe this opposition to be a very small group, making a very large noise and with the same people attending many meetings over the state.

Some of the objectors to the project claim it will damage wildlife. I suggest that upon completion of Oahe and its wildlife areas there will be more fish and game animals than at present. It is always interesting to me that these objectors only want to save the birds and deer until hunting season opens.

It is my sincere belief that our nation's food supply could be in a situation similar to our energy supplies presently, if orderly developments such as Oahe are to be delayed or halted. I blame the energy crises on the environmentalists and on the Congress for yielding to such a very small but vocal group. Let us not take that chance with our future food supplies.

I urge an early start on construction, and the people who have valid objections should be heard and considered, but let the project proceed at a rapid pace.

STATEMENT OF LARRY D. TSCHETTER, HITCHCOCK, S. DAK., CHANNELIZATION AND IRRIGATION

I am a farmer in Beadle County and would like to make the following comments on irrigation and channelization:

I would like to say; If a farmer can irrigate without disrupting or destroying other farmers or farming operations, I can't see where he would be doing anything wrong, providing the land is adaptable to irrigation and he manages it properly. I don't believe we have the right to waste land or ruin it for future generations. I am referring to the Oahe project which would destroy good agricultural land, farms, farming operations, natural wetlands, a natural river, opportunities for young farmers in areas where land is acquired and the stability of areas affected by land acquisition.

I am inclined to believe that smaller pipe line type of irrigation projects near Lake Oahe would be much more feasible and less disruptive to the land and other farmers and these smaller type of projects should have priority as they can be more carefully analyzed before constructing the Oahe Unit to make sure that it won't be a disastrous mistake.

Analysis of irrigations projects shouldn't be done by Bureau of Reclamation because, naturally, they are most anxious to construct such projects as there would be huge sums of money for them to utilize in various different ways and it would naturally guarantee work for the Bureau for many years.

I also believe a moratorium should be placed on construction of the Oahe Unit and there should also be a moratorium placed on land acquisition activities of the Bureau of Reclamation for the purpose of acquiring land for the facilities of the Oahe Unit.

The moratorium should be held to allow for an independent analysis of the project to be conducted by professionals and learned people, including individuals competent in the areas of systems, ecology, wildlife biology and ecology, geology, rural sociology, economics, family farming, history and clergy. Such an independent analysis then should be made known to the public.

It is very plain that channelization will have many adverse effects on the people and the environment. Some of the disruptions and losses resulting from the digging of ditches, particularly from the Oahe project would be disruption of present mail routes, bus routes, farm to market patterns; seventy percent of the township roads where main canals cross, wells and aquifers will be drained; and hardship and inconvenience to farmers having to travel many miles to land just across the ditch.

If people are concerned with raising more food, they should be concerned that 110,000 acres of productive agricultural and grazing land will be out of production many years before the land, which is to be irrigated, is actually in production. Construction time is scheduled for 17 years.

Crop and Livestock Reporting Service statistics indicate that irrigation, on an average, will about double production over dryland in South Dakota. For example, corn for grain on dryland from 1965 to 1972 yielded 46.7 bushels per acre on an average. Corn for grain on irrigated land averaged 87.4 for the years 1965 through 1971. No statistics were available for irrigated corn yields in 1972. When considering that 110,000 acres will be taken to irrigate 190,000 acres, it is evident that not much production will actually be gained by the Oahe Project. The increased production may be eventually realized, but at a tremendous cost, which will assure future generations a debt that has to be repaid. I believe the cost of the Oahe Project, if constructed, will double or triple. It is historic that cost overruns on water resource developments are very common. At this time, we can't really be sure that Oahe is the golden future as the promotors claim.

STATEMENT OF UNITED FAMILY FARMERS, INC. CARPENTER, S. DAK.

We express our sincere appreciation for your invitation to participate in this vital conference on Environmental Issues. We welcome the opportunity for an exchange of information relating to all environmental matters in general and especially those dealing with the Oahe question, with which we are most immediately concerned.

Our careful study of all data and information available to us has left us with a great number of questions about the proposed Oahe project. Some of the questions which are foremost in our minds and we know in the minds of many other South Dakotans are hereby presented to you. We respectfully urge that the following questions, among others, be discussed and answered at this and subsequent public meetings.

1. The Missouri River Basin Commission, a Presidential State-Federal River Basin Commission, has strongly recommended a Level B Study of the entire James River Basin to study the river basin and to integrate all previous studies of the Basin, and to adopt and implement a plan for the coordinated use, of all resources (including soil, water, wildlife and other economic resources) of the Basin to provide maximum public benefits at minimum costs. Is this study unnecessary? If it is unnecessary or undesirable, why so? If it is necessary or desirable, why wouldn't it be wiser to await the results of that broader study to explore the several alternatives it may reveal than to now irreversibly commit these precious resources to a less than best (thus relatively wasteful) use?

2. Why have financial considerations and economic feasibility studies leading to the determination of the benefit-cost ratio been omitted from the Final Impact Statement?

3. Stripping away the fictions, what is the real basis for the "use it or lose it" concept as applied to impounded water? Who might lose it? To whom might it be lost? Is there any reason to actually believe the water would be committed to a use or uses having less public benefits than the irrigation project contemplates? Considering the total loss of 110,000 acres of land for farming purposes, the cost in dollars, and the expenditure and loss of energy, what more wasteful alternative uses of the water can soberly be conceived?

4. Conceding that it is always desirable to increase efficiency of food production, wouldn't it be of greater public benefit to invest these $340,000,000+ in an irrigation project at one or more sites in the United States which are more suitable to irrigation? What will be the net increase in food production when you take 110,000 acres totally out of production for all time and increase food production capacity on this 190,000 acres only in some years over the life of this project in this sub-humid area? Where are the figures to support this conclusion?

5. Where are the power production features and facilities of the Oahe Diversion Project which were mentioned in house document 163 (the report from Department of Interior to Congress in 1967)? Have they been deleted from the project? If so, why and on whose authority?

6. What are the secondary environmental impacts of the project arising out of

a. Furnishing water to several South Dakota towns and cities?

b. The anticipated agribusiness developments?

Why aren't these projections fully developed as a part of the final impact statement?

7. Will you please provide us a comprehensive list of all studies by any Federal, State or local government agency and any academic or scientific agency (government or

private) of the James River Basin treating Biological, Ecological, Geological, and Soils, Engineering, Hydrological, Archeological, Sociological, Recreation, Aesthetic, Economic, Navigation and other aspects of the basin environment?

8. What studies has the Bureau of Reclamation made or relied upon in regard to the aquatic ecosystems which are the basis of food chains for flora and fauna (both microscopic and macroscopic) in the James River Basin?

9. Who are the primary beneficiaries of the project? What portion of total costs will they repay? How was this determined? What portion of total costs will Missouri River Electric Power repay? How was this determined? What benefits will they receive from the project?

10. How does the Bureau of Reclamation calculate Recreation and Fish and Wildlife benefits? Please produce the figures whereby these conclusions were reached.

11. Why doesn't the Department of Interior hold the Oahe and like projects for construction in time of economic recession to stabilize a sagging economy rather than to further stimulate an already dangerously inflationary economy?

12. Why has not the Final Impact Statement given serious consideration to the very real possibility that Oahe irrigation water, under new technology acquired since the project was conceived, and which (employing sprinkler irrigation) could be used to benefit a much larger area.

13. How successful has the Bureau of Reclamation been in other Missouri River Basin Projects in estimating total project costs? For example, in the Garrison Project, what was the estimated cost of those phases now completed? What has been the actual cost? Does the Bureau of Reclamation dispute as inaccurate the statistics compiled in an article published in South Dakota Experiment Circular 110 by Otto Nervik and others insofar as they compare estimated costs of Missouri River Basin Irrigation Projects to actual costs and projected repayment to actual repayment? If so, in what respects? What, if any, new techniques or methods has the Bureau employed in the Oahe Project to prevent the same errors from occurring here?

14. What evidence is there that there will be more family farms in the irrigated areas than there now are in the irrigated areas and the areas from which the 110,000 acres is taken for rights of way? Please produce the statistical information revealing the effect of other Bureau of Reclamation projects on the number of family farms existing in the various project areas immediately before and five to twenty years after construction.

15. What sources of capital will be available for family farmers who invest in irrigation development?

16. We have heard that the Oahe Reservoir is silting in a greater rate than was anticipated when the reservoir was constructed. Is this rate being recorded? What are the figures and your interpretation of them?

We realize these questions cannot all be fully answered at this conference. To the extent that they cannot be fully treated here so as to provide full public disclosure of the answers, we urge that subsequent public meetings be held. We believe the best possible vehicle for reliably informing South Dakotans and others rightfully concerned with the Oahe problem is a full hearing on the final impact statement after an opportunity for a careful study thereof has been made. We respectfully urge that such hearing be set and that it be accomplished before any further administrative action on the project is taken.

[Reprint of Economics Newsletter, Oct. 11, 1973, by Prof. Robert L. Vertrees, Economics Dept., So. Dak. St. Univ., Brookings, S.D.]

WHAT TO EXPECT FROM NEW FEDERAL PLANNING PROCEDURES

On August 3, President Nixon approved new principles and standards for federal agencies to follow when planning for the use of water and related land resources.

Like their predecessors, the newly-adopted planning procedures will be used by all federal agencies that are involved in regional or river basin planning or in the planning of federal and federally-assisted programs and projects which directly influence the use of water and related land resources. The new principles and standards will not be binding upon state and local units of government. They are, however, intended to be broad and flexible enough to accommodate the goals and objectives of these units and to provide them with a useful guide to resource planning.

The new principles and standards revise former federal procedures along eleven different lines. Each of these lines of revision cannot be dealt with in this newsletter. Yet their general nature can be summarized, and some speculative comments can be offered about what to expect from the new federal planning procedures.

The new principles and standards will require that the beneficial and adverse effects of alternative plans for programs and projects be measured in either monetary or nonmonetary terms. The expected effects from each alternative plan will then be displayed in order to depict their influence upon two basic objectives: (1) the enhancement of national economic development, and (2) the inhancement of environmental quality. When appropriate, beneficial and adverse effects of separate alternatives will also be displayed in order to show their influence upon the development of particular regions and upon the distribution of income, employment, and other social opportunities among different groups of people.

Each of the two basic objectives listed above is to be given equal consideration through the complete display of beneficial and adverse effects of separate alternatives. The new principles and standards do not, however, prescribe any hard and fast rules about which of these two objectives is to be given top priority when choosing among alternative plans. Nor do the principles and standards specify the priority that should be assigned to effects upon the development of regions or to effects upon the distribution of various measures of social well-being. Rather than specifying such rules, the new procedures set forth detailed and systematic procedures which should allow both public and private parties to participate in the planning process and eventually arrive at final choices among alternative plans.

What, then, are the most significant general outcomes to expect from the recently adopted federal principles and standards? It appears to the author that these outcomes can be summarized as follows.

1. The new procedures will augment the National Environmental Policy Act of 1969. The environmental quality objective will call for explicit consideration of the environmental impacts of proposed programs and projects. An improved balance between economic development and environmental quality should be attained and sustained. More persons who have been trained in the natural sciences will be required in the planning and evaluation process in order to study the environmental impacts. Many of these impacts will have to be expressed in nonmonetary terms.

2. The new procedures will reflect mounting social and political concerns about which regions and groups gain the benefits and pay the costs of public programs and projects. Similar to environmental impacts, the regional and distributional effects to public endeavors are often difficult to measure in monetary terms. Therefore, economists and other social scientists involved in the evaluation of alternative plans will likely have to become more adept in expressing beneficial and adverse effects in nonmonetary terms.

3. The evaluation of alternative plans in accordance with the new principles and standards will have to be accomplished through a team effort. Persons trained in the natural, social, and technical fields will have to coordinate their individual contributions to the planning process. Additional training in this process will then likely be necessary for persons whose basic trainings in the separate academic fields.

4. In sum, the new procedures will allow an improved system of multi-objective planning to evolve, but they will not specify the priorities to assign to any of the objectives. The new federal procedures encourage a wide range of agencies and interest groups to state their priorities and preferences. Therefore, the new system should provide improved means to arrive at compromise solutions that resolve the often conflicting desires of different parties. As these desires change over time, so will the priorities that are placed upon the objectives of national development, environmental quality, regional development, and social well-being.

These new principles and standards have been published in the "Federal Register," Sept. 10, 1973, Vol. 38, No. 174, Pt. III. Copies may be obtained from the U. S. Water Resources Council, 2120 L Street, N. W., Washington, D.C. 20037.

STATEMENT ON ENVIRONMENTAL ISSUES BY THE WEST RIVER CONSERVANCY SUB-DISTRICT, KADOKA, S. DAK.

The following statement is prepared as a result of a discussion of these issues at a meeting of the Board of Directors on January 7, 1974.

1. Development of large coal fields. We are concerned with the environmental effects of this development, particularly as it may affect water quality. However, we believe these effects have often been overstated, and we hope that decisions will be made on the basis of fact, rather than emotion.

We believe the development of these fields is inevitable, and we believe it is counterproductive to try to stop it. We believe the development should be done with the least possible environmental damage and with fair treatment of the owners of the surface rights to the land.

We believe that South Dakota has an excellent strip-mining reclamation law. It is our earnest hope that federal law will not override this state law. Our state legislature has made an honest effort to take care of this situation, and we think this effort should be give an adequate trial. We feel these things are better managed from the state level than from the federal level.

2. Land Use Planning. We feel the only role that should be played by the federal government in land use planning is the encouragement of this planning at the local and state levels. Therefore, we are completely opposed to the use of sanctions in any form by the federal government. In spite of all denials, sanctions allow federal bureaucrats to dictate planning. A good case in point is the highway sign law and the way it was enforced by the Department of Transportation against state and local judgement.

We believe the nation needs a strong program of soil and water conservation. As a part of this we need a good sediment control

program to protect our lakes, streams, and reservoirs from both natural and man-caused erosion. Thus, this sub-district has been working for a sediment research and demonstration project for years. We feel this project should have federal participation because findings of this project could apply to the entire Missouri River Basin.

We hope E. P. A. feedlot run-off guidelines will be applied on the basis of actual facts, learned from agricultural research, rather than on an emotional basis.

3. Irrigation and Channelization. We do not agree with those who maintain that irrigation is bad. We feel that, in general, irrigation improves the environment for both man and wildlife. The claim that irrigation destroys our natural streams is mostly based on emotion. In fact, our intermittently dry streams usually do not provide a good environment for wildlife or mankind.

We look at channelization cautiously. It may be that it is not justifiable except to clear natural channels that have become clogged with sediment and debris.

4. Prairie Eco-System. We hope that educational programs in range management, such as used by the U.S. Soil Conservation Service, will be continued. In our opinion, this is the best method for ensuring proper use of our native rangelands.

In general, we believe that conservation through education is better, and will accomplish more in the long-run, than mandatory controls. Therefore, we believe governmental controls in this area should be held to the bare minimum. Those which are necessary should be applied slowly and carefully so we may learn what is sound as we go.

We deplore the "instant" experts on environment and ecology. Often these people do not even understand the difference between the two words. They often ignore economic and social effects of their proposals. They often promote concepts which would override the right of private ownership of property and that would seriously injure our economic system. They often use environmental impact statements to prevent progress, rather than to ensure that progress is sound. They want to use a sledgehammer to drive the environmental tack.

We hope the direction of federal environmental law and regulation will be rerouted to a more sensible direction than has been the case during the last few years.

LESTER E. HETZEL,
Chairman, Board of Directors.

OUTLINE OF SEDIMENT CONTROL RESEARCH PROJECT AS PROPOSED BY THE WEST RIVER CONSERVANCY SUB-DISTRICT, 1972

I. OBJECTIVES

A. To determine most economically feasible and practicable sediment control program in geologic erosion areas of South Dakota with application throughout the Missouri River Basin.

II. BENEFITS

To be expected from application of research findings:

A. Stabilize eroding land.
B. Reduce damage to soil resource.
C. Reduce sedimentation of reservoirs, lakes, and streams.
1. Stockwater dams.
2. Missouri River Reservoirs.
a. Extend period of return on $1.2 billion national investment in 6 mainstem dams.
b. Reduce damage to recreational facilities.
c. Improve fishery habitat of reservoirs.
D. Streams.
1. Improve fishery habitat.
2. Improve aesthetics of natural stream areas.
3. Improve water quality for.
a. Domestic use.
b. Municipal and industrial use.
c. Irrigation use.
E. Lakes.
F. Wildlife habitat development.
1. Waterfowl.
2. Deer.
3. Others.
G. Agricultural development—eventual use as
1. Hayland.
2. Rangeland.

III. LOCATION AND DESIGN OF RESEARCH PROJECT

A. Location—SCS Land Resource Area 60.
1. Jackson County.
a. Badlands.
b. River breaks.
B. Design
1. Determine simple, least costly engineering methods.
2. Develop agronomic methods.
3. Develop cost estimates for sediment control program.
a. in Badlands.
b. in South Dakota.
c. in Missouri River Basin.
4. Determine environmental impact of proposed program.

IV. GROUPS AND ORGANIZATIONS THAT COULD BE INVOLVED

A. Water Conservancy Sub-Districts.
B. State Colleges.
1. Engineering.
2. Agronomy.
3. Range.
4. Economics.
5. Biology.
6. Others.
C. State Conservation Commission.
D. Water Resources Commission.
E. U.S. Forest Service.
F. Soil Conservation Service.
G. Corps of Engineers.
H. Bureau of Reclamation.
I. Environmental Protection Agency.
J. Others.

V. FINANCING POSSIBILITIES

A. Titles II, III or V of the Rural Development Act of 1972.
B. Environmental Protection Agency.
C. U.S. Water Resources Council.
D. South Dakota Water Resources Institute.
E. REAP special practices.
F. Conservancy Sub-Districts.

[Reprinted from the "East River Guardian", February, 1974]

ENVIRONMENTAL ISSUES AIRED AT CONFERENCE

More than 700 persons jammed the downtown Holiday Inn, Jan. 12, for a statewide Conference on Environmental Issues sponsored by Sen. George McGovern.

The day's program included four seminars, each dealing with different aspects of environmental and natural resource development.

COAL MINING AND POWER DEVELOPMENT

The first panel dealt with the development of the coal resources of the Missouri Basin and the power to be generated by this coal.

Panelists included Merlin Tipton, associate geologist of South Dakota; Ken Holum, former assistant secretary, Department of Interior; Dr. Ernst Habicht, scientist for the Environmental Defense Fund, and James Grahl, manager of Basin Electric Power Cooperative.

Holum said that coal resources of the region must be developed in an acceptable manner to meet the massive energy requirements of the future.

"The administration goal of energy self-sufficiency is not attainable by 1980. The technology simply does not exist," he said.

Habicht charged that the "price of electricity is too low" and electric consumers must be faced with the full costs of developing coal for electric and gas production. He said the Bureau of Reclamation is participating in a "giveaway" of water rights to big corporations for use in future development of coal gasification and industrial purposes.

Grahl outlined the leadership that his cooperative has given towards strip mine reclamation in connection with Basin's lignite burning generating plant in central North Dakota.

He said that "Basin Electric's directors were working farmers to whom the prudent use of land and its conservation for the use of future generations are of daily concern and importance."

Basin Electric in its contract with Consolidated Coal Co. proposed the inclusion of provisions for the return of the spoil banks to the contours of rolling countryside, and for participation by Consol and Basin Electric in an experimental planting program.

Grahl said that this is being done and the experience has demonstrated that spoil banks can be graded into acceptable contours at relatively low cost, but the restoration of these lands to a condition that will support grass or other desirable vegetation is another matter.

North Dakota state law now requires the replacement of up to two feet of surface soil material after the spoil banks have been graded and contoured, and then a revegetation program of grasses, shrubs or trees. Research, in cooperation with the U.S. Department of Agriculture, is continuing to seek successful planting efforts.

The Basin Electric manager said, "It seems probable that the restoration of strip-mined lands in North Dakota to an acceptable appearance and productive use should prove feasible from a cost standpoint, but there is much to be learned about the effects of strip-mining on soil structure and productivity, underground water courses and other aspects."

He urged that those organizations and individuals who are so deeply concerned about adverse effects of strip-mining in our western states devote a much larger portion of their efforts than they have to getting an adequate, effective, well-organized research program under way on mined-land rehabilitation by experienced institutions like the Northern Great Plains Research Center.

AGRICULTURE AND LAND USE

Soil and water conservation, Environmental Protection Agency feedlot run-off guidelines and purposes and effects of proposed land use legislation were topics discussed by panelists Steve Quarles, Senate Committee on Interior and Insular Affairs; Pat Godsil, Environmental Protection Agency, and Dr. Allyn Lockner, secretary of the South Dakota Department of Environmental Protection.

Quarles discussed land use legislation now pending before Congress and Godsil reviewed the work of the Environmental Protection Agency.

Dr. Lockner, in his presentation on land use issues in South Dakota, said that several land use issues have been identified in South Dakota.

"It has been maintained that the existing land use problems should be corrected or alleviated through land use planning and regulation. It is also alleged that potential land use problems should be prevented through such planning and regulation. Several specific problems requiring land use plans and regulations have been identified." he said, "which are caused by population growth and mobility, the sharpened competition for land by alternative uses and new environmental constraints."

Lockner said that successful land use planning and regulation is not achieved by merely passing a law and appropriating tax dollars for planning, administering and enforcing land use control.

He concluded that, first, people must decide if there is a need for land use planning and regulation in South Dakota. Then, a

determination must be made on the uses to be planned and regulated and the procedure for getting the job done.

"Shall the desired land uses be achieved by our using foresight, thoughtful analysis and planning, or shall those land uses be achieved only after we are outraged and mad at the desecration of the South Dakota land we see?" he asked.

IRRIGATION AND CHANNELIZATION PROPOSALS

The impact of irrigation development in South Dakota was the major topic of discussion on the first panel of the afternoon session. Seminar attendance and audience participation was at a peak for this discussion. About one hour was taken for questions to panelists Preston Funkhouser, Oahe Project manager; Dr. Larry Fine, F. F. Kerr and Dr. Nels Granholm, all from South Dakota State University.

Funkhouser, in reviewing the progress of the much discussed Oahe Irrigation Project, said that the release of the final approved environmental impact statement is "significant to all of us.

"For those who have seen a quarter of a century of planning go into the project, it means we are finally on the threshold of development. For those interested people who commented on the original draft, it means a better statement and for all of us concerned with the environment it is an assurance for environmental protection and enhancement during and after construction," he said.

Funkhouser commented on the most controversial aspects of the project which included the amount of land needed for the project, return flows from both the Garrison and Oahe units which will utilize the James River, and plans for handling the return flows on the James River.

Dr. Fine and Faye Kerr, both of SDSU, discussed the benefits of irrigation, suitability of soils in the irrigation area and the results of irrigation experiments at several demonstration farms.

Dr. Nels Granholm, also from SDSU, raised several questions about the development of the Oahe project.

"How much is all this going to cost us?" he asked. He challenged the benefit-cost ratios used to determine the feasibility of the project and suggested that new feasibility policies of the National Water Commission might more accurately reflect the true costs of the project.

Granholm concluded that a moratorium on project development as suggested by the United Family Farmers and others is justified in order that the project may be evaluated using new discount rates. He urged all citizens to become more informed on water resource development.

During the question-answer period Ken Holum, former assistant secretary of Interior, pointed out that electric power rates charged by the Bureau of Reclamation could go up immediately as much as 20 per cent if the Oahe project is not built. He said that if the project is halted the non-interest bearing costs of the irrigation development would be shifted to interest-bearing costs to be charged to power users.

"The reason for this," Holum said, "is that $40 million of the total investment in Oahe dam was used to provide irrigation pumping facilities." If not used for irrigation this investment would revert to power features at interest bearing costs and would be paid by electric users.

Holum said that only 2½ per cent of the total generating capacity of the Missouri River dams is allocated for Oahe project pumping purposes. If not used for irrigation, the power would be a relatively small amount for the Bureau of Reclamation to use in meeting the power needs of its customers beyond 1977.

THE PRAIRIE ECO-SYSTEM

Panelists on the final seminar of the day reviewed problems associated with the Prairie Eco-System including air pollution, wildlife's future, problems with our prairie lakes and our native grasslands.

Panelists were Dr. Gilbert Blankespoor, Augustana College; John Popowski, Department of Game, Fish and Parks; Dr. Clyde Brashier, Dakota State College, and Marilyn Kelm, South Dakota Board of Environmental Protection.

Brashier, in commenting on prairie lake problems, said, that fall plowing and fall fertilizing are two contributing factors to lake deterioration.

Fall plowing, he said, aids siltation and fall fertilizing enriches the lakes with nutrients during spring run-off. The enriched lake then promotes abundant algae growth which turns the water green and foul-smelling during the hot summer months.

Brashier said he thought that the "cart was before the horse" when we promote central water system development around lakes, before the sewage disposal facilities are built to handle the increased water usage.

He urged immediate action programs to stop the pollution and start the cleaning of our lakes.

MCGOVERN SEES CHANGES, SOLUTIONS FROM ENERGY CRISIS

Rural states in the Great Plains may come through energy hardships better than other states because its people "have known that our progress and the quality of our lives are inextricably bound to the land, to its wise use, and to its protection," Sen. George McGovern says.

Addressing a conference in Sioux Falls, Jan. 12, which he called to discuss growth and environmental protection, McGovern said that although the national energy crisis will work profound changes on South Dakota and neighboring states, it can be helpful in the long run "if this crisis brings us to see the need to change our profligate ways."

The South Dakota senator suggested that, although energy problems have shifted emphasis in environment "away from what is safest or cleanest and toward what is fastest," the long-term trend may be the reverse. "Just perhaps," he suggested, "the energy crisis will inspire changes in our attitudes and patterns of consumption that will get this nation behind environmental concerns as we have never been before."

McGovern called for a "new calculus" in determining growth, and cited rail transportation and coal development as examples. He said:

"From the standpoints of land conservation, reduced fuel consumption and clean air, we should be promoting railroad and mass transit systems wherever they can be used to move both goods and people. But here in South Dakota, and many other places, what freight trains there are must often be held down to around 10 miles an hour because the trackbeds are so bad."

In the major cities, he pointed out, "efficient rail and mass transit systems are still the exception rather than the rule. We have spent lavishly to prop up this or that foreign ruler over the years, but when it came to our own transportation systems, we have impounded, postponed and refused."

Pointing out the "vast deposits of low sulphur coal" in the Dakotas, Montana and Wyoming, McGovern said, "I think we have no choice but to develop those resources to meet relatively short-term and medium-term needs," with careful attention to environmental considerations.

"We must intensify our attention to the most environmentally sound methods of mining that coal, and then requiring that the land be restored to its original state when the work is done." McGovern said. "It means, second, that we must accelerate research on steps to use coal more cleanly—including such processes as MHD, gasification, and liquefication. And it means, third, that we are better protected if the mining and using is done by companies which are native to the area, and staffed by people of the area, than we are if the industry's giants come in to take what they can and then move on."

McGovern said that even new coal development must be seen "as a transitional step on the way to energy sources totally separate from these finite fossil fuel reserves. We should attach the highest possible priority to research on solar, hydrogen and geothermal energy sources."

[Reprinted from the "S.D.S.U. Collegian," Jan. 16, 1974]

OAHE PROJECT BECOMES OAHE PROBLEM

(By Peggy Curry and Mary Klinkel)

South Dakota has long accepted the "Golden Future" lavel given the Oahe Irrigation Project but recent developments have led some to look at the project as the Oahe Problem.

Set for construction this year, questions have been raised about the project concerning its environmental impact (salinity factor wildlife habitation, etc.), increased electrical energy expenditures as well as a question as to how many people will actually benefit from the project.

A group of 120 farm families has organized under the United Farm Families banner in urging a moratorium on the irrigation project to consider these and other questions.

George Piper, UFF president and a Carpenter, S.D. farmer, told the Collegian that their initial efforts for coverage from media on these problems was denied by news services across the state.

"Nobody would listen or have anything to do with what we were saying," explained Piper, who is included in the 50 farm families who were or will be forced to sell their land to the project purposes.

Then last fall, Tim Schreiner, then News Editor of the University of South Dakota student newspaper, wrote several articles explaining the questions posed by UFF. Following this exposure, television stations and other media sources began to cover the UFF efforts.

Since this coverage, controversy has blossomed around the project.

The issue seems to be growing into a political issue although no major politician in South Dakota has yet advocated the moratorium asked for by the UFF.

But politicians are keeping an eye on the issue and the controversy. As Senator George McGovern told the Collegian recently when reiterating his support for the irrigation project, "But I'm keeping an open mind on the subject."

ENVIRONMENTAL CONFERENCE

McGovern told the Collegian last Saturday at an environmental conference he sponsored in Sioux Falls, "I want to say quite frankly that I have always supported the Oahe Project and I intend to continue supporting it until I see compelling evidence to the contrary."

At McGovern's Conference on Environmental Issues, the controversy over the irrigation project saw confrontation between proponents and opponents of the present plan.

The conference was sponsored by McGovern to discuss in seminar and question and answer periods various environmental issues including strip mining for low grade coal in the Dakotas, agriculture and land use. But

the seminar focusing on irrigation and channelization generated the most interest. UFF members, the project proponents and various government officials were on hand to discuss the irrigation issue.

McGovern stated that he had sponsored the event to hear both sides of the questions.

He told the Collegian, "If there are changes to be made to meet some of these criticisms raised by the UFF and others, we ought to make these changes now."

The irrigation and channelization seminar included talks by four individuals.

Preston Funkhouser, Oahe project manager, noted two important points for consideration in his remarks: the amount of land affected by the project and return flows to the James River.

Operational waste and surface runoff will accomplish a small part of return flows to the James River, Funkhouser said. But no definite return flow plan has been decided upon, he added, nor will it be until five years after initiation of the project.

Funkhouser pointed out that "the Bureau of Reclamation does not force a project on people," but added later during the question-answer period that, in his opinion, "a decision to defer (initiation of the project) is a decision not to build."

Panelist Nels Granholm of State University's electron microscope lab emerged as an opponent of the project declaring himself in favor of the moratorium.

Granholm feels that there is no question about the returns of the project, but asks how much it will really cost. He quoted several government and other official groups in his prepared statement.

Granholm noted that the President's National Water Commission (NWC) concluded, in its final report released in June 1973, that "subsidation of new irrigation projects is not justified on either social or economic grounds . . ." and "should be discontinued."

Granholm's statement also included conclusions from U.S. House of Representatives Report No. 93-530 on stream channelization, the Missouri River Basin Commission, and the Environmental Protection Agency.

The House report on stream channelization stated that "The fears raised by many concerned citizens about the adverse effects of channelization are not imagined or exaggerated. They reflect the real and extensive environmental damage which results from many channelization projects." The report also related that the principal federal agencies sponsoring channelization, including the Bureau of Reclamation, have "not given adequate consideration to the adverse environmental effects of channelization projects which they have supported."

The Missouri River Basin Commission (MRBC) was concerned with the influence of large blocks of irrigation in the Garrison and Oahe areas on water quality of the James River. It reported that return flows from irrigation "could be detrimental at times in terms of contributing to dissolved solids and salts," but also considered possible beneficial effects of importing water from the Missouri River by augmenting low flows and regulating and diluting current high dissolved mineral concentrations. The MRBC requested additional investigations to determine water quality requirements of the James River Basin.

The Environmental Protection Agency (EPA) has reviewed the Oahe Unit draft Environmental Impact Statement and has assigned a Category 3 to this review, stating "We feel that four areas of impacts have not been adequately covered in the statement, namely: water quality, flooding potential, wildlife, and economics . . . with a Category 3, EPA takes issue with the proposed action unless major changes or additions are made which will adequately protect the environment." The EPA has not had time to review and comment upon the Final Environment Impact Statement, according to Pat Godsil, Chief of Planning, Air and Water Programs, EPA Region VIII.

Godsil told the Collegian that the EPA statement on the final EIS would come probably at the end of January. Godsil added that there would be areas of that final EIS which would be hard to explain such as the impact on water quality.

The Bureau of Reclamation claims that the projects will provide better quality water. However, the EPA statement on the draft EIS said that the water quality at Huron and downstream will be decreased. The percent concentration of total dissolved solids (TDS) will jump from 490 parts per million (ppm) to 916 ppm, after dilution with Oahe Unit water. Although this falls within South Dakota standards of 1000 mg/1, it violates Public Health Service (PHS) drinking water standards of 500 mg/1. This may be legal, but it certainly will not provide better quality water as the EIS said.

Granholm's statement also included the facts that the Federal Bureau of Sport Fisheries and Wildlife has gone on record opposing James River channelization, and the Wildlife Society, a professional association with members in more than 60 countries, opposes alteration programs that cause permanent damage to the physical and biological resources of wetlands and streams.

Granholm related that total 1974 monetary allocation to the project is $338,199,000, which represents a 64% cost overrun relative to the $205,790,000 total cost at project authorization. The cost overrun of the Army Corps of Engineers Oahe Dam projects was 359%, said Granholm.

Granholm pointed out that according to the Final Environmental Impact Statement (FEIS), 295.2 million kilowatt-hours of electrical energy will be expended per year in addition to energy being consumed for food production. The FEIS also stated that electrical energy "could be retrieved if a higher use developed. Other power sources, possibly thermal, may have to be developed to supply existing customers." Granholm asks, "Will the increased productivity of the irrigated lands justify the total energy expenditure?"

Granholm concluded that the request for a moratorium on land acquisition and construction of the Oahe Unit is a valid one. He believes that the Oahe Unit should undergo a reevaluation, a reformulation and a resubmission to Congress for reauthorization.

Larry Fine, Plant Science Department, State University, considered the suitability of the soil that will be affected by the project.

Salinity, the amount of soluble materials in the soil, can adversely influence agriculture if the percentage is too high, said Fine.

Fine noted that total salinity is related to the amount of nitrates in the soil. Where nitrate content is high, as in irrigated fields, salinity is high. During a question-answer period following panelists' remarks, Fine acknowledged the possibility of nitrate poisoning of water resulting from increased nitrate levels.

Fine concluded his remarks by stating, "Surely salt will be released but I feel it will be minimal." Later in a telephone interview he said salinity content of the James River should be "manageable" and "not overwhelming" during much of the year.

Fine stated during his talk that the salinity questions were questions for considerable discussion. He said that at present some questions of chemical content and possible reactions could be answered with "developing technology."

The relationship of cost and return was examined by F. F. Kerr, Extension Water Resources Specialist, State University. Using data obtained from irrigating test farms in the Oahe area, Kerr showed that monetary gain from irrigation is dependent on the prices a farmer pays for irrigation costs and the money the farmer receives for his crops each year.

On the one side, the Federal Bureau of Reclamation states that the project, authorized by the Pick-Sloan Program in 1944, will irrigate 190,000 acres of land in central South Dakota. But UFF and the EPA say that the disadvantages of the irrigation unit might outweigh the advantages.

The Bureau of Reclamation states that the $300 million project will provide water from the existing Lake Oahe on the Missouri River to irrigate 190,000 acres of farmland. In the final Environmental Impact Statement (EIS) released by the Bureau, it was stated that better quality water will be available to municipalities and five new recreational locations will be established.

The statement also said that over 6,000 acres will be created for wildlife, while 120 river-miles on the James River will be modified to 54 miles. In addition, 28,000 acres of upland will be purchased for wildlife habitat.

A total of 110,000 acres will be purchased by the Bureau in central and northeast South Dakota in order to irrigate the 190,000 acres. Fish and wildlife areas will need 40,000 acres, while canals, pumping stations, and reservoirs will occupy 150,000 acres for former agricultural and grazing lands.

The UFF wonders if it is worth all the land and money involved. The Bureau says that landowners will be affected in addition to 160 cabins along Lake Byron near Huron. Also, the UFF is worried about the impact of wildlife and water quality in the area.

BACKGROUND

The project was first proposed in the late 1800's. Congress approved the Oahe Irrigation Project in 1944, as a part of the Pick-Sloan Program. Pick-Sloan combines federal programs in ten states. These programs were set up to provide power, water, and recreational facilities in mid-America.

This gave the Federal Bureau of Reclamation power to purchase land needed to hold reservoirs, canals, and pumping facilities. A 214-mile ditch, from Pierre to Aberdeen, will be the main canal, with three large reservoirs along the route in which water will be stored. An additional 1000 miles of smaller canals will transport the water from Aberdeen to the irrigable land in the James River Valley.

The UFF points out that permanent destruction, to large amounts of agricultural land and water resources of the area from project development is imminent. The loss of irreplaceable property would adversely affect the opportunity of an undetermined number of farm families throughout the project area, the group said.

"At this time, we have no idea how many farms would be unable to continue as a social and economic units as a result of project construction," said Piper. "Not only will individual farms be lost, we have no thorough understanding of the social and economic impact of the project on rural communities such as Sully County which will lose 41,000 acres and 30 farm families," he said.

The Bureau's EIS stated that new job opportunities will become available after the project is completed, due to increased crop and livestock production caused by the irrigation. Opponents of the Oahe are asking, "What of the people forced off their farms due to the irrigation right-of-way?"

A young Carpenter, S.D. farmer asked Funkhouser at Saturday's conference about a 1964 Bureau of Reclamation claim that irrigable land for 500 small farm families would be available. He asked Funkhouser if this were true.

Funkhouser replied that he thought this may have been a miscalculation and that excess land would not be available for sale

until 10 years after the first water is declared available for the project purposes.

Granholm, in his report, made reference to a statement by the President's National Water Council which read, "The federal reclamation program has never succeeded in producing family farms owned, operated and occupied by farm families . . ."

UFF members also point to a reclamation project in California which was found to bring a greater reliance on corporate farming.

In discussion following the seminar, a Carpenter farmer who will lose his land, stated, "It is impossible to start again. After you've built farm buildings, dugouts and other things, you just can't relocate again."

Kenneth Gilbert, a young farmer in the Oahe project area, states that "costs to individual farmers for irrigation under large project development, such as the Oahe Unit, do not appear to be within the economic capacity of the existing system of agriculture in the area. If young independent farmers cannot make the investment, who will make this project succeed?"

For, although farmers in the area will have the advantage of irrigating their soil, the cost itself may be prohibitive. According to an Agricultural Economics report in North Dakota (where a similar project is taking place), a center pivot sprinkler system would average $31,040 for a quarter section of land.

In addition, necessary drainage could cost an average of $40 per acre. Farmers in the area who do not want the water will still be required to pay for it, under federal law.

The South Dakota Agricultural Corp and Livestock Reporting Service states that only 0.4% of South Dakota's agricultural land will be irrigated by this project. But it will cost taxpayers an average of $1,369 for one acre of land.

The financing of the $300 million project will not be handled by the farmers alone. Users of Missouri Basin power will also be affected because of the electrical energy output from the Missouri.

The project in North Dakota, Garrison Diversion, will take 499 million kilowatt-hours away from the Garrison Dam, which is also on the Missouri River. The Oahe Irrigation Project will reduce capacity at Oahe by 271 million kilowatt-hours. So the Missouri River will lose at least 870 million kilowatt-hours of energy.

Piper has raised the question, "What effect may a high cost overrun on construction have on electrical rates during the repayment period?" He has asked who would have first priority to the water if a drought or a year of light snow occurred, the irrigators or those serviced by the Missouri River electrical energy output.

Claiming that the $300 million is too low of an estimate for the total projected cost, the UFF cites the 359% cost overrun on the Oahe Dam.

Other problems involved will be the disruption of present mail routes, school districts, and farm-to-market patterns.

In the Final Environmental Statement, the Bureau of Reclamation, in summary, states that the overall impact of the Oahe Irrigation Project on waterfowl and wildlife "will be beneficial."

However, the UFF and the EPA are urging a second look at the final results on wildlife and fisheries. At a recent meeting, Piper commented on the wildlife production after construction of the irrigation project.

"Habitat takes time to become established; wildlife populations take time to develop. When I inquired as to what is the present land use of the wildlife enhancement areas, I was told that the present land use of much of the area is unknown."

"How can any valid decision be made in wildlife production if we first do not know what land use changes must occur," asked Piper, who holds a Ph.D. in zoology. "We cannot be certain that habitat will be established on new lands. We have no certainty that reproducing populations will develop."

"What is the validity of the direct annual economic benefit placed on wildlife enhancement, based on such an uncertainty for wildlife production," he asked.

In an EPA letter to the commissioner of the Bureau of Reclamation, it is asked, "What will the effect of a five or ten year lag (while construction is taking place in the area) have on animals dislocated from present habitat and forced into competitive displacement on adjoining lands? Riverine species such as mink, beavers, etc. will eventually be lost."

There is also worry about endangered species of animals being eliminated altogether. The whooping crane, golden and bald eagles, and the peregrine falcon are included. The EPA letter states that "the endangered species might be lost entirely if the lag time is great, or if displacement from one area to another is not successful.

New fish and wildlife development areas are to be set up at 18 locations to replace natural woody habitat and wetlands lost through construction of the project. Actual wetlands will occupy 12,300 acres out of the total 40,000 acres to be acquired for wildlife. From this 40,000 acres, 5,980 acres are already wetlands. Therefore, the state is gaining 6,322 acres for fish and wildlife.

But construction of the Oahe Irrigation Project will destroy 16,060 acres of wetlands so, there is an actual net loss of 9,738 acres of wetlands.

Drainage from the irrigated lands will run into the James River, according to the Bureau. The EPA letter asks consideration of the effects of this after the James River is straightened.

The environmental impact statement (EIS), issued by the Bureau, states that, after the project is completed, flooding in the irrigation area and lower downstream should be less severe. This does not take into account the flooding potential effects of the Garrison Project, upstream from the Oahe Project. However, the North Dakota Project also calls for diverting water from the Missouri into the James.

"The compound effects that this project could have on overall James River flooding in the Oahe Unit project area and downstream have not at all been considered," the EPA letter said. "We believe that the downstream, flooding potential has not been sufficiently addressed in the draft EIS, and that the cumulative impact of both projects could create flood situations of much larger proportions than currently exist."

Mr. McGOVERN. Mr. President, the large coal reserves of the Dakotas, Montana, and Wyoming are being viewed with increasing envy by most of the major energy corporations in this country. Where, more than a century ago, the first settlers arrived to build ranches and turn the soil, now these corporations plan to strip the soil and consume the coal. They would use the guise of an "energy crisis" to obtain one-sided legislation to favor their conquest.

Rural America and the Nation are being given a tough choice: will it be energy from strip-mined coal, or the food from the farms and ranches that would otherwise be gobbled up? We cannot have both at the same time—if strip mining is to be the unchecked technique. It is crucial that we fully understand the nature of this choice.

Mr. Stephen E. Bossi has presented these issues clearly and bluntly in the March 1974 issue of "Catholic Rural Life." I ask unanimous consent to reprint it in the RECORD, and commend it to the reading of all.

WASHINGTON FARM FRONT

(By Stephen E. Bossi)

STRIPPING THE LAND FOR ENERGY

The energy crisis of the last few months has brought home to all of us our dependence on limited energy resources and on a delivery system that can pick and choose between alternative sources. In calling for the United States to become "energy independent" by 1980, President Nixon placed great importance on exploiting our nation's vast reserves of coal. There is no question that coal can do much to meet our short term energy needs. The question yet to be decided is, "Which coal?"

Current estimates place the total coal resources of the United States at over three trillion tons, about half of which is economically recoverable using current or potentially available techniques. Even allowing for increased levels of consumption, these reserves are sufficient to last for over 500 years. Coal is recovered in two ways, depending on the depth of the deposit: by surface or strip mining and by deep mining. According to the U.S. Bureau of Mines, only about 45 billion tons of our reserves can be recovered by strip mining. The vast majority will have to be deep mined.

The quality of the available coal varies. The chemical composition of the coal itself determines how much heat is derived and what chemicals are given off in waste. One of the most common elements found in low quality coal is sulfur, which, when burned, becomes sulfur oxide. Sulfur oxide in the air mixes with moisture to form sulfuric acid, a highly toxic and dangerous chemical. For this reason, air quality standards have been established to restrict the amount of sulfur oxide which can be discharged from burning coal. Obviously, the most desirable coal are those which are low in sulfur content. National data indicate that most coal, about 30 to 1, having a sulfur content of one percent or less is recoverable only by deep mining. Although there are still large quantities of this low sulfur coal in the Appalachian region, the bulk of it is found in the Western states of Colorado, Wyoming, Utah and New Mexico. There are large coal deposits in the Mid-west, but most of them contain over two percent sulfur and are therefore limited in usefulness.

The importance of these facts for rural people lies in how this coal will be mined. Congress is currently considering legislation which would regulate the surface mining of coal and ban its use in certain areas. Reasons for proposing controls are obvious to anyone who has visited a strip mined area. Surface vegetation and top soil are completely removed and only under certain conditions can reclamation restore productivity.

Surface water and vital underground aquifers are generally contaminated beyond safe use for either domestic purposes or irrigation. The lives and safety of rural people are jeopardized by slides from unstable piles of overturned soil and by the movement of giant machinery. All of these costs are borne by rural communities and are not included in the market price of the coal produced.

The legislation now pending before Congress is aimed at controlling and even eliminating most of these consequences. For the first time it would require strip mining

companies to obtain the permission of the surface owner before they begin operation. The Senate version of the bill would prohibit stripping for coal that is owned by the Federal government when the surface land is privately owned. The House bill would charge a $2.50 per ton reclamation fee. This would be used to carry out reclamation of abandoned mine areas, meet the requirements of the Coal Mine Health and Safety Act, and provide benefits to the victims of black lung.

In spite of the merits of these proposals, the energy crisis now stands in the way of those who are supporting this effort. We are being told that strip mining must be permitted to proceed at an accelerated pace in order to meet new fuel demands. Set aside are the facts which clearly point to the importance of improving our recovery of deep mined coal which is lower in sulfur, more extensive in total quantity and still available in the Appalachian region close to the consumer markets along the East Coast.

The only argument supportive of strip mining over deep mining is that the operating costs per ton of coal produced is lower. On close analysis, however, one learns that the initial capital investment in strip mines is higher than that for deep mines and that the greatest savings are in the reduced labor overhead. The resulting lower market prices for strip mined coal has the further effect of forcing deep mine operators to cut corners in order to remain competitive.

So there you have it. If current attitudes prevail, our Nation's response will be subsidized by rural people in many ways: despoiled communities, valuable farm and range land lost to productive uses, contaminated irrigation and domestic water, reduced mining employment, and hazardous working conditions for those remaining in mining jobs. Moreover, these attitudes persist in a time of pending food shortages, when our whole country should be demanding that every acre of productive land be preserved at all costs. Rural concerns must remind the energy radicals that food is far more important than strip-mine coal!

NUCLEAR POLICY DEBATE

Mr. McINTYRE. Mr. President, recent statements by the Secretary of Defense, James Schlesinger, and requests for fiscal year 1975 funds for the development of high-accuracy missiles raise disturbing questions about a new defense strategy which could be destabilizing and could heat the arms race afresh.

This question is extremely complex, but of vital and fundamental importance to us all. Our survival, and the survival of mankind, may well depend on the direction of the nuclear strategies of both the United States and the Soviet Union.

Because of the importance of this issue, I urge all my colleagues to give careful consideration to the arguments developed on both sides. In this spirit of increased debate and awareness, I commend to my colleagues' attention the transcript of the Advocates television broadcast on the question, "Should we develop highly accurate missiles and emphasize military targets rather than cities?"

Mr. President, I ask unanimous consent that the transcript be printed in the RECORD.

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

SHOULD WE DEVELOP HIGHLY ACCURATE MISSILES AND EMPHASIZE MILITARY TARGETS RATHER THAN CITIES?

Participants: Advocate Robert Ellsworth (pro).

Henry Rowen, President (1967–1972), Rand Corporation.

Geoffrey Kemp, Fletcher School of Law and Diplomacy.

Advocate Barry Carter (con).

Herbert Scoville, Former Deputy Director C.I.A.

Morton Halperin, Deputy Assistant Secretary, U.S. Department of Defense, 1966–1969.

Moderator: Evan Semerjian.

ANNOUNCER. Good evening, ladies and gentlemen, and welcome to THE ADVOCATES, the PBS Fight of the Week. Tonight's debate is coming to you from Boston's historic Faneuil Hall.

SEMERJIAN. Ladies and gentlemen, may I have your attention, please.

ANNOUNCER. Moderator Evan Semerjian has just called tonight's meeting to order.

SEMERJIAN. Good evening, ladies and gentlemen, and welcome to THE ADVOCATES. Tonight we debate a change in U.S. nuclear strategy proposed by the Secretary of Defense and our specific question is this: Should we develop highly accurate missiles and emphasize military targets rather than cities? Advocate Robert Ellsworth says, "Yes."

ELLSWORTH. A strategy of targeting cities and innocent civilians is a strategy based on the threat of genocide, an immoral policy. It's a dangerous bluff; it's a policy that must be rejected. To argue for accurate missiles aimed at military targets, I have with me tonight Professor Henry Rowen, former President of the Rand Corporation, and Professor Geoffrey Kemp of the Fletcher School of Law and Diplomacy.

SEMERJIAN. Thank you. Advocate Barry Carter says "No."

CARTER. We oppose this dangerous proposal because we do not want to see nuclear war made more likely, because the last thing we need now is an escalation of the arms race with the Soviet Union. With me tonight are Herbert Scoville, former Deputy Director of the C.I.A., and Morton Halperin, former member of Dr. Henry Kissinger's staff.

SEMERJIAN. We welcome tonight two new advocates. Robert Ellsworth was a Congressman from Kansas from 1961 to 1967, a special assistant to President Nixon and United States Ambassador to NATO. Barry Carter is a Washington attorney, who was formerly a member of Henry Kissinger's staff. We'll be back to these gentlemen for their cases in a moment, but first a word of background on tonight's question.

(Film). For the past decade our strategic policy with respect to the Soviet Union has been one of deterrents through what is known as assured retaliation, or mutual assured destruction, or M.A.D., as you will hear it referred to tonight. The idea is that enough of our nuclear warheads are aimed at Soviet cities and enough of theirs at our cities, to make a first strike by either country an act of suicide. An act of suicide because neither side has the capacity to launch a first strike that will destroy the other side's ability to retaliate. The destruction of both sides is therefore assured if either side attacks. Now, this policy of nuclear deterrents is under review, and recently Defense Secretary Schlesinger has suggested a new strategy. He's asked Congress for money for research on highly accurate missiles which could be used against such targets as power dams, military bases and missile silos. And he has indicated that while the United States has always targeted some Soviet military sites as well as cities, we have recently changed the emphasis toward military targets and away from their cities. In explaining the need for this, Mr. Schlesinger has appealed for an alternative to a policy providing suicide or surrender as its only options.

SEMERJIAN. In debating these specific proposals for research on new weapons and a shift in targeting emphasis, we're taking up as well some basic policy questions. Is our past policy of mutual destruction inadequate or obsolete as a deterrent for nuclear war? Would this new strategy increase the deterrent or weaken it? And finally, what effect would such a shift in our strategy have on the arms race and the future of the Strategic Arms Limitation Talks between the United States and the Soviet Union? And now to the cases, Mr. Ellsworth, why should we develop highly accurate missiles and emphasize military targets rather than cities?

ELLSWORTH. Our case tonight rests on three main points. First, a strategy of nuclear deterrents which emphasizes the deliberate targeting of cities is a strategy which is based on the threat of genocide. That strategy is immoral, and it is a continuing source of fear and hostility. It must be rejected. Second, the strategy of deterrents which emphasizes military targets rather than cities is not only more effective as a deterrent and less objectionable as a policy, it's also a strategy which fully preserves the stability of the American-Soviet nuclear balance. And third, we will show that more accurate missiles will permit fewer and smaller nuclear weapons on both sides and will therefore permit greater discrimination between threats to innocent, blameless people on the one hand and military targets on the other hand. To testify to the importance of more accurate missiles and an emphasis on military targets instead of cities, I call Professor Henry S. Rowen.

SEMERJIAN. Professor Rowen, welcome to The Advocates.

ROWEN. Thank you.

ELLSWORTH. Mr. Rowen served in the Defense Department in the Kennedy and Johnson administrations. He was President of the Rand Corporation, and he's now Professor of Public Management at Stanford University. Professor Rowen, advocates of mutual assured destruction would have us respond to any nuclear attack by killing several hundred million Soviets and by destroying Soviet society. What do you think of that?

ROWEN. Well, it is a policy of genocide, there's no question about it. It's a policy that follows from the sort of reasoning that says killing people is good, killing weapons is bad. But it really means incinerating hundreds of millions of people in the United States or in the Soviet Union and Western Europe. It's a policy that could result in . . . it would be worse than a thousand Hiroshimas.

ELLSWORTH. But if that kind of a policy preserves the peace, then what's wrong with it?

ROWEN. Well, it's a policy based on bluff. We would never want to do that. It's a policy that assumes that the world is a rational place, but we know that the real world is not entirely rational, that accidents occur, mischance occurs, and there are going to be many countries—there are five today—with nuclear weapons. There will be others. In such a world we cannot have only a response, say, to a nuclear attack or an accident which is suicidal or genocidal.

ELLSWORTH. Actually, though, has mutual assured destruction—that is, targeting cities only—been official United States policy?

ROWEN. No, it hasn't been. We've long had an option to just attack military targets. While it hasn't received a great deal of publicity that is, in fact, the case. What is not new is the plan. What is new is the technology, technology which permits much greater discrimination between attacking cities and attacking military targets.

ELLSWORTH. But wouldn't more accurate

missiles on our part create a fear on the part of the Soviet Union that we would be more likely to use them in case of a crisis and thereby make war more likely?

ROWEN. Well, presumably that fear would be based on the assumption that the United States could totally destroy the Russian strategic nuclear force. There's no real possibility of this happening. Much of the Soviet force is at sea—950 Russian missiles can be at sea according to agreement—which are untargetable even by the most accurate American missiles, so there is no real possibility of that. That's not a fear which has ground in reality.

ELLSWORTH. Aren't we talking about a new arms race?

ROWEN. Well, what do we mean by a new arms race? Let me show you some figures. There's an arms race going on—a budgetary arms race. The United States isn't a runner. We must be in the stands watching it. This chart shows what has happened to the United States budget for strategic forces, offensive and defensive, since 1961 through 1974, both in current dollars and constant dollars—that is, corrected for price changes. As you can see, this budget has gone down really very remarkably since 1961, down by 60% in constant dollars. There's a slight increase proposed by the administration for 1975. Yet this is a period in which there have been revolutionary changes in weapons, many new types of weapons, ICBMs, Polara submarines and many others. We have managed—and this new technology has managed to permit, has been consistent with a reduction in our strategic budget, and I see no reason why the technology we're discussing tonight of accuracy and small warheads is going to drive this curve upward. I believe that it will not.

ELLSWORTH. But actually, even if lower yield warheads and more accurate warheads did cost more, would they be desirable in themselves?

ROWEN. I believe that they would be. They would permit substituting small nuclear warheads for large ones, and in some instances, non-nuclear warheads for nuclear ones. That means that we would become—I believe we'll be less dependent on nuclear weapons, that we can raise the nuclear threshold, but most importantly, the moral position is important, the moral aspect is crucial, and that is that we would become—it would make it possible for us to make this discrimination between attacking people and attacking military targets.

SEMERJIAN. All right, thank you, Mr. Ellsworth. Let's go to Mr. Carter, who is eager to ask you some questions. Wait a minute, Professor Rowen. He's got some question for you.

CARTER. Mr. Rowen, it seems, then, that we all agree that the President now has a number of targeting options available and could easily have more, including attacks on military targets, so he's not faced with the option of genocide or surrender, is he?

ROWEN. The weapons that we have had have been largely very large warheads and have been rather inaccurate so that many attacks on military targets would have spillover effects from radioactive fallout which could cause enormous civil damage.

CARTER. You say that the missiles today are relatively inaccurate. Public sources indicate that the Minute Man missile at least has an accuracy of approximately one quarter nautical mile or less, where it will land within 1,500 feet of its target or less. Isn't that fairly close to the target?

ROWEN. Missile accuracy has been improving, and it's still true—and I believe that this is widely accepted—that a major attack could produce very great civil damage. This seems to be a very undesirable consequence.

CARTER. Let's try to clarify the issues, though. We agree, then, the President already has a number of options, so the issues seem to be (1) what should the U.S. say publicly about keeping the devastation of nuclear war limited, and (2) should the U.S. develop these highly accurate missiles. Let's discuss limited war first. Do you believe we should only target military targets and not target cities at all?

ROWEN. I think it is undesirable for us to target cities. I see no way for either side to have the capability of causing enormous damage to cities eliminated, but I think that that—I cannot conceive of the circumstances in which it would be to our interest, or for that matter, to the Russian interest, to cause vast civil damage to the other.

CARTER. But isn't it true that a lot of military targets are very close to cities—the Pentagon, the Kremlin, Air Force bases—and that, in fact, most military targets are very close to cities?

ROWEN. I wouldn't say most, but there are obviously some important military targets that are close to cities.

CARTER. Would you target those targets?

ROWEN. I think this is a matter of detailed planning that would have to be looked at on a case by case basis.

CARTER. Well, let's not call it detailed planning. If you're going to target those, then you're eventually going to also be targeting cities. It doesn't matter to a Soviet civilian whether you're attacking the military command center in the Kremlin or whether you're attacking the civilian command center in the Kremlin, does it?

ROWEN. I don't think the Kremlin is exactly the most interesting target to plan on destroying. We ought to have somebody we can negotiate with in a crisis and in a conflict. The point is that with greater accuracy it is possible to make this distinction which you regard as important, and that is precisely because some important military targets, some military bases, including even some missile sites, in some cases are near cities.

CARTER. So you are going to be targeting these targets right close to cities. If we don't want to attack the Pentagon or the Kremlin, what about Logan Airport which is right in the middle of Boston's suburbs? Would you target Logan Airport, which B-52s can land at, F-4s can land at, and the rest?

ROWEN. There are many, many types of targets, there are many, of course, in a battlefield, there are many conceivably at sea. It seems to me that one would have to get down to rather specific cases in order to identify . . . I don't know the circumstances in which Logan Airport might be a plausible target.

CARTER. So you made a strong policy against attacking cities and avoiding civilian fatalities, but you're not willing to say whether or not you're going to target military bases smack-dab in the middle of cities, or whether you're going to not target them at all.

ROWEN. Oh, it's conceivable. It's conceivable under some circumstances if the technology, if the technology would permit this without causing vast civilian damage in which that might make sense. I would not reject that possibility.

CARTER. Fine. Let's consider your table here for a second. Is it not true that there are three things that this table seems to mislead us on. Number one, it doesn't include all strategic forces cost—for instance, communication, support, intelligence and the rest. The Brookings would put the cost of our strategic forces up in the fifteen to twenty billion category. Number two, that it includes defensive forces which we know were limited under SALT, so what this shows is the benefit of SALT agreements, not new programs. And number three, that in fact we ought to show the line going up today because Secretary Schlesinger just asked for a seven hundred million dollar increase.

ROWEN. First, with respect to the SALT, for one thing, just to happen, was signed in 1972. As you can see, most of the decrease took place before that.

CARTER. And since SALT, is it not true that the budget appropriations for offensive forces, which is what we're talking about tonight, has gone up, and Secretary Schlesinger wants to increase those?

ROWEN. I said that the budget for 1975 was a request for increase, a slight increase in the historic scale, very minor.

CARTER. Right.

ROWEN. There are various ways of measuring the size of the strategic budget, all of the ways I'm aware of, including Brookings, they would show a sizeable decrease.

CARTER. In offensive forces?

ROWEN. The budget for offensive forces, absolutely.

SEMERJIAN. All right, let's go back to Mr. Ellsworth.

ELLSWORTH. Professor Rowen, what would be the effect of deploying highly accurate warheads, the effect of doing that on the Strategic Arms Talks, which are now in session in Vienna between the United States and the Soviet Union?

ROWEN. Well, I doubt very much that it would have a major effect on those discussions. But I do think that it offers one possibility, and the possibility is this: that we say to the Russians that our own missile force is becoming a more accurate one, and this renders obsolete—this will render obsolete—the Russian fixed force in silence. It's just very clear that this would happen, that they should consider retiring that force, that we have the same prospect, the same problem: we should consider retiring our missile force and perhaps our land-based fixed missile force, that we should possibly do this by agreement. This might be a positive development within SALT then.

SEMERJIAN. All right, Mr. Carter, back to you.

CARTER. Isn't the present accuracy of our missiles such that today we can attack cities, power plants, dams, all the things that you mentioned except for large numbers of Soviet missile silos, and isn't that what you're really planning to do, to develop accuracy to attack large numbers of Soviet missile silos?

ROWEN. I think we should have a silo retirement program, not a silo attack program. The fact is that there are many targets which, if attacked with the weapons that now exist, the civil damage would really be quite sizeable, and that seems to me something that should be reduced and eliminated.

CARTER. Mr. Rowen, I don't think that's responsive. Aren't the missiles that you're talking about going to be very effective for attacking large numbers of Soviet silos?

ROWEN. They may be, in which case I believe that the Russians and we should sit down and agree that we will do away with and retard these forces which are inevitably going to become vulnerable forces. There's no way that that can be prevented.

CARTER. But that's the only thing that they really can do that your other forces can't do, the present forces can't do.

ROWEN. Oh, on the contrary, on the contrary, on the contrary. What these other forces, these existing forces do, is to kill millions of innocent civilians if they were ever to be used.

SEMERJIAN. All right, Professor Rowen, I want to thank you very much for being with us tonight. Thank you.

ELLSWORTH. The importance of our nuclear strategy from an international point of view

is something our next witness understands very well. He was a research associate at the International Institute for Strategic Studies in London, Mr. Geoffrey Kemp.

SEMERJIAN. Mr. Kemp, welcome to The Advocates.

KEMP. Thank you.

ELLSWORTH. Mr. Kemp is an Associate Professor now of International Politics at the Fletcher School here in Boston and has been Executive Secretary of the Harvard-M.I.T. Arms Control Seminar. Professor Kemp, how do most countries view the United States-Soviet nuclear relationship?

KEMP. Well, I think they feel that the United States is beginning to fall behind.

ELLSWORTH. Why is that?

KEMP. They look at trends, not just trends in strategic budgets and weapon systems, but overall trends in terms of military capabilities and political capabilities. In particular, they look at the trends in Soviet defense expenditure, which have gone steadily up since 1965. They look at the trends in the Soviet expenditure on strategic forces, which have been consistently higher than the United States equivalent since 1965. They look at the whole array of weapon systems the Soviet Union will have the capacity to deploy in the mid-1980s which will have a very effective capability against the land-based U.S. forces. And I think it's important at this stage to stress and reverse a myth that's sometimes put about, namely that the Soviet Union follows meekly behind the United States, responding to programs that the United States has adopted. The Soviet Union has been the innovator in many of the advanced technologies we're talking about. It was the Soviet Union that first developed intercontinental ballistic missiles, medium range ballistic missiles, intermediate range ballistic missiles, anti-ballistic missile systems, and fractional orbital bombardment systems. Similarly, I think if we look at the recent Middle East war, it's perfectly clear that the Soviet Union has developed a very effective and very sophisticated array of non-nuclear weapons that can be used in real conflict areas where real wars occur.

ELLSWORTH. Professor Kemp, if the Soviet Union has and will continue to develop this powerful and sophisticated strategic capability, what is the military doctrine, the Soviet military doctrine, that might guide its use?

KEMP. I think it's very important to stress that the Soviet strategic doctrine is seen as part and parcel of an overall political strategy. They do not plan their strategic forces in a vacuum. These forces, together with their non-nuclear forces, are designed to serve political, military, and economic goals. They're very sensitive to the fact that they can use military power for political uses in areas of vital interest to the West. Furthermore, if you go into the writings on Soviet military doctrine, and particularly their strategic doctrine, they talk about the possibility that nuclear war could occur. This doesn't mean to say that they want it or they'd like it, but they believe it could happen. After all, the're sitting there faced by not just the United States but China and Britain and France, who they regard as possible hostile adversaries. And in this set of circumstances they plan in their doctrine a war-waging capability. This distinction, and the important point to make, is that part of the Soviet overall strategic deterrents posture includes the capacity to engage in a war-waging fight.

ELLSWORTH. If, as you say, our allies and neutral countries view the U.S. as falling behind, what would be the political consequences of this?

KEMP. Well, I think that if the United States does not adopt some of the programs that Secretary Schlesinger has suggested and if it were to fix itself upon a counter-city strategy, then the credibility in the United States overall political presence and its nuclear guarantee would continue to diminish. This could have two very important implications which I think we should bear in mind. First, it might encourage those countries, such as Japan, or countries in Western Europe, to, in the case of Europe, beef up, or in the case of Japan, begin to develop a serious nuclear capability. Or second, and perhaps more worrying from the United States perspective, it mighe force countries of vital interest to the United States to reach individual accommodation with the Soviet Union, and this could only erode not only the United States interest but the interests of those powers themselves.

SEMERJIAN. All right, Mr. Ellsworth. Let's go to Mr. Carter for some questions.

CARTER. Dr. Kemp, as I understand it, you're supporting the Schlesinger proposal for large yield, high accuracy missiles.

KEMP. I'm supporting the proposals that suggest increasing accuracy on United States missile systems and the various back-up programs that go along with that, yes.

CARTER. Those programs which, as defined by Richard Nixon in two different statements, budget statements, include larger yield warheads. Now, I understand that there have been a lot of inoperative statements out of the White House, but as of January of this year the talk by President Nixon and in every budget statement by Secretary Schlesinger is for larger yield. That's what you're supporting.

KEMP. I am supporting an overall strengthening in the United States strategic forces, including the capability to more accurately target counter-force options.

CARTER. Fine. The accuracy . . . We've heard a lot about fatalities this evening. The accuracy of the Minute Man missile today is roughly 1,500 feet. The kind of accuracy we're talking about is about 600 feet, a savings of about 900 feet. If we talk about larger nuclear weapons, bombs at least eight to fifty times the power of Hiroshima, how much safer do you, as a civilian, feel being 600 feet away from ground zero of a bomb eight to fifty times the size of Hiroshima?

KEMP. You know, you don't have to put these high yield warheads on these more accurate missiles.

CARTER. Oh, you're not supporting the proposal that the United States develop the technology to have high yield warheads, yes.

KEMP. I am supporting the proposal that the United States develop the technology to have high yield warheads, yes.

CARTER. But not on accurate missiles.

KEMP. But how we'll actually deploy those missiles, in what particular programs, has yet to be discussed.

SEMERJIAN. Professor, let me ask you a question to see if I undersatnd you. I take it that you are in favor of developing accurate missiles so that our target concentration would be on Soviet military targets rather than Soviet cities, is that right?

KEMP. I, like Professor Rowen, would like to see more flexibility cranked into the United States war plan.

SEMERJIAN. Well, is it for the purpose that I've just stated?

KEMP. That is certainly a purpose, yes.

SEMERJIAN. Well, if the Soviet Union, then, knows that to be our purpose because we would rather not destroy cities and would rather concentrate on targets, wouldn't the Soviet Union, then, have an incentive to move its military targets closer to their cities?

KEMP. Not necessarily. It seems to me that the most likely emphasis would be to move their missile systems to sea, where they're much safer.

SEMERJIAN. Go ahead, Mr. Carter.

CARTER. Why, if we're talking of larger or even smaller yield warheads—we're not sure what, it seems, on the other side—if we're talking about them, why doesn't the United States just aim at military targets far away from cities? Aren't there missile silos a long way from a city? Aren't there arctic air bases? Why do we have to try to take out a Logan air base, say, in Minsk or some other Soviet city?

KEMP. Well, I'm saying that there are a whole series of contingencies which you could plan for if you had a large strategic inventory. I'm not here . . .

CARTER. But can't you with our present forces with accuracies of 1,500 feet destroy every kind of target except large numbers of Soviet missile silos? What else can't you destroy?

KEMP. That's perfectly correct. I think you can. The point that I'm stressing is that the ability to target some of these missile silos—I don't say all of them—is certainly an additional armor in the hands of the Presidents, but the point that I'm trying to stress is that what we're trying to discuss is the philosophy.

CARTER. Oh no, but let's . . . I'm always confused by philosophy until I know the details, and the details that I understand is that first, if we're going to develop large bombs, they're fifty times the power of Hiroshima and I hope they don't land anyplace near a Soviet city. Secondly is what you said the only purpose of these weapons, except for saving lives somehow, is to destroy Soviet missile silos, something we can't do today. How wise of a policy is it to want to destroy large numbers of Soviet missile silos?

KEMP. The capacity to threaten large numbers of Soviet missile silos certainly has advantages, if you are not totally threatening their entire force structure which, as Professor Rowen pointed out, we are not. We can't because they have so many missiles at sea.

CARTER. According to the U.S. defense budget, we're spending two and a half billion dollars on anti-submarine warfare, and the number is estimated to go up to five billion dollars. If you were in the Pentagon, and you saw the U.S. embarking on a program to take out your missile silos and spending four to five billion dollars on anti-submarine warfare, wouldn't you begin to wonder just what U.S. intentions were, that maybe we were seeking a first strike, and as a result, that you would embark on your own programs to build up your forces?

KEMP. I think the Soviet decision to embark on their own programs is not taken based on an assessment of what's going on in the Pentagon. That's one factor I'd agree with you. There are many other factors as well, and what we have to do this evening is put out on the table those other factors, these political factors.

SEMERJIAN. Let's go back to Mr. Ellsworth.

ELLSWORTH. Professor Kemp, if the United States actually deployed highly accurate missiles aimed at military targets, would that strengthen or weaken the deterrents of war?

KEMP. I think it would strengthen the deterrent factor because it would provide the United States with a more credible capability from which to negotiate from a position of strength. This in turn would enhance the credibility of the United States strategic guarantee to its allies, which has broadbased political ramifications as well as very specific military ones.

SEMERJIAN. All right, Mr. Carter, back to you.

CARTER. I'm still confused. The threat to take out Soviet missile silos, along with an active program to get their submarines, is somehow going to not scare the Soviets into entering into new arms programs? It is not going to insist that they can accept limits in SALT because they need new programs to feel safe.

KEMP. I would hope it would make the Soviet Union very serious about negotiating with SALT to settlement.

CARTER. Oh, but can you limit accuracy and yield in SALT? I've heard that there's no way to limit them, so once we start down that road, it's something we can't limit, and therefore the Soviets need matching or compensating programs.

KEMP. I don't know that we can't limit it. It seems to me that's something that the negotiators have currently been discussing and will continue to discuss. Of course it's complicated. I agree with you, but to say that it can't be done is to my mind a very sort of pessimistic outlook to take.

CARTER. How can we tell what the accuracy of Soviet missiles are if we're going to limit them, when we're not sure what the targets are? If it lands in the middle of the ocean, do we know if they're right on target, or if they're a hundred yards off?

KEMP. Because if you restrict the numbers of launches on either side and make restrictions on certain throw-weights, then by definition it follows that you can hold down the numbers of aiming points that would be highly accurate.

CARTER. So the way to stop this is by having limits on number of launches, which means that we can't test our new missiles, they can't test any of their new missiles, we can't test our new warheads. That's a proposal that's never been proposed in SALT, never gotten anywhere as far as I know, according to John Newhouse.

KEMP. Well, we already have a proposal to freeze launches in SALT I.

SEMERJIAN. All right, thank you, Mr. Carter. Professor, I want to thank you very much for being with us tonight.

KEMP. Thank you.

SEMERJIAN. Thank you.

ELLSWORTH. Now, our witnesses have shown why it's desirable to develop accurate missiles—that is, to reduce potential damage—and to be able to pose a believable threat which discriminates between innocent, blameless people, on the one hand, and military targets on the other. And we have shown exactly why strategic policy which emphasizes threats of the annihilation of millions of innocent civilians is immoral. It is a throwback to the dark ages. It must be rejected.

SEMERJIAN. Thank you. For those of you who may have joined us late, Mr. Ellsworth and his witnesses have just presented the case in favor of developing highly accurate missiles and emphasizing military targets rather than cities. And now for the case against, Mr. Carter, the floor is yours.

CARTER. The whole idea of our strategic policy is to avoid nuclear war with its millions of fatalities. The backbone of this deterrence is assured retaliation, the ability of either side to make a major attack or to make the attack by the other an act of suicide. We can do that. Only five to ten percent of our warheads can literally wipe out the Soviet Union today. We've heard it proposed tonight that the United States should develop new, highly accurate missiles. Ironically enough, this proposal in the name of humanity and flexibility would make nuclear holocaust much more likely. First, it puts our strategic policy squarely behind the myth that nuclear war can be fought neatly and cleanly on a limited scale. Second, by presenting the threat of destroying large numbers of Soviet missile silos, these missiles would feed the paranoia of hard-liners in the Kremlin, increasing the chance that in a crisis the Soviets would decide that the best course would be to launch a first strike against us as their way to survive. If increasing the likelihood of nuclear war weren't enough, developing these missiles will also stimulate an arms race and make it more difficult to negotiate further limits in SALT. In short, this proposal is not only unnecessary but it's downright dangerous. With me tonight, as my first witness, is Dr. Herbert Scoville.

SEMERJIAN. Dr. Scoville, welcome to The Advocates.

SCOVILLE. Thank you.

CARTER. Dr. Scoville is a former Pentagon atomic scientist and Deputy Director of the Central Intelligence Agency. Dr. Scoville, what should be the primary objective of our strategic policy?

SCOVILLE. The overriding objective of our strategic policy should be to avoid nuclear war. Even a limited nuclear war is so dangerous and can create such great damage, and it also has a risk of escalating into a full-scale confrontation that we must avoid it at all cost. What we should be doing is not learning how to fight nuclear wars better, but how to avoid them more surely.

CARTER. We've heard a lot this evening about the inhumanity of attacking cities. Why do we target cities at all?

SCOVILLE. Well, we target cities because the only way we know now to avoid nuclear war is to deter its occurrence, and we need to have the capability to attack cities to deter an all-out aggression on the part of the Soviet Union. We can't risk the situation that some irrational person—and in this I disagree with Professor Rowen—we can't risk that an irrational person could think that he could get away with a nuclear strike just by the fact that we might retaliate by firing a missile at one of his silos, which probably would be empty anyway.

CARTER. We're bombarded today by Pentagon press releases about a growing Soviet strategic build-up. Just what is the strategic balance today?

SCOVILLE. Well, the strategic balance unfortunately is that we are very equal, but both sides in the post-SALT atmosphere have continued to build up and add to their strategic forces as if there had been no SALT agreement whatsoever. However, Mr. Kemp would lead us to believe that the Soviets were the only ones that were doing this and that it was just—and this is what the Pentagon puts out all the time in order to increase their budget. The actual facts are that in 1972 when the SALT agreement was reached, we had about 5,000 to 6,000 warheads which could be fired at the Soviet Union, and the Soviet Union had about 2,200. Now, two years later, we have increased that number to 7,100, while the Soviets still have only 2,300. In 1977—and even by official Pentagon figures—we will have increased our number to about 10,000, and the Soviets will still be less than 4,000. In other words, our lead is still increasing and will increase through 1977.

CARTER. About a rate of three a day we're deploying these warheads, it seems. Let's talk about developing highly accurate missiles. What could they possibly do that we can't do now?

SCOVILLE. The only thing that a more accurate missile than what we have today can do is it can threaten to be able to knock out a very large proportion of the Soviet ICBM force, and this is, of course, a very dangerous thing.

CARTER. Well, does it make any sense to want to attack large numbers of silos?

SCOVILLE. No, in fact, it is extremely dangerous to have this capability for two reasons. One, it will look to the Soviet Union as if we were trying to get a capability for striking first at their force and knocking it out before it can attack us. Furthermore, because our missiles will have this capability, it provides a tremendous incentive for the Soviets to beat us to the gun and try to knock out our missiles first, so by having this capability we are increasing the likelihood that the Soviets will attack us first.

CARTER. Scary words. If we did deploy this program which is going to destabilize things and all, somehow it was suggested that our budget was going to go down. What would be the cost of developing and deploying such missiles like this?

SCOVILLE. Well, the cost would be astronomical if we really followed through on all of these programs. The Minute Man III program, which is now nearing completion, involved a changing of 550 missiles, about half the force. This cost about six billion dollars. If we went through with these programs on the entire Minute Man force, it would probably be a minimum of ten or more billion dollars, and if we started on the Poseidon as well and the submarine missiles, which are incidentally now being proposed to do this by Secretary Schlesinger, maybe another ten billion dollars. Never know where it's going to end.

SEMERJIAN. All right, thank you, Mr. Carter. Mr. Ellsworth, your witness.

ELLSWORTH. Dr. Scoville, I have to agree with you that the horror of a nuclear exchange where cities are involved is a very powerful deterrent. This deterrent is based on the proposition that rational men do not lightly contemplate suicide, don't you agree?

SCOVILLE. That's right.

ELLSWORTH. Well, itsn't it true . . .

SCOVILLE. Irrational ones too probably.

ELLSWORTH. But isn't it true that there are powerful people in the world who are irrational?

SCOVILLE. Yes.

ELLSWORTH. And that some day there might be some of them in positions of actual power in the Kremlin.

SCOVILLE. Yes.

ELLSWORTH. Or that in some other way deterrents might fail.

SCOVILLE. That's absolutely right, but I have a feeling that an irrational leader would be more likely to launch an attack if he thought he could get away by having our retaliation limited to a strike against his missile sites than if he thought his whole society might be destroyed.

SEMERJIAN. Well, Dr. Scoville, let me ask you this question, see if I understand you.

I take it you're against the idea of our developing more accurate missiles. Is that right?

SCOVILLE. That's right.

SEMERJIAN. Now, what if you learned tonight that the Soviet Union was doing just that? Would you change your mind?

SCOVILLE. No, I don't believe our getting more accurate missiles is the answer to the Soviets achieving this capability. Both of us having this capability is far worse than one of us having it. By our having accurate missiles we're not protecting our missiles. We're just making them a more attractive target to the Soviets' accurate missiles.

SEMERJIAN. Go ahead, Mr. Ellsworth.

ELLSWORTH. Now, Dr. Scoville, if, for any reason, there should be, say, a one missile strike on a minor target in the United States—and that's only for the purposes of discussion because of course I don't concede that there is a minor target in the United States from that standpoint—but if, for any reason, deterrence has failed and there should be, say, a one missile strike on a minor target in the United States, what should the United States do? Should we retaliate massively by blasting their cities?

SCOVILLE. Of course not, and we don't have that requirement today. We have a capability to retaliate in any number of a wide variety of forms. Frankly, I hope we wouldn't retaliate directly with a nuclear strike. I would hope we try to avoid further nuclear weapons, but certainly we don't have to retaliate by striking at all our cities, at all the Russian cities.

ELLSWORTH. Welcome to our side. Beautiful. In light of what you have just said, what is the use of talking about targeting cities?

SCOVILLE. The use of targeting cities is that the Soviet strike might not be such a limited strike, and there might be—there is a real need to deter an all out strike against the U.S. If we had said we would not target Soviet

cities, what is there to prevent the Soviets from threatening to destroy our cities? Certainly not aiming at another missile.

ELLSWORTH. So that what you're saying is that in any case below an all-out attack by the Soviet Union on American cities and on American societies, in any Soviet attack short of that, why, a cities-targeting strategy on the part of the United States is simply a bluff. Is that correct? Do I understand you correctly?

SCOVILLE. No, it's not a bluff, it's an attempt to deter them from initiating this action. What we would do in any circumstances, I don't know, but the Soviets have to assume, if we have that capability, that that's what might happen and therefore they would hesitate very strongly to take such action.

ELLSWORTH. But in light of what you have said, that we wouldn't do that, then it is a bluff to threaten cities.

SCOVILLE. No, you've gone way beyond what I said. You mentioned one missile being fired at a target in this country, and I said that I didn't think that was the kind of thing that the Soviets would ever think we would retaliate by hitting all their cities.

ELLSWORTH. Let me see if I understand you. I did say one missile, and at the other end of the spectrum, you said an all-out Soviet attack on the United States. Where would you draw the line in between those two at the point at which you would not retaliate with an all-out spasm attack against the Soviet society?

SCOVILLE. I have no idea at what point—under what circumstances—we would ever initiate such an attack, but the threat that that attack could occur should deter the other side from ever contemplating such an action.

ELLSWORTH. An all-out attack.

SCOVILLE. Yes.

ELLSWORTH. But military targeting, under your doctrine that you've just spelled out under cross-examination, is important.

SCOVILLE. I think we have sufficient ability today to target military targets, and I'm not for throwing that capability away.

ELLSWORTH. But you can see that it is important. But it is important for us to have.

SCOVILLE. To have some capability, yes but we do not need the additional capability which Secretary Schlesinger is seeking by getting more accurate missiles.

ELLSWORTH. All right, that to one side for the moment . . .

SEMERJIAN. All right, let's go back to Mr. Carter. You'll have another chance at him, Mr. Ellsworth.

CARTER. Dr. Scoville, if we didn't keep as one of our options the ability to attack cities, isn't there a danger that if we only said we're going to take out military targets, and ones not near cities, that the Soviets might think certain measures were ones they might take? For instance, weren't they willing to give up whole armies to attack Hitler? Weren't the United States willing to give up armies and fleets to take on the Japanese and the Germans in World War II? Military targets are expendible, aren't they?

SCOVILLE. Yes, exactly, and I don't see how the threat that we might fire a missile at a Soviet ICBM site is much of a deterrent. I don't see how that deters either a rational or an irrational person. I think you have to have something much stronger than just attacking a missile site.

SEMERJIAN. All right, back to you, Mr. Ellsworth, for one question.

ELLSWORTH. Isn't the alleged Soviet fear that silo killers would constitute a capability to knock out their nuclear force ridiculous in view of the fact that they have so many submarines which we can't even target?

SCOVILLE. No, I don't think it's ridiculous. I grant you that I think that it's very unlikely that one would ever visualize that kind of an attack. I find these scenarios very silly, but we are spending billions of dollars, as has been mentioned, on anti-submarine warfare, and we worry about the Soviets doing just this very thing to us. I don't see why the Soviets shouldn't worry about our doing it.

SEMERJIAN. All right, Dr. Scoville, I want to thank you very much for being with us tonight. Mr. Carter, your next witness, please.

CARTER. My next witness is Morton Halperin.

SEMERJIAN. Mr. Halperin, welcome to The Advocates.

CARTER. Mr. Halperin was former Deputy Assistant Secretary of Defense in the Pentagon under Robert McNamara and former senior staff member and Assistant for Planning to Dr. Henry Kissinger's National Security Council staff. Dr. Halperin, we've heard a lot tonight about the argument that highly accurate missiles would save a lot of lives. Do you agree?

HALPERIN. No, I don't. I think the only way to really save lives is to avoid a nuclear war. If there is to be any kind of a limited nuclear exchange, then the key element in how many people are killed will be whether targets near cities are hit. With the current warheads which we have and the current accuracies, if both sides only target only targets far away from cities, there would be relatively little damage. If both sides target military targets near cities, there would be very great damage. Increases in the accuracies of our missiles would not change that fact. There would still be very large civilian damage if we attacked targets near cities, and relatively little if we did not. And increasing warheads, which is what the administration proposes to do, increasing the size of warheads, would of course increase civilian casualties whatever targets we attacked.

CARTER. Well, I can't help thinking that maybe the proponents' position tonight is somewhat like the proverbial ostrich with its head in the sand. Even if we could design a targeting strategy which would keep Soviet fatalities low by staying away from cities, are we sure that the Soviets would also stay away from cities?

HALPERIN. Of course we cannot. The Soviet military doctrine talks about hitting cities as well as hitting military targets, but I think we cannot be sure that our strategy would be that. We simply do not know what the political leadership on either side would do, confronted with a major crisis or the beginning of the use of nuclear weapons.

CARTER. Do you feel that we need these high accuracy missiles to meet the alleged Soviet buildup in their ability to take out our missiles?

HALPERIN. No, I do not believe that we—either in terms of deterrents or for political reasons—need to match that Soviet capability. We have the capability to deter a Soviet attack by threatening the destruction of a wide range of different targets in the Soviet Union. We have more than enough destructive capacity now, and I do not believe there is any reason why, even if the Soviets begin to move towards an accurate missile capability, we need to do the same.

CARTER. You know, speaking of the Soviets, if we deploy these highly accurate missiles, how do you think the Soviets will react?

HALPERIN. I think they would react the way the United States reacted in 1969 when we conjured up the fact that the Soviets were moving in that direction. Secretary Laird, remember, said that the Soviets were going for a first strike capability and there's no doubt about it. This despite the fact that the Soviets showed no signs of being able to target our undersea missiles of which we had more than 650. It is, I think, the case that political leaders on both sides tend to be excessively paranoid about what the other side is doing, and I think it is very likely that the Soviets would react to our talking about developing accurate missiles with the belief that we were after their land-based missile force and that they would have to respond to that.

CARTER. Okay, you've had extensive experience in the SALT negotiations. Based on your experience, how do you think the SALT negotiations will be affected by this Soviet buildup, excuse me, by U.S. buildup in high accuracy missiles?

HALPERIN. Well, I think it's very unlikely that one can negotiate limitations on missile accuracy. What I think is dangerous about the new doctrine in relation to the SALT talks is the philosophy which says that the United States needs to have a flexible military capability for nuclear war and the ability to take out Soviet missile silos, because I believe that if you make that the criteria for an arms control agreement, then it will be impossible to get agreement in the American government on a sensible SALT position and impossible to negotiate such an agreement with the Soviet Union. Only if both sides are prepared to accept an agreement which simply assures the deterrent on each side do I think it is possible that one can negotiate limits on offensive forces.

SEMERJIAN. Make this a brief question and answer.

CARTER. All right. What do you think is the result of emphasizing limited war?

HALPERIN. I think the result is to make nuclear war seem more plausible, more reasonable, more humane, and hence to make it more likely.

SEMERJIAN. All right, thank you, Mr. Carter. Mr. Ellsworth, your witness.

ELLSWORTH. Mr. Halperin, if deterrents fail and war breaks out, isn't it desirable to be able to respond on a limited level and negotiate for termination?

HALPERIN. I would hope that we would try to negotiate before we responded, but I certainly agree that we should have the capability for a wide range of different responses. I believe we have had that capability since the early 1960s and we should continue to have it.

ELLSWORTH. And you believe that it is desirable.

HALPERIN. I believe that it is desirable. I do not believe it depends on increasing the accuracy of our warheads, nor do I believe it depends on increasing the size of our warheads, both of which are recommended by Secretary Schlesinger.

ELLSWORTH. Correct, but you don't insist on our renouncing any capability of targeting any target other than cities, is that correct?

HALPERIN. On the contrary, I would insist that we should have such a capability . . .

ELLSWORTH. You agree that we should emphasize military targets.

HALPERIN. No, I believe that we should emphasize a full range of targets. We should emphasize to the Soviet Union, for the purpose of deterrents, our ability to attack whatever targets in the Soviet Union we would have to attack in the face of whatever attack . . .

ELLSWORTH. But you don't object to our having other options, but you just object to our spending money on accuracy, is that correct?

HALPERIN. I don't object so much to the money, I object to the accuracy because I think it stimulates the arms race, because it makes it harder to negotiate a SALT agreement, and because it makes nuclear war seem limited, makes the possibility of limiting nuclear war seem more likely, and I think that encourages military leaders on both sides to think about nuclear options.

ELLSWORTH. But you said a moment ago that you found the range of options, including military targeting options, to be highly desirable, did you not?

HALPERIN. That's right, but that's very different from emphasizing the fact that we're

planning on fighting a limited nuclear war which very easily slips into saying that we believe that a nuclear war can be limited.

ELLSWORTH. Nobody is urging the fighting of a limited nuclear war, but you do agree with us that it's appropriate and beneficial and desirable for the United States to have a range of targets including military targets to a substantial degree.

HALPERIN. Absolutely.

ELLSWORTH. Yes.

SEMERJIAN. But I don't think he agrees with you, Mr. Ellsworth, that the targeting of cities should be abandoned. I think that's the difference.

ELLSWORTH. I understand that, I understand that.

HALPERIN. And I don't believe that we need either accurate warheads—more accurate warheads—or large warheads, which is the essence of what Secretary of Defense Schlesinger . . .

ELLSWORTH. And your objection to accurate warheads runs to the accurate warheads whether they are linked with increased yield, or with decreased yield. Is that correct?

HALPERIN. If they were linked with decreased yield, which of course is not the proposal, they would be less objectionable.

ELLSWORTH. That's Professor Rowen's proposal.

HALPERIN. That's right, and I think that . . .

ELLSWORTH. That's what I'm asking you about.

HALPERIN. I find that less objectionable than the other, but I find accuracy unnecessary for this purpose because if we're going to attack military targets in a very limited strike, there are many military targets far away from cities.

ELLSWORTH. On the question of accuracy linked with decreased yield, you concede that one of the classic aims of arms control is to limit damage in case war should break out, do you not?

HALPERIN. Absolutely.

ELLSWORTH. And don't you think that increased accuracy with decreased yields is desirable from that point of view?

HALPERIN. But one has to weigh that against the danger that it stimulates the arms race and increases the likelihood of nuclear war, and in balancing those I would argue that it is undesirable.

SEMERJIAN. Well, Mr. Halperin, what if tomorrow Leonid Brezhnev said, "I believe in a more humane Soviet policy, and from now on the Soviet Union will no longer target American cities. We will target only military targets with accurate missiles." Would you change your mind about what our policy should be?

HALPERIN. I would still say we should have the capacities the Soviets would continue to have to not target cities, but I would be glad to respond to that by saying that we would not be the first to launch large attacks at the other side's cities, which I believe should be our policy. I cannot imagine any circumstances in which the United States should initiate military attacks on cities.

SEMERJIAN. And then if you said that, Mr. Brezhnev would probably change his mind, right? Go ahead, Mr. Ellsworth.

HALPERIN. But of course I think the point is that neither side can count on these guarantees sticking once nuclear weapons are used in a nuclear exchange.

SEMERJIAN. Go ahead, Mr. Ellsworth.

ELLSWORTH. But still you don't resist the idea of having the whole range of options available.

HALPERIN. I resist the notion that accuracy and large warheads are a part of that, but I do not . . .

ELLSWORTH. Didn't you write in 1963, "There is also a need for extremely accurate systems that can arrive at pre-targeted locations and hunt out targets and destroy them"? Did you write that or not?

HALPERIN. Your research is better than mine. I searched for that article and couldn't find it.

ELLSWORTH. You did write that.

HALPERIN. We have the kind of accuracy that I was talking about. When I wrote that article, our accuracies were much worse than they now are. We now have the capacity to attack Soviet missile silos in small numbers, we have the capacity to attack other Soviet targets, and I believe we have the kind of flexibility that I was suggesting then.

ELLSWORTH. Let me ask you the question that I asked Dr. Scoville. Isn't the alleged Soviet fear that silo killers on our part would constitute a capability to knock out their nuclear force ridiculous in view of the fact that they have so many submarines which we can't even target?

SEMERJIAN. Make this very brief.

HALPERIN. It is a ridiculous fear which both sides have exhibited in the past and I fear are likely to exhibit in the future.

SEMERJIAN. All right, let's go to Mr. Carter.

CARTER. Mr. Halperin, other than developing highly accurate missiles, do you have some proposals for what we might do today in the present strategic situation?

HALPERIN. Yes, my proposal would be the one that has already been put forward by Professor Rowen: namely, I think the urgent task at SALT should be to try to negotiate very substantial reductions and perhaps the total elimination of fixed land-based missiles on both sides.

CARTER. And is that helped or hurt by developing highly accurate missiles?

HALPERIN. I think it's hurt insofar as the proposal that the Secretary of Defense puts forward encourages the military to believe that they can get what they would call warfighting capability with those missiles and hence, I think, would be less likely to be willing to give them up in a negotiations.

SEMERJIAN. All right, back to you, Mr. Ellsworth.

ELLSWORTH. If we pursue—if the United States, as a policy, leans in the direction which you yourself have suggested and which our side strongly urges, that we veer away from the contemplation of targeting cities, then doesn't that increase our credibility, for example, of our nuclear guarantees to our allies, particularly Germany and Japan?

HALPERIN. I don't believe that at all. I think that the basic credibility of our nuclear guarantees to the Germans and the Japanese in particular has to do with the nature of our political relationships with those countries, has to do with the presence of American military forces in Western Europe and in or around Japan. I don't believe that anybody but more than a handful of people in any of those countries pay attention to this kind of detail about nuclear weapons. I believe that, therefore, it is our political relationship with them and the credible guarantee and the credible perception in the Kremlin that we are concerned about their security which is what is the backbone of the deterrent.

ELLSWORTH. So that our nuclear forces and our nuclear doctrine and our nuclear strategy and our strategy of deterrents in your opinion have virtually no—or at least an insignificant—effect on German and Japanese perceptions of our nuclear guarantee and therefore what it is on our part would have no effect on their tendency to develop nuclear weapons on their own.

SEMERJIAN. Very quick answer.

HALPERIN. I think that's true within very wide limits. As long as we have forces roughly comparable to the Soviet Union, I think the details just don't matter to them.

SEMERJIAN. All right, Mr. Halperin, I want to thank you for appearing on The Advocates. Thank you, gentlemen. That completes the cases, and now it's time for each of you to present your closing arguments. Mr. Carter, could we have yours, please.

CARTER. Our insurance policy against nuclear war is the fact that we have several times the destructive power we could conceivably use, and the Soviets know it. We could destroy military targets or population centers or both, and the Soviets know it. That's how deterrence works. We all agree we need to negotiate mutual reductions in arsenals; the last thing we need is new, high accuracy missiles. They do nothing for us except to allow us to threaten large numbers of Soviet missile silos. This is the one thing which could tempt the Soviets to consider striking first in a crisis, which will spur a new, expensive arms race and which will undermine the SALT negotiations. The proponents have called our deterrent immoral. I can think of nothing more immoral than something which makes nuclear war sound effective, which makes nuclear war sound attractive, and that is what their proposal does. This country is not wealthy enough, nor are the risks of nuclear war remote enough, that we can afford to develop these high accuracy missiles. Vote no on tonight's proposal.

SEMERJIAN. Thank you. Mr. Ellsworth.

ELLSWORTH. All of us tonight have a common goal: to deter nuclear war. We all agree that the cost of war has to be so great as to prevent either side from embarking on it. This to Mr. Carter means it must be the threatened destruction of Soviet cities, and I say that it is not only a genocidal policy but an unbelievable one. Both to the Soviets and to the rest of the world we contend that the risks of nuclear war are so great that the Soviets would be equally deterred by our ability to retaliate on military targets at a lesser, more humane level. More importantly, the two sides tonight differ on what to do if deterrence fails. The horrible event of an accidental or irrational outbreak of war, be it by an insane dictator, accident, or miscalculated escalation from conventional war, it is irresponsible for us not to do everything in our power to prepare for that event and to try to limit and minimize its damage in every possible way. For that purpose we advocate the targeting of military sites and the development of more accurate missiles.

SEMERJIAN. Thank you, gentleman. And now it's time for you in our audience to get involved. What do you think on tonight's question? Should we develop highly accurate missiles and emphasize military targets rather than cities? Send us your "yes" or "no" vote on a letter or postcard to The Advocates, Box 1974, Boston 02134. We'll tabulate your votes and make the results known to members of Congress and others interested in this topic. As much as it affects this country's ability to avoid a nuclear holocaust, we can say that no question The Advocates had debated is more important than this one. And for the same reason it's important that you help make your views known to the government. Now, remember the address: The Advocates Box 1974, Boston 02134.

Now, recently The Advocates debated the question, "Should the government institute coupon rationing of gasoline now?" Of the more than 11,000 viewers who sent in their votes, only 12% said yes, that rationing should be instituted now and that the price of gasoline should be controlled to assure no increase in profits for the oil companies, and a tremendous 88% said no, that letting prices rise freely is an equally effective and less complicated way of controlling demand than gas rationing.

RETURN TO COMPETITIVE MARKET SYSTEM

Mr. ALLEN. Mr. President, the Senate Committee on Banking and Currency has voted 11 to 4 to defer consideration of an

extension of authority of the Cost of Living Council to continue the 31 month experiment with peacetime controls of wages and prices. I notice, however, that Dr. Dunlop expects some form of legislation in this area to be considered by the Senate before April 30, 1974.

The question of continuing controls is of paramount interest to those of us who are deeply concerned about trends toward total control of the economy by the Federal Government. In this connection, I am indebted to my close personal friend Mr. Ollie Delchamps, Jr., of Mobile, Ala., one of the State's most distinguished citizens and an eminently successful businessman, for calling my attention to an article by Dr. C. Jackson Grayson, Jr., entitled, "Let's Get Back to the Competitive Market System," which was published in the November-December 1973 issue of the Harvard Business Review.

Mr. President, Dr. Grayson is currently dean of the School of Business Administration of Southern Methodist University in Dallas, Tex. He writes from the perspective of one who, as we all know, served as head of the Price Commission in phase II of President Nixon's economic stabilization program. Dr. Grayson presents a timely and persuasive argument in support of our free enterprise system. He warns that private enterprise has surrendered too much of its freedom to public authority and he is much concerned over the ambivalent attitude of many proponents of free enterprise, by the leadership of organized labor, and by the public, concerning the trend toward governmental control of the economy.

Dr. Grayson writes convincingly of the ultimate consequences of the current trend toward centralized control. These consequences, as they relate to the individual, are vividly portrayed in the following quotation from Edward Gibbon:

> In the end, more than they wanted freedom, they wanted security. They wanted a comfortable life and they lost it all—security, comfort, and freedom. When the Athenians finally wanted not to give to society, but for society to give to them, when the freedom they wished for most was freedom from responsibility, then Athens ceased to be free.

Mr. President, regardless of how one may feel about the continuation of wage-price controls, I think it safe to say that a final decision should not be made without sober reflection on Dr. Grayson's dire warnings. I believe Dr. Grayson's views on this subject need a wider audience. With this object in mind, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

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

LET'S GET BACK TO THE COMPETITIVE MARKET SYSTEM

(For years, some economists and historians have been predicting the eventual collapse of capitalism in the United States, and the emergence of a perfectly planned government-regulated economy. We have already reached the stage where private enterprise has surrendered much of its freedoms to public authority. And, with the aid of inflation and price controls, we are quickly approaching the point where it will be too difficult either to give up the controls or to manage the economy that has been created. This is a problem not only for businessmen and labor leaders but also for each individual who is concerned to preserve a way of life that is worth caring about.

Mr. Grayson writes about his beliefs in the private enterprise system, having observed our economy from a unique point of view. He served as Head of the Price Commission in Phase II of President Nixon's Economic Stabilization Program, and is now Dean of the School of Business Administration of Southern Methodist University in Dallas, Texas.)

(By C. Jackson Grayson, Jr.)

For almost 15 months during Phase II of the Economic Stabilization Program, I served as the chairman of the Price Commission. Exercising control over most of the nation's price system, I saw the complex, capitalist economy from a most unusual observation post.

From this experience, and from what has happened since, I am personally convinced that our economic system is steadily shifting from a private enterprise, free-market economy to one that is centrally directed and under public control.

Price and wage controls such as we have experienced in Phases I through IV have helped to extend the degree of public control and to accelerate the rate of change. At some point—and I predict that, at the present rate, this point may be reached in about 15 to 20 years—the essential characteristics of a competitive, private enterprise system (nonregulated prices, profit motive, risk taking, collective bargaining) will no longer make up the economic engine that drives our system.

I am not saying that there is and will continue to be public regulation of the private enterprise system. Since 1930, we have had that—a mixed public-private system. But, in the 1970's, the pendulum of the mix has been swinging further, and faster, toward central control.

Call it what you will—managed capitalism, socialism, a planned economy, a postindustrial state—the end result will be the virtual elimination of the free-market system as we now know it. There will be no signposts or traffic lights. We will simply shift over to another kind of system.

The resulting system will probably not have widespread public ownership of production and distribution, but it will have public control. General Motors will not die, but neither will it remain a capitalistically motivated and directed enterprise. Rather, it will operate as an organization designed to implement *public* economic, political, and social policy.

Impetus for this trend has not come from a group of revolutionists, and only partly from leftists, liberals, youth, intellectuals, and socialists. Instead, it has come from the public at large, from the Congress, and, perhaps most surprisingly, from the actions of many labor and business leaders.

I feel that this current threat to our free, competitive economy should seriously concern us, not only because I strongly believe in that system, but also because of the effect its loss would have on the social character of the United States.

In this article I attempt to identify what the current shifts away from freedom are and why they are a cause for alarm, and to suggest courses of action that businessmen, labor leaders, and legislators could take to help reverse the clear and present trend.

WARNING SIGNS

The trends I see can be summarized as follows:

Business and labor are too often seeking to reduce rather than to encourage competition in their markets.

Continuing price and wage controls are leading the public to believe that central planning and control are superior, mandatory, desirable.

Americans, in distrusting the market system, are demanding more economic benefits from the federal government and are seeking ways to insulate themselves from the impact of economic change.

In addition, international economic interdependencies are complicating our privately controlled market system. As recent balance-of-payments and exchange-rate problems, demonstrate, closed economics are a thing of the past. Inflation can be exported and imported, increasing the call for more centrally coordinated economic policies between and inside nations.

Business seeks protection

Consciously and unconsciously, businessmen themselves are adding to the probability of greater centralization of economic control by seeking ways to reduce market competition—the very keystone on which the capitalist system rests.

Normally, competition is curtailed either by private monopoly power or by government protection. It is still unclear whether large corporations have sufficient power to control markets, reduce competition, and "administer" prices. Our internal studies at the Price Commission did not provide any evidence that prices were being administered by corporations. But, clearly, we did not have sufficient time to make a full study of this issue.

We did have time, however, to observe innumerable instances in which business turned to government to seek forms of assistance which, in effect, would reduce competition—for example, asking for imposition of subsidies and tariffs, occupational licensing, fair trade laws, and import quotas.

Excerpts from letters written to me at the Price Commission by businessmen serve as illustrations:

"I do not advocate any program of isolation, but I do think it is good business for us to protect our national economic situation in the face of stiff and competitive foreign trade." (A steel company)

"We need government protection because we can't compete against the big companies." (A consumer goods company)

"If you break our fair trade laws, the market will be chaotic." (A cosmetics company)

"We can't survive if you let cheap products in from foreign countries." (A shoe manufacturer)

"We must have minimum milk prices if we are to have an orderly market." (A dairy products company)

"If we allow liquor prices to fluctuate freely, competition will be ruinous and the Mafia might move in." (An alcoholic beverages company)

Another way some businesses are hampering the free-market system is by not using the age-old competitive tool of reducing prices as a way to increase their sales.

Again, to quote from my 1972 mail:

"In all my years in business, I have never reduced prices to hurt a competitor." (A retail food supplier)

"Why did I raise my prices? My competitor did. I always go up when he does." (A chemical company)

Of course, this attitude is not shared by all businessmen. After the Price Commission authorized a cost-justified price increase, one businessman told me, "You gave us a price increase. I wish the market would."

My point, however, is that far too few companies are exploring market flexibility by reducing prices. And yet, when we ordered some companies to reduce prices because they had violated regulations, several reported that they experienced increased volume and a higher total profit.

But the reluctance to reduce prices is also understandable. Several heavy-industry companies reported that they feared competing too aggressively on price because they would capture a larger market share, drive out smaller companies, and be subject to Justice Department or competitor antitrust suits. Efficient stevedoring companies argued they would drive out smaller businesses if they held prices down. And after the Russian wheat sale drove flour prices up, small bakeries urged us to force large bakeries to raise their bread prices.

The threat of continuing price controls has compounded the price-reduction problem. Many companies report hesitancy to reduce prices for fear of being caught with a low "base price" in future freezes and phases. This was clearly demonstrated in Phase III, when freeze "talk" actually accelerated price increases.

Finally, I was surprised to find that the majority of businessmen with whom I talked wanted Phase II controls continued. The most commonly stated reason was fear of union power. The argument was that the balance of power has swung so far toward the unions that businessmen feel they can no longer negotiate successfully. Accordingly, they choose price controls over wage disputes, they prefer regulation to the problems freedom poses.

So does labor

In the model of the free market, it is axiomatic that competitive behavior is required not only of business but also of labor. There must be competition in wages as well as in prices. More and more, however, it's not turning out that way.

Like big business, big labor tries to use government or private power to protect itself against such natural effects of competition as layoffs, dislocations, wage reductions, and advancement by competition.

Whether labor has too much power was not an issue we studied at the Price Commission during the control period. But many instances in which noncompetitive labor practices were driving costs up were reported to us as justifications for price increases—featherbedding in railroads and docks, restrictive work rules in construction and shipping, and rules barring more efficient methods in construction and printing.

An October 1971 staff report of the Bureau of Domestic Commerce estimates such extra costs in construction at $1 billion to $3 billion annually, in railroads at $700 million to $1.2 billion, in printing at $400 million to $600 million, in supermarkets at $250 million to $400 million, and in trucking at $275 million to $400 million.

These restrictive, noncompetitive work practices are usualy defended by labor on humanitarian grounds. Without judging the merit of that position, I can definitely say that these practices drive costs up and usually result in higher unit labor costs, higher domestic prices, and reduced competitive abilities abroad.

Just as business often does not see price reductions as necessary and competitive, so labor does not see wage levels as connected to successful or unsuccessful competition in the free-market system. Nor does labor see the natural relationship between productivity and the wages that a company can afford to pay. Companies report mounting pressure from labor for increased compensation, regardless of the productivity of individual workers or of the nation as a whole. Labor's typical demands include increased minmum wage levels, "catch-up" wage increases, fixed productivity rates, tandem wage agreements, and annual pay increments.

For example, in late 1971, workers in the coal industry, which has had productivity decreases in recent years, received nearly a 14% wage increase settlement. The Price Commission, in one of its most important decisions, ruled that this practice would lead to further cost-push inflation and, despite the 14% wage settlement, allowed the coal industry to submit only a 5.5% wage cost as justification for price increases. This practice was then followed for all companies throughout Phase II.

As a result of this "5.5 rule," two things happened. Some companies suffered reduced profits. But other companies bargained harder at the table because they knew they could not "pass on" more than 5.5%. In fact, some companies reported privately that they were pleased with the rule because it gave them a bargaining weapon greatly needed to withstand labor's pressures.

There is little question that if labor settlements, on the average, rise faster than overall productivity, the result will be inflation, unemployment, or both. Our 5.5% limitation was an attempt to crack into the wage-productivity imbalance by forcing price increases to reflect no more than the long-term national productivity gain of 3%, plus a 2.5% inflation goal. The 5.5% was a national procrustean bed that served a crunching purpose in the short run.

We've also heard arguments by labor that economic justice demands wages by increased—a growing egalitarian ethic that wages be based on need rather than on competitive reality.

But those who argue this line sometimes end up taking contradictory positions, as was illustrated during the debate over the minimum wage. At the same time that many labor leaders and members of Congress were loudly protesting price increases in Phase II, they were also fighting equally hard for increased minimum wage levels and extended coverage. Without entering into the merits of the economic justice argument, the commission computed that the various proposed bills on the minimum wage before Congress in 1972 would have increased the Consumer Price Index anywhere from 0.3% to 0.8%. Since no productivity gains would have ensued, the increased costs would have either come out of profits or been passed on in prices.

In summary, I can only point out to labor and to business that any time they seek, through private market power or government help, to reduce the effects of competition, they invite the danger of permanent central control over the economic system. Without competition, public controls may become, not an option, but a necessity.

Wage-price controls distort

True, wage-price controls help attack inflation in the short run by (a) reducing inflationary expectations, (b) intruding on discretionary market power of business and labor, and (c) influencing the timing of price and wage decisions.

But, by their very design, such controls interfere with the market system and hasten its move toward a permanent central one. I can spot seven ways this occurs:

First, wage-price controls lead to distortions in the economic system, which can be minimized only in the short run. The longer controls are in, the harder it is to discern real from artificial signals. No matter how cleverly any group designs a control system, distortions and inequities will begin to appear. It happened in European control programs, it was beginning to happen in Phase II.

For instance, lumber controls were beginning to lead to artificial middlemen, black markets, and sawmill shutdowns. Companies trapped with low base-period profit margins were beginning to consider selling out to those with higher base periods, sending their capital overseas, or reducing their efforts. Instances of false job upgrading—which were actually "raises" in disguise—were reported on a scattered but increasing basis. To keep away from profit-margin controls, companies were considering dropping products where costs, and thus prices, had increased. And shortages of certain products (e.g., molasses and fertilizer) were appearing because artificially suppressed domestic prices had allowed higher world prices to pull domestic supplies abroad.

Exceptions and special regulations can handle some of these distortions, but the task grows more difficult as each correction breeds the need for another.

Second, during controls, the public forgets that not all wage-price increases are inflationary. In a changing, competitive economy, wage and price increases occur because of real consumer demand shifts and supply shortages. The resulting wage and price increases signal to business, "Make more"; or to labor, "Move here"; or to the public, "Use less."

Controls interfere with the signaling mechanism. A good example of how an artificially suppressed price-signal leads to eventual shortages is natural gas. Similar examples can be found in labor where suppressed wages do not attract labor to areas in which there are shortages of skills or of workers.

But with wage-price controls in place, the public believes that all increases are inflationary—almost antisocial—and the clamor is for no, or very small, increases.

The sense of the statement, "You can eliminate the middleman, but not his function," applies equally to our economic system. We live in a world of scarce resources, and, as much as some would like to repeal the laws of supply and demand, it can't be done. Some system must allocate resources, we hope to the most efficient use for society. If wage-price controls, other government regulatory rules, or business-labor monopolies prohibit the price system from performing its natural function, then another rationing system (central planning and control) must be used. You can eliminate the price system, but not its function.

Third, during a control period, the public forgets what profits are all about. Even before wage-price controls, the public believed profits were "too high," even though they have actually declined in the past few years, from 6.2% of GNP in 1966 to 3.6% in 1970, and increasing only to 4.3% in 1972. And, with profit increases raised to the top of the news during the recovery of 1972 and early 1973, the negative public sentiment against profits increased. Why? The control system itself heightened the public's negative attitude toward profits at a time when capital regeneration, the fuel of the capitalist engine, was already alarmingly low.

Fourth, wage-price controls provide a convenient stone for those having economic or political axes to grind, particularly those interested in promoting a centralized economic system. For example, in 1972, Ralph Nader argued that automobile companies should not be allowed to raise their prices to reflect style changes. Others argued that price increases should not be given to companies that employ insufficient numbers of minorities or pollute. Nor should wage increases go to uncooperative unions.

Fifth, wage-price controls can easily become a security blanket against the cold winds of freemarket uncertainties. They tell people what the limits are; they help employers fight unions, and union leaders to placate demands for "more" from their rank and file. The controlled tend to become dependent on the controllers and want regulations continued in preference to the competition of a dynamic market. At the same time, the controllers themselves can become so enamored with their task that they also don't want to let go. The public begins to fear what will happen when controls are ended, and seeks continuance. Witness the recent fears of moving from Phase II to Phase III, and the public (and Congres-

sional) pressure for the freeze to replace Phase III. Even Wall Street seems terrified at the thought of returning to supply and demand in the market. All of this proves that it is much easier to get into controls than to get out.

Sixth, under controls, business and labor leaders begin to pay more attention to the regulatory body than to the dynamics of the marketplace. They inevitably come to the same conclusion, summed up by one executive: "We know that all of our sophisticated analysis and planning can be wiped out in the blink of a Washington controller's eye."

Seventh, and most dangerous, wage-price controls misguide the public. They draw attention away from the fundamental factors that affect inflation—fiscal and monetary policies, tax rates, import-export policies, productivity, competitive restrictions, and so on. The danger is that attention will become permanently focused on the symptom-treating control mechanism rather than on the underlying problems.

The public voice

The public is also adding to the probability of more central control of our economic system. I can cite several basic attitudes at work to explain this phenomenon:

Increasing loss of faith in the ability of both business and labor leaders to operate our economic system.

Increasing expectation of greater economic benefits.

Intensified search for stability and egalitarianism.

In recent years poll after poll has quantified the growth of these trends in public opinion. For instance, over the last seven years, Louis Harris and Associates has been asking the public about its degree of confidence in the leadership of our institutions, and has made these discoveries:

Corporate executives share with bankers and educators the largest loss in public respect, declining from 55% in 1966 to 27% in 1973.

Confidence in labor leaders shrank from 22% to 15% in the same time period.[1]

And a 1971 Opinion Research Corporation study revealed that 62% of the public favored governmental controls over prices, 60% of all stockholders believed competition could not be counted on to keep prices "fair," and fully one third of the public believed that Washington should set ceilings on profits.[2]

In general, my personal mail and my experience in numerous interviews with newspaper editorial boards and others confirmed that the public feels there should be more, not less, control of business and labor. And Congress reflects this mood in asking for more controls, tighter regulations, and more public agencies. Time and again, when I was testifying before congressional committees, I was told that we had to have more controls because the private enterprise system "didn't work." Such a sentiment does not make me optimistic about continued public support for our free enterprise economy.

Nevertheless, the growth in the public's disenchantment with the private enterprise system has been matched by an increase in the public's demands on that system. The public wants, for instance, higher pay for teachers, policemen, and women; a clean environment; better schools and medical care—and all without increases in prices or taxes.

[1] Louis Harris, "The Public Credibility of American Business," *The Conference Board Record*, March 1971, p. 33.

[2] Thomas W. Benham, "Trends in Public Attitudes Toward Business and the Free Enterprise System," *White House Conference on the Industrial World Ahead* (Washington, Government Printing Office, February 1973).

At various Price Commission public hearings and in meetings with public groups and congressmen, I heard demands for increased pollution controls but, at the same time, for lower transportation prices, increased health benefits but lower hospital costs, increased mine safety but lower coal prices, decreased insecticide usage but lower food prices, protected forests but lower lumber prices, and so on. The demands are outrunning what we, as a society, can afford.

We cannot have it all ways without increased productivity. And, more and more, the public is not willing to wait for the market to provide remedies but is seeking centralized solutions to obtain the desired benefits now.

Finally, the move toward a central system is being aided by the public's desire to make people the same, both in ability and in susceptibility to economic change. The market system is conceived on the concepts of competition, monetary reward, excellence, and change. The current attitude stresses stability, cooperation, egalitarianism, and income equality enforced by a central authority.

"Can we be equal and excellent too?" queries John Gardner in the subtitle to his book *Excellence*—a question which he discusses extensively but does not answer.[3] Everyone might like both, but the competitive system is built on the notion that those individuals and institutions outperforming others are not and should not be rewarded equally. But now, more people are seeking and getting protection, through tax reform, income redistribution plans, promotion by seniority, and so on, against "differences" generated by the operation of the competitive system.

And society's insistent cry for economic stability poses two dilemmas for our capitalistic system.

First, if the business cycle can be sufficiently dampened by government policies to avoid the unpleasant by-products, we might also run the risk of removing some of the essential features of capitalism, principally the ability of the capitalist system to adapt to changing circumstances to encourage risk taking. That is, if we remove the valleys, do we not also remove the "mountains of incentive" for risk and change?

Second, the goal of "maximum employment" has been interpreted to mean low unemployment, and the arguments have centered on definitions of "low" (3%, 4%, 5%) and "unemployment." But stimulating demand to achieve low unemployment risks inflation. And moderating demand to reduce inflation risks high unemployment.

This unemployment-inflation trade-off is becoming more difficult to manage centrally. If low unemployment is government's primary goal, as it has been in recent years, inflationary pressures are created and fixed incomes become vulnerable. In turn, there are more cries for wage-price controls and greater planning.

Central economic planning holds a great deal of logical appeal for many economists, intellectuals, and businessmen. They conclude that, if businesses plan, governments should—or that somebody should be in charge of the economy.

While their arguments are appealing, to date no one in any society has been able to come up with a central planning model that is more efficient and effective than the seemingly uncoordinated actions of the marketplace. I do not believe it is possible to construct one. In the Price Commission, almost every time we tried to adjust our economic system to correct one problem, two or three more were created, and the more we felt the temptation to "control."

In the end, I believe that any extended control system would disrupt the free-market system. At worst, the market would break down; at best, it would be highly ineffective and subject to bottlenecks, quotas, and black markets. The trade-offs in our extremely large and highly interdependent economy are too complex to be done efficiently on a centralized basis. And then there is the question of who would supply the value judgments for the operations of such a system. Why not return to the one planning system we have that works—the price system.

[3] New York, Harper & Row, 1961.

POINT OF NO RETURN?

What does this all add up to? Where are we headed? Is our private enterprise system actually doomed?

There are many who have said yes. Karl Marx predicted that capitalism would destroy itself; Joseph A. Schumpeter flatly stated that capitalism cannot survive;[4] and Robert L. Heilbroner concluded: "The change [away from capitalism] may require several decades, perhaps even generations, before becoming crystal clear. But I suggest that the direction of change is already established beyond peradventure of doubt."[5] Even "Adam Smith" observed in *Supermoney* that "the consensus is moving away from the market as decision maker and from the business society."[6]

Clearly, the factors I have cited *are* carrying us further and further away from the market system and toward a central economic one. I cannot prove we have gone or will go "to far," but I can point to figures substantiating the trend: our national income accounts show a shift in governmentally directed expenditures from 15% in 1930 to about 40% today. And the federal proportion has risen from 5% to 26% in the same period.

I am not saying, however, that the private enterprise system is doomed, nor that continuance of the trend toward central control is inevitable and irreversible. Nor do I feel that government has no role in the economic-allocation system. It clearly does and should. I believe, rather, that we are very near the point where further centralization will change our present system into one that can no longer perform its function efficiently.

I view this trend with alarm because I favor retaining the very powerful features of the market system. I hold this position, not out of blind faith in an ideology, but for these reasons:

Demonstrated economic superiority—The economic record clearly reads that the U.S. free-market, private enterprise system has produced the highest standard of living in history and has demonstrated a remarkable ability to adapt to changing conditions.

Political freedom—The principles of democracy and personal freedom are not compatible with a decentralized market system.

Personal experience—I have witnessed the difficulties of trying to allocate resources by centrally directed price controls. These difficulties have convinced me that it is impossible to improve on the system in which billions of daily market decisions by the public determine our resource allocations.

Before some brand me a chauvinistic throwback to Social Darwinism, let me quickly add these points.

I am aware that our present system has competitive imperfections on both the price and the wage sides. It has never been, and never will be, as theoretically competitive as Adam Smith's description. Government vigilance and action are required to prevent the natural monopolistic tendencies of the system.

I am also aware that there are social prob-

[4] Capitalism, Socialism and Democracy, 3rd edition [New Yorker, Harper & Row, 1962], p. 61.

[5] Between Capitalism and Socialism (New York, Vintage Books, 1970), p. 31.

[6] New York, Random House, 1972, p. 266.

lems and inequities in our present system which need correction, and that the central government should play a role in this task.

The difference between the centralists and myself is that I do not think the best solution is always to increase the size of the central system. *Rather, it is in a better functioning of our private competitive system and a better quality, not quantity, of public control.* The question remains: How can this be accomplished?

Backing up

It is obvious from the foregoing that I strongly believe the trends toward a centralized, or government-controlled, economy should be halted. I believe the survival of almost our total economy is at stake.

Businessmen, labor leaders, government legislators, and administrators have the power to slow or alter the trends I've cited. By doing so, we may be falsely labeled right-wingers or reactionaries, but we should not be daunted. If a goodly number of us do not try to stop the present trends, we may, even within this decade, end up with an economy we cannot manage.

Recommendations on how to halt the present trends are discussed below. I do have one comment that applies to all of them. I do not believe, as some free enterprisers do, that any of the suggestions I make should do away with the social achievements of the past 40 years. I believe that much, if not most, of the social legislation passed by the U.S. Congress protects the unprotected and provides social equity in economic terms that are consonant with the spirit of our political life and the protection of the individual by law. I deeply believe in equity.

I do not believe, however, in inequity. It is the inequities, rigidities, bureaucratic stifilings, and actual absurdities that we must attack. But again it is a question of how.

Selective deregulation: Obviously, not all regulation in the public interest should cease—for example, in the areas of safety, product quality, pollution, and health. But many economists can make a good list of those regulations that are interfering excessively with the competitive model, such as subsidies, quotas, tariffs, and competition-limiting labor and business practices referred to earlier in the article.

Monopolistic vigilance: Both business and labor have innate tendencies to seek monopolistic positions, and therefore they must be restrained. The same message also goes for professions (e.g., medicine and law) and trades (e.g., accounting and investment) that build up anticompetitive practices in the name of "professionalism."

The Sherman, the Robinson-Patman, and the Clayton acts, all designed to bring about these goals, were written many years ago. Each needs continued enforcement and should be examined for revisions asd oversights in its application.

Three-branch overhauls: Just as physical systems need periodic checks and overhauls, so do our social institutions. Government is no exception. Many of our procedures and institutions at the local, state, and federal level were designed for an agrarian society with slow communications and an isolated domestic economy.

At a minimum, I suggest a regularized public review, say, every three years, of the organizational and administrative procedures of government.

Political involvement: We live not just in an economy but in a *political* economy. Our economic system does not operate according to the classical laws of supply and demand but through the interaction of power and politics with economics. If business and labor leaders wish to steer the system in the direction they believe best, they cannot simply deplore, fume, curse, and hire a Washington lawyer or lobbyist. They must get directly involved by holding public office, personally visiting regulatory bodies and Congress, participating in citizens' affairs groups, and allocating time for empoyees to participate in local, state, and national politics.

Public advocacy: Related to the need for political involvement is the need for public advocacy of all views about our economic system. Those supporting increases in government's role are currently more vocal than are the advocates of the private enterprise system. The reason, I suspect, is that advocacy of private enterprise is often ridiculed as mossback in viewpoint, anti-intellectual, socially insensitive, and on the side of vested interests and "fat cats."

Nevertheless, those believing in the private enterprise system must speak out, not bombastically but intelligently. Every avenue should be utilized—speeches, articles, participation in local affairs, appearances at schools, employer-employee discussions, and so forth.

Economic education: If people are to make intelligent choices about the nature of our economic system, they must understand more economics. My experience at the commission has convinced me that economic understanding in this nation is low, much lower than it should be for people to make wise choices.

Education to promote understanding should begin with our young people and extend through adult life, emphasizing not a partisan view but a clear presentation of various economic fundamentals and systems.

Better economic tools: The economic policy tools of taxation, budget, and monetary supply, by which government manages the overall economy, are very crude and require overhauling. The econometric models are weak, the implementation process rigid, and the needed data often not available. For instance, decisions were made in Phase II with a frightening paucity of economic information. At the very least, this situation could be corrected by funding the many excellent economic research organizations to enable them to come forward with recommendations for the Congress and the President.

Business schools: Business schools should turn out students who understand both the strengths and the weaknesses of the private enterprise system, as well as its responsibilities to society. Too often, technicians are being graduated who are narrow professionals and blind ideologists.

One particular recommendation is that more schools encourage enterpreneurs. The entrepreneur is the lifeblood—the innovator, creator, pusher—of the private enterprise system, without him, the system will tend to become change-resistant and bureaucratic.

Department of Economic Affairs: Part of President Nixon's proposed departmental reorganization program is the creation of a new Department of Economic Affairs. In the Price Commission, we saw numerous instances in which the dispersal of economic policy matters in various parts of government inhibited the formulation of an integrated and consistent program.

I support the proposed new department, which would gather together under one head the economic branches of various departments and agencies, e.g., Transportation, Commerce, Labor, the Small Business Administration, and others.

Productivity: A strong, increasing productivity is one of the best preventives against inflation and one of the strongest assets of a private enterprise system. Therefore, business and labor must work together to shore up our lagging productivity, particularly as we shift to a more service-oriented, and hence lower productvity, economy. Government can also help in this area through policies that stimulate capital investment and R&D.

In addition to the National Commission on Productivity in Washington, there should be a private sector productivity institute, like those in Japan, Germany, and Israel, which would be a clearinghouse of information and source of help and education.

A DIFFERENT KIND OF ROAD

My recommendations advocate continuation of a private enterprise, free-market system with these essential features:

The price system.
Private ownership.
Collective bargaining.
The profit motive.
Freedom of entry.

Capitalism is more than a system of economic voting by buying a can of peas. It is also a system of values and attitudes, a way of life that permits individual motivation, excitement, personal freedom, variety, and excellence. I do not see these attributes flourishing in centrally planned and controlled systems.

Yet I am not denying a role to central government. Government can help to ease transitions caused by change through stimulating or contracting the economy and informing the public of the cost and benefits of various alternatives, e.g., pollution control versus higher prices, caribou protection versus energy supply, unemployment versus inflation. Government also has the extremely important function of setting and monitoring the rules of the economic game through antitrust laws, product-quality standards, pollution controls, and so on. These restrictions are set principally to keep competition alive and to protect the general public.

The key issue is at what point do such activities and restrictions on the private enterprise system inhibit it to the point of rendering it effectively inoperative?

The tug between laissez-faire and state regulation has been going on for centuries. They are contradictory, but both are valid approaches and applicable under appropriate conditions. Yet neither is of universal application for all purposes.

We seem to advance by overaccentuation of one principle at a time, like a sailing vessel that is first on one tack and then on another, but is making to windward on both. It is important, therefore, not to hold too long on the same tack, not to believe too strongly that either principle is absolute and universal.

For the real danger is that people will strive for the triumph of a particular philosophy and will refuse to consider the limits of proper application of their particular point of view. In the heat of debate, the advocate often asserts extreme opinions and demands action more drastic than he would call for if he reflected more calmly.

I submit that what we must do is seek the balance between these opposing principles, realizing that it is almost as impossible to frame a comprehensive and universally applicable economic system as it is a political one. In making our Constitution subject to amendment, our forefathers showed they were aware that the best solution will not be found in one principle but in a set of ideas determined by experiment and observation of practical results. And it is extremely likely that the chosen path will not be the same forever, but will shift from time to time.

Phase IV could be a return trip to the relatively free-market system and, I hope, a reversal of the trend I have observed. It could be an opportunity for labor and business to demonstrate that the private sector can manage the market and fight inflation without further government intervention. If not—then I don't think that either labor, business, or the public will like the controls that will be imposed on our freedoms in the future. And we will have helped to build our own cages.

This is not a pessimistic view, for, as Schumpeter stated, a report that a ship is sinking is not defeatist. It is only defeatist

if the crew sits and drinks. They can also rush to man the pumps.

In every sense it's up to each of us.

CONGRESSIONAL NIGHT AT THE CIRCUS

Mr. HUMPHREY. Mr. President, I am delighted to report that I shall have the honor of serving as honorary ringmaster on April 2 at the opening performance of Ringling Bros. and Barnum & Bailey Circus.

The occasion is "Congressional Night" at the initial performance of the Circus' 3 week engagement in Washington, D.C. at the National Guard Armory.

The show will be a benefit for the Children's Hospital in the Nation's Capital. The event will be nonpartisan with several of my colleagues from the House and Senate participating as guest clowns and elephant riders.

At this time, I would like to draw your attention to Peggy Williams, a young lady who performs as a clown in the 1974 edition of the Circus. Like many of the clowns in the show, Ms. Williams has a university background. Having majored in speech pathology at the University of Wisconsin, she has had experience in working with deaf youngsters.

Mr. President, I ask unanmious consent that a news release about this remarkable young lady issued by Ringling Bros. and Barnum & Bailey Circus be printed in the RECORD.

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

PEGGY WILLIAMS: SHE'S SERIOUS ABOUT CLOWNING AROUND WITH RINGLING BROS. AND BARNUM & BAILEY CIRCUS

Clowning around has become a serious profession.

"Everyone has his own reasons for becoming a clown," says 23-year-old Peggy Williams, one of the young members of Clown Alley of the all-new 1974 Edition of Ringling Bros. and Barnum & Bailey Circus.

Peg and her fellow laughmakers will be aboard when the Circus' silver streamliner streaks into Washington, D.C. for performances at the District of Columbia National Guard Armory starting Tuesday, April 2nd and continuing through Monday, April 22nd.

"I'm a born ham," Peggy admits. "Clowning is the only profession I could think of where I'd have complete freedom to express myself. I make up my own characters, even my own costumes."

For those and other reasons, many young people like Peggy are joining The Greatest Show on Earth as clowns these days. But instead of running away from home, they're coming from college campuses.

All but five of Peg's 31 clown friends have had some college experience. And many have completed the rigorous training program of Ringling Bros. and Barnum & Bailey's College of Clowns, conducted annually at the Circus' Venice, Florida winter quarters.

"The new breed of clowns doesn't come from Circus families," Peggy reports, "and we could have done other things. But we chose clowning as a profession and are all delighted that we did."

As a speech pathology major at the University of Wisconsin, Peggy learned to use her hands and face to communicate with deaf children.

"Their natural language is pantomine," she explains.

Soon Peg became an "avid fan" of Marcel Marceau and even investigated the possibility of going to Paris to study with him. Then she heard about Clown College and applied. "My parents thought it was a real joke," she remembers.

Today, after two years of professional experience with Ringling Bros. and Barnum & Bailey, her parents aren't the only people laughing.

As a dilapidated ballerina in men's long underwear, rubber boots and a bedraggled tu-tu, Peggy is hysterically pathetic.

Her stumbling, purse-dropping grandmother "gets to the old ladies every time," she says. "The character is not offensive and they can identify with her."

In her two years with the Big Show, Peg has learned to "read" her audiences well. "A tiger attracts attention naturally," she explains, "but a clown must do something to make people react."

Would she advise other young ladies to consider clowning as a career?

"Certainly!" she says. "But, they should realize from the outset that there's a lot more to being a clown than the glamour of appearing in the ring. It's hard work but, if you love people the way I do, you couldn't find a more satisfying career."

The 1974 Edition of The Greatest Show on Earth is produced by Irvin Feld and Kenneth Feld and staged and directed by Richard Barstow.

IN THE AFTERMATH OF THE MIDDLE EAST WAR

Mr. HUMPHREY. Mr. President, on March 27 I had the pleasure of addressing the National Executive Conference along with Secretary Shultz on the topic of "Middle East Crisis—Effect on Investment, Economies, and Monetary Policy."

I would like to bring my remarks before this distinguished group of business executives to the attention of my colleagues in the Senate.

I do not believe that the U.S. Government—and by this I mean the executive and legislative branches—have done enough to respond to the changed economic and political situation in the aftermath of the Yom Kippur war.

The energy crisis and the embargo forced us and other industrialized nations to take emergency measures. But the long-run problems that we identified in the midst of this crisis still persist and many have grown worse. This is certainly the case with world agricultural production, which is heavily dependent on energy supplies for fertilizer production, harvesting, transportation, and processing.

I fear that out of frustration with the very great problems which we face and which raise the fundamental issue of American economic and political interdependence with the rest of the world, we will turn our backs and retreat in the shelter of our own wealth and security. Such behavior is ultimately self-defeating. There is no security in a hungry world, and our wealth is dependent on materials and markets beyond our shores.

In the coming weeks, the Senate and the House will have an opportunity to express the Nation's will on a critical issue related to our global economic responsibilities. The vote on the American participation in the International Development Association will be a key test of our desire to provide assistance to the world's poorest countries. I believe that we must pass this test and agree to the commitment made by the U.S. Government in Nairobi to aid the poor nations through IDA, which is the World Bank's soft loan window. The American commitment to IDA is more than a moral one. It is a commitment to political stability, and to our own economic well-being.

Mr. President, I ask unanimous consent that in addition to my remarks before the National Executive Conference, the editorial from the Washington Post of March 26, entitled "Development Loans: The World Is Watching," be printed in the RECORD.

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

[From the Washington Post, Mar. 26, 1974]

DEVELOPMENT LOANS: THE WORLD IS WATCHING

A key international vote is nearing in the Senate, one that will tell the world in unmistakably clear terms just how responsible a role the United States intends to play. It is the vote on providing $1.5 billion over four years for low-cost development loans to be administered by the International Development Association, a branch of the World Bank. The House rejected the funds last January in a vote reflecting not so much its considered judgment of IDA as its exasperation at the spectacle of Arabs sitting around with big new pots of oil money and doing little to help their third-world brothers. It is up to the Senate to assert the appropriate American interest now.

IDA takes the tough cases; countries doing well don't need IDA loans. But countries that do need IDA loans need them desperately; the loans represent the narrow ledge of international concern to which the recipients cling. Even if we could bring ourselves to abandon the people of those states to whatever miseries fate might bring them, we would still have a hard core of direct self-interest in offering them a hand. We want them to be tolerably stable because we all inhabit the same world. And we want access to their resources and markets and, in another framework, their understanding and respect. It is idle to believe that shutting off development loans will make such countries better world citizens or more pliant to our will.

The House in January reacted negatively to the seeming prospect that IDA loans would end up in Arab pockets. But the loans go for development projects. The poor will have to scratch elsewhere to pay for their oil, or to go without. The real misfortune would be if the poor were to lose not only their present, which is what they need oil for, but their future, which is what IDA is all about. It is regrettably true that the Arabs have yet to take account of the poor countries' need for relief from the new high oil prices. The relevant question is, however, who should pay for Arab meanness—its victims?

Legislators might recall as well that it was in response to their own directive that the administration negotiated with other rich nations a reduction of the American share of IDA, from 40 per cent to 33. The congressional part of that bargain is to put up the money. Moreover, an American default or shortfall would not only trigger a parallel retreat by other IDA sponsors; support for the special lending programs of the regional development banks would also come under a dark political cloud. What is at stake here is nothing less than the whole structure of international development assistance built up since World War II.

The administration was sharply criticized

at the time of the House vote for being unwilling to expend enough of its political capital to push the issue through. Fortunately, the administration has regrouped. George Shultz, Secretary of the Treasury, personally led a hard charge up the Hill last week. The evident strategy is to get a good Senate bill and restore as much as possible in conference. The alternative is to blow out a light in the window, to let the world's poor know we do not care, and to invite their grim response.

MIDDLE EAST CRISIS—EFFECT ON INVESTMENT, ECONOMIES, AND MONETARY POLICY

(By Senator HUBERT H. HUMPHREY)

The Yom Kippur War or October war which lasted only 16 days, has done more to change the face of international economic and political relations than any single military conflict since the end of the Second World War.

In the aftermath of the fourth Arab-Israeli war, the balance of global economic and political power has been greatly altered.

The Arab oil exporters, excluding Iran, with a combined population of only 37 million people, have become a major economic power.

Their oil revenues will grow to more than $50 billion by the end of this year.

Although Arab unity is not always certain, the tendency toward collective use of their vast economic resources is great.

There are no clear signs yet that their new wealth will be used to disrupt world financial markets.

The nations of Western Europe—the former colonial rulers of the Middle East—were pressured by Arab oil producers and their allies to shift their foreign policies, thus antagonizing their most powerful ally, the U.S., and demonstrating their severe economic vulnerability.

The phenomenal Japanese economic boom has been slowed by energy cutbacks; some economists say Tokyo's "golden age" is permanently over. Japan's Middle Eastern policy also was forceably changed by Arab pressure.

The Yom Kippur War threatened a major unravelling of Soviet-American détente.

Soviet actions in the Middle East shattered the illusion that the Russian desire for improved commercial relations with the United States would hold Soviet political and military ambitions in check.

Despite our relative energy independence, the Arab oil producers were able to place great economic and political pressure on the United States.

Increases in the price of crude oil have been a major factor in our spiraling inflation and the concurrent slowdown in industrial production.

We do not know the ultimate impact of these shifts in the global power balance. But it is clear that before we have reached the decade's midpoint, the world economic situation already has approached a stage that we were predicting for the 1980's:

Shortage of supply instead of shortages of demand;

The growing threat of cartelization of raw materials;

Greatly increased economic competition between the United States and Europe;

And population pressure on food and resource supplies being equalled by exploding affluence in the industrialized world;

Finally, the Arab oil embargo and the energy crisis have forced American policy makers to consider our economic interdependence with the rest of the world.

We may be able to become self-sufficient in energy, but we will be unable to achieve similar self-sufficiency with 10 of the 13 critical materials needed for our industrial production, which are found outside of the United States.

These economic facts of life have come rushing forward in the aftermath of last October's clash in the Middle East. We were and are totally unprepared to deal with them. We lack the national international mechanisms to solve the global problems which confront us.

In addition to these issues suddenly placed on our doorstep, there is the political uncertainty in the Middle East which only heightens global tensions and makes cooperative international efforts more dificult.

Let me quickly review the present situation there.

Thanks to efforts by Dr. Kissinger, the first steps of troop disengagement on the Egyptian front have been successful.

The Syrian front continues to be a problem and could become an active battleground against unless Damascus shows more self-restraint.

I am hopeful that both Israel and Syria will send their negotiators to Washington next week to go forward with disengagement talks.

Beyond the disengagement stage, I am not overly optimistic about a quick settlement of the basic political issues which have for so long troubled this troubled region.

The final disposal of the lands won in the 1967 war, the resolution of the Palestinian problem, the future status of Jerusalem and the ultimate security of Israel are not issues easily or quickly resolved.

However, the conditions which would enable negotiations to begin are present:

The military balance between Israel and Arab nations has temporarily been secured, despite large Soviet arms shipments.

This balance is essential to a successful negotiating process.

The United States has been able to earn the trust of the more moderate Arab governments.

Soviet political influence in the area—especially in Egypt—has been greatly diminished.

It is clear that until the outstanding political issues can be settled and a stable peace negotiated, the global economic problems growing out of the October war cannot be resolved. This is especially true for the energy related issues which confront us today.

One of the critical issues I would like to discuss briefly within the energy context is world food supply and general economic conditions in the developing world.

These are not esoteric subjects. They have a direct bearing on the American economy and the fundamental question of global economic interdependence.

Before October, 1973, the prospects for continued economic growth in the developing world appeared reasonably good.

Since the oil price increases of last December, 40 of the poorest countries containing more than one billion people face bankruptcy, malnutrition, and political instability resulting from massive price increases of oil, fertilizer, and food imports.

If these prices remain at current levels—which are four times greater than in 1972—the developing countries will have to pay $10 billion more for necessary oil imports in 1974 than they did in 1973.

And the money flowing from the poor countries of Africa, Asia, and Latin America into the treasuries of the oil producers will be recycled in the form of investments in the economies of the industrialized world.

The price tag for imported food and fertilizer for poor nations will add another $5 billion to the $10 billion oil import figure, bringing the total to $15 billion.

The massive impact of these price increases is indicated by the fact that they are equivalent to nearly five times the total of net American development assistance in 1972 and nearly double the total worldwide development aid to poor nations in the same year.

As the developing world is plunging deeper into poverty, the industrial world is afflicted by rampant inflation and sharp declines in industrial production.

In addition to these problems, the serious fertilizer shortage in the U.S., threatens to limit expected bumper crops.

Land recently released for production is marginal and needs great amounts of fertilizer which simply are not available.

In past years, if there were shortfalls in agricultural production, we would fall back on accumulated reserves.

This year our reserves are at a 27-year low, due to Soviet purchases and other export sales.

Our grainery is nearly empty, and worldwide reserves are down to less than a month's supply of food.

This is a dangerous situation.

Low reserves offer no safety margin against famine.

And famine is now raging in Africa and is almost a certainty in India, Bangladesh, and other Asian countries later this year, due to the fertilizer shortage and expected bad weather.

A Nobel prize winning nutritionist Dr. Borlaug has predicted that as many as 20 million people may starve to death this year.

The spectre of widespread famine not only raises serious moral issues, but political ones as well.

There are no easy solutions to the severe economic problems of the developing world.

If anything is to be done, both new-rich oil exporters as well as the industrialized nations will have to contribute resources to various multilateral lending institutions, as well as maintain present bilateral aid levels.

Our economic and political stake in the developing world is great.

If we let the poor nations starve or decline into more abysmal poverty, we will be alienating those nations which control many of the critical materials we need for our own economy.

If out of frustration and bitterness, we retreat from our humanitarian responsibilities, we will only be encouraging the alienation of the developing world.

The poor nations would surely resort to the formation of raw material cartels in order to survive and to pursue their own economic interests if we neglect their needs.

From a moral and economic point of view, we must seek global solutions to these problems.

We must enlist the support of the oil producers—we certainly cannot carry the entire load ourselves.

Frankly, I am not sure that we can obtain the active participation of the OPEC countries.

But, we must search for ways to convince them that it is in their interest, as well as ours, to work together to alleviate the problems of the developing world.

Such cooperation will require peace in the Middle East. It may also require a willingness on our part to offer additional world food aid and expect in return a commitment of OPEC oil revenues to avert global famine and economic collapse in the developing world.

BRIG. GEN. "ANDY" CANNON—"BORN TO FLY"

Mr. McINTYRE. Mr. President, last Friday the Lakes Region of New Hampshire, where I was born and grew up, lost one of its most colorful citizens, Brig. Gen. Andrew B. "Andy" Cannon, retired, an aviation pioneer and war hero whose daring, skill, and ingenuity thrilled us, man and boy, for nearly five decades.

Those of us from small towns like La-

conia, N.H., sometimes romanticize our recollections of boyhood heroes, and if "Andy" Cannon's exploits had been limited to those early hedge-hopping, barnstorming, and stunt flying days perhaps this might have been the case with him.

But our early adulation was justified and prophetic, Mr. President, because "Andy" Cannon was to go on to become a genuine war hero who retired several years ago and returned to the Laconia area where his family has lived for more than half a century.

From those early days when he and his brother, Bill, barnstormed out of the old Laconia airport, "Andy" Cannon went on to fly for the National Guard before World War II, then for the Ferry Command, and finally to rise to high command of the famed Military Air Transport Service.

Along with veterans of General Chennault's Flying Tigers, he helped establish the famous supply route over the Himalayas called "the Hump," and in Lt. Gen. William H. Tunner's book, "Over the Hump," no officer who served with General Tunner got higher praise than "Andy" Cannon.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the account of Andy Cannon's passing and the eulogizing editorial that appeared in my hometown paper, the Laconia Evening Citizen. These two accounts cover many of Andy Cannon's remarkable achievements.

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

Mr. McINTYRE. Mr. President, before I conclude I would like to cite just one to illustrate why General Tunner said Andy Cannon was "born to fly" and why he held him in such esteem.

When the war with Japan ended, General Tunner was confronted with a logistical challenge of alarming proportions. Some 2 million Japanese remained in control of conquered territory, with 300,000 concentrated in the area around Shanghai. The 94th Chinese Army, with 30,000 troops, was stationed at Liuchow, 1,100 miles south of Shanghai. China asked the United States to protect these troops, and the question was how to do it. There were no railroads to evacuate them from Liuchow, and mined waterways prevented the Navy from doing the job.

In his book, General Tunner says:

The situation, of course, called for Colonel Andy Cannon's Douglas C-54's.

Two hundred of these planes were based in Bengal. General Tunner and Andy Cannon laid out a plan calling for each plane to have its gas tanks filled to capacity in Bengal and its cargo space loaded with additional drums of fuel. The planes would then be flown over the Hump to Liuchow, the gas tanks refilled from the auxiliary drums, each plane loaded with 80 Chinese soldiers and their equipment, and then flown on to Shanghai where an American mission had been established and the defeated Japanese persuaded to accept the arrival of the Chinese troops.

Total round trip was 4,615 miles, all to fly one planeload of 80 soldiers and their equipment the 1,100 miles to Shanghai.

Wrote General Tunner:

I knew we would be beset with problems, chiefly in maintenance and communications. I knew that Andy Cannon could handle the job, and in appreciation in advance I named the entire project after him. From then on it was the Cannon Project.

Mr. President, this achievement alone would have established Andy Cannon as a man above men, but it is only one of many in his truly remarkable career.

Aviation has lost a man who was a legend in his time. The Air Force has lost one of its great officers. The people of the Lakes Region of New Hampshire have lost a respected neighbor and fellow citizen. And I have lost a cherished friend.

GEN. ANDREW CANNON DIES; LED BURMA HUMP FLIGHTS

NORTHFIELD.—Brig. Gen. Andrew B. Cannon (Ret.), 69, of Bean Hill Rd., a leader in the history of New Hampshire aviation, died Friday noon at the Veterans' Hospital in Manchester following a short illness.

Gen. Cannon, a resident of the Lakes Region from his early youth, returned here several years ago to make his home following a career in military aviation that extended back before World War II. His flying took him around the world and he was one of the officers who established the famed Military Air Transport command that supplied Allied forces during World War II.

His flying extended back to the old OX5 airplanes developed following the early years of aviation. He used to have later pilots standing in awe with tales of piloting them around the Lakes Region. In that early period any field big enough to get out of was a landing strip and they refueled after a trip with a can at a local gas station.

Gen. Cannon enlisted in the flying branch of the National Guard prior to World War II and entered military flying through that branch. He was later associated with the famed ferry command and had under him such notable flyers as Wrong Way Corrigan, who made history by a flight across the Atlantic to Ireland when according to his flight plan he was headed from New York to Los Angeles.

High in the command of the Military Air Transport service following its establishment during World War II, he was responsible for supplying allied units in the India-Burma-China theater of operations. He was a member of the group that established the supply route over the Himalayas known as "The Hump" to veterans of that war area. Pilots on the initial runs were veterans of the Flying Tiger Fighter Group put together by Gen. Chennault to aid the Chinese forces early in the war.

Following the war Gen. Cannon was retained in service with the MATS command establishing transportation of men and supplies to military bases of the United States around the world. Notable among his achievements during that phase of his career was supplying Navy installations established in Antarctica.

Lt. General William H. Turner of the United States Air Force in his book "Over the Hump" published in 1964 told of high officers who served with him in World War II, and none received higher praise than Gen. Cannon. Indeed, to read Turner's 340-page book one gets the impression he rated "Andy" the best of all.

In the opening chapter Gen. Turner described a "nightmare" experience searching for a lost American flyer on an island near the mouth of the Amazon River. He relates that "the second B-24 (in the search) was piloted by Major Andrew Cannon, the deputy commander of the Sixth Ferrying Group; it was to be my pleasure to hear and see a lot more of Andy Cannon as the years went by."

Gen. Turner organized the India-China Division. He details it in his autobiography, "I asked for Colonel Andrew Cannon. Andy was one of those men born to fly. He'd been a stunt pilot before he'd been brought into the Ferrying Division at the very beginning by General Olds. Cannon was from New Hampshire, but I always thought he talked like a Texan. Wherever you saw Andy with a group of people, you could bet that he would be the one doing the talking. He was quick-witted and clever, and it was a pleasure to listen to him."

Space is devoted by Turner to accounts of the planes flying out of bases in Bengal.

"Wing Commander Andy Cannon," he wrote, "was making good use of those bases, sending his big planes due east across Burma, then north to Kunming at a maximum altitude of ten thousand feet going over, twelve thousand feet on the return trip."

When the war with Japan ended, Gen. Turner was confronted, he said, with a great challenge. Some two million Japanese remained in control of conquered territory. He called Andy Cannon to Calcutta to discuss the problem. Four thousand mile trips were necessary over routes which had no supplies available. The U.S. was asked to transfer 30,000 Chinese troops out of the area.

"The situation," said Gen. Turner, "called for Col. Andy Cannon's Douglas C-54's. By now we not only had over 200 of these big beautiful beasts, but the know-how in operating them. I knew that Andy Cannon could handle the job, and in appreciation in advance I named the entire operation, after him. From then on it was the Cannon Project."

Gen. Cannon is survived by his wife, Mrs. Mabel Cannon, a son, Andrew B. Cannon, Jr., of Center Harbor, a conservation officer with the N.H. Fish and Game Dept.; two brothers, Major William A. Cannon of Weirs Beach and James Cannon of this city; and one nephew, William A. Cannon, Jr., of Fort Myers, Fla.

BORN TO FLY

As news came of the death last Friday of Brig. Gen. Andrew Ballentine Cannon (Ret.) some Lakes Region residents could recall when they saw their first airplane (piloted by Andy Cannon or his brother Bill from the base of their barnstorming operations at the old Laconia airport, now O'Shea Industrial Park.) The Cannon brothers' planes were of the vintage of World War I. Landings in pastures after the craft barely skimmed a stone wall were not unusual. Andy had a job as a loomfixer in a textile mill but soon forsook that employment to make flying his life work.

Historians and novelists found exciting material for books about Major Robert Rogers, Dunbarton farm boy, whose exploits come to mind when one reviews Gen. Cannon's amazing accomplishments.

Ella Shannon Bowles, graduate of Laconia High School, is one of many professional writers, who have portrayed Rogers' unforgettable deeds in 1759 and 1760.

Mrs. Bowles said of him: "He was an outright adventurer by temperament, who helped to make the protest of the tomahawk useless and was an important factor in opening the New Hampshire wilderness to the white man."

We know of two books, and there probably are more, that will be helpful to anyone interested in doing a story on Gen. Cannon as Novelist Kenneth Roberts and others did about Major Rogers.

Note: See "Northwest Passage" by Kenneth L. Roberts.

Through the kindness of Senator McIntyre we obtained a copy of "Deep Freeze," a report of the U.S. Antarctic Research program. It has a picture of Brig. Gen. Cannon, commander, 63rd Troop Carrier Wing, Don-

aldson AFB, South Carolina, which successfully completed a resupplying operation of the scientific stations near the South Pole. The initial complement of 327 men and seven Globemasters was later augmented by three C–124s and 80 men. During the mission 84 flights operated from Christchurch, New Zealand, to McMurdo Sound, carrying 881 tons of cargo and personnel. A total of 68 drops was completed with 1091 tons airdropped. The recovery rate was 99 per cent. Total flying time was 3736 hours.

Gen Cannon had a part in the Berlin Airlift ordered by President Truman in 1948, and Andy's role with the Ferry Command at far corners of the globe is revealed in detail in Lieut. Gen. William H. Tunner's book, "Over the Hump." Tunner, U.S. Air Force, was a West Point graduate, and ready at all times to tackle a rough assignment. He took over control of the Himalaya Airlift of World War II which had been a graveyard for many a commanding officer. His first close knowledge of Cannon's leadership qualities came when Andy was one of 16 pilots ferrying P–38s from Long Beach, Calif., to Oran, North Africa, Pilot Joe DeBona was forced down, due to mechanical trouble, in a dense jungle bordering the Amazon in Dutch Guiana. Gen. Tunner says: "Andy Cannon had gotten in a serious controversy over the lost plane. On arrival at the base in Belem he had quite rightly insisted that the search and rescue section begin its work immediately. The base commander was faced with a dilemma. His orders were to expedite this movement of pursuit planes urgently needed in the fight for North Africa. To let Cannon go on the search would delay them. . . . I didn't know of this controversy, but I did know that DeBona was down and I wanted him rescued." Finally after several days, flares were seen by a rescue plane, and he was brought to safety, ill with malaria, but otherwise unharmed.

Gen. Tunner, providing background information on Andy says he was "born to fly" and early in World War II was assigned by Tunner to command the large Long Beach, Calif., airbase.

Sudden end of the war with Japan, with two atomic explosions, occasioned unusual military difficulties according to Tunner. In the area about Shanghai three hundred thousand Japanese were concentrated. The nearest Allied Force was the 94th Chinese Army, composed of approximately 30,000 troops and stationed at Liuchow. China requested the U.S. to protect these troops. Liuchow was 1100 miles south of Shanghai, Gen. Tunner recalls and between the two points were no railroads. The Navy could not help until waterways were cleared of mines. Gen. Wedemyer asked Gen. Tunner to take the job, and Tunner called Andy Cannon to Calcutta to talk over ways and means of moving the Chinese. In the area between Shanghai and Liuchow there were no supplies of any kind.

"The situation of course," Gen. Tunner reports, "called for Colonel Andy Cannon's Douglas C–54s." Over two hundred were available. This plan was devise by Messrs. Tunner and Cannon: "Each plane, before leaving its base at Bengal, would have its gas tanks filled to the maximum, and additional drums of gas to the maximum allowable weight of the plane would be loaded as cargo. The big C–54 would then fly over the Hump to Liuchow, where the drums would be unloaded. The airplane's tanks would be replenished with gasoline from these drums for the round trip to Shanghai."

When the planes were on the way back, they stopped for a new supply of gas from the reservoir at Liuchow which had been freighted to that spot as cabin cargo. The procedures was repeated on the return to Bengal.

Total round trip was 4615 miles, all to fly one plane load of eighty soldiers and their equipment the 1100 miles to Shanghai.

"I knew," wrote Gen. Tunner, "we would be beset with problems, chiefly in maintenance and communications. I knew that Andy Cannon could handle the job, and in appreciation in advance I named the entire operations after him. From then on it was the Cannon Project."

Shanghai had been in Japanese control for eight years. Col. Richard DeVania, who had been sent ahead by Gen. Tunner to make arrangements for arrival of 30,000 Chinese was not cordially received. In fact, he was taken into custody by the Japanese, and threatened with expulsion. An American named Healy appeared. He had escaped from a Japanese concentration camp, and with considerable nerve set up what he called "the American Mission" in Shanghai only the day before. DeVania was resourceful, too, and the Japanese reluctantly agreed to admit the Chinese troops. "Within twenty four hours the Cannon Project was landing Chinese troops there" are Gen. Tunner's terse words concluding the story.

On page 131 of his book Gen. Tunner refers to a staff meeting attended by Co. Lonnie Campbell from the Assam Wing, Colonel Andy Cannon from the Bengal Wing, and "my commander in China, Col. Dick Bonniley, in addition to the regular staff officers. . . . They were industrials, dedicated, and patriotic men, and they were human too."

Those of us who knew Gen. Cannon can testify that the foregoing words applied to Andy by Gen. Tunner were correct in every way.

AVIATION SAFETY

Mr. HARTKE. Mr. President, recently an article appeared in the Washington Post which indicated that laxity on the part of the Federal Aviation Administration may have caused the worst accident in civil aviation history and the deaths of 344 people. If the revelations of this article prove to be accurate, it will be a sad day in the history of Government regulation of the airways.

The FAA is charged with the responsibility of assuring safety in the air. It is given the power to do this without having to go through the bureaucracy of the Department of Transportation, despite the fact that FAA is part of that Department.

The article claims that a similar accident involving a rear cargo door occurred in 1972 and that the National Transportation Safety Board had recommended that the cargo door locking system be modified. The FAA then issued a directive requiring that modification, but subsequently withdrew the directive "upon appeal to the FAA Administrator by the manufacturer."

It is time that we in Congress took a close look at the FAA to determine just how beholden it is to the various aspects of the industry it is supposed to be regulating. If this were the first example of alleged pandering to the aviation industry by FAA, we might have cause to term it a tragic mistake; but it is not the first such incident which has caused the loss of life.

Mr. President, I ask unanimous consent to have two articles on this subject printed in the RECORD.

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

FAA SAFETY PROPOSAL, LATER EASED, MIGHT HAVE AVERTED DC–10 CRASH

(By Jack Egan)

U.S. safety experts believe the recent Turkish Airlines DC-10 crash near Paris—with 344 deaths the worst accident in civil aviation history—would have been averted if recommendations made after an apparently similar but nonfatal accident over Windsor, Ont., in 1972 had been put into effect.

Documents have become available that reveal:

The Federal Aviation Administration soon after the Canadian incident drafted a regulation requiring modification of the rear cargo door to prevent it opening in mid-air. But it was never issued after McDonnell-Douglas, the plane's manufacturer, appealed directly to then-FAA Administrator John H. Shaffer. Instead, the FAA agreed to let the company use the less public method of issuing service bulletins to operators of DC–10s, calling only for voluntary compliance.

McDonnell-Douglas, in addition, resisted implementing a National Transportation Safety Board recommendation that came out of the 1972 investigation. As late as one week before the March 3 Paris crash, McDonnell-Douglas—in a letter to the FAA—said it did "not have the manpower" to determine if it was feasible to put the safety measure into effect.

The sequence of events between the two incidents raises serious questions about how resolutely the FAA has required safety-related changes if they are resisted by the manufacturer for either economic or public-relations reasons. Subcommittees in both the Senate and House will hold hearings on the issue next week.

While official investigations are still under way, air safety experts believe the Paris DC-10 crash was caused by a defective rear cargo door which was not completely latched and popped open soon after takeoff.

The open door caused a rapid decompression in the cabin, collapsing the floor and severing the plane's control cables which are routed underneath, according to the theory. People in the rear were sucked out of the plane.

The potentially defective cargo door was discovered after the Canadian incident. An American Airlines DC–10 experienced the sequence of decompression, a collapsed cabin floor and mangled controls after the rear hatch suddenly opened at 12,000 feet, about the same altitude as in the Paris crash. The American Airlines pilot, however, retained enough control to land the plane with no fatalities.

The National Transportation Safety Board pinpointed the design of the door latch as the probable cause of the incident and made two recommendations:

Require the cargo-door locking system to be modified so that it could not appear locked "unless the locking pins are fully engaged."

Require installation of relief vents between the passenger cabin and the cargo compartment to prevent collapse of the floor even if the cargo door should come off.

Federal Aviation Administrator Alexander P. Butterfield, in a letter to Reed, confirmed that the FAA drafted an airworthiness directive—which has the force of a regulation—a few days after the Canadian incident. But "upon appeal to the administrator by the manufacturer, a decision was made to forego the issuance of ADs," Butterfield wrote.

Instead, McDonnell-Douglas issued a less visible service bulletin to the U.S. airlines then flying DC–10s. The language in the service bulletin, and in an FAA telegram to the airlines, was the same as in the scrapped directive but it merely specified rather than legally requiring the modifications.

Butterfield, in his letter to Reed, said that soon after the Paris crash "I learned that certain of these modifications had not been carried out, and that there were some uncertainties in the records available to us with regard to the status of DC-10 aircraft."

He then "directed that the door modification program be formalized through ADs and made the subject of an immediate FAA regulatory surveillance program. An AD was issued that day. It meant, of course, that no DC-10 could be flown by a U.S. operator except in compliance with its terms."

The AD was also shipped to all foreign airlines flying the DC-10, which was not necessarily the case with the original service bulletins.

The directive was not, however, binding on foreign lines.

On the venting issue, the FAA—under the prodding of the NTSB—periodically asked McDonnell-Douglas to make recommendations on what could be done to prevent a floor collapse from depressurization.

A letter from the FAA to the chief engineer of the aircraft manufacturer on Feb. 2, 1973, said, ". . . We believe the loss of an airplane because the floor collapses under such conditions and disrupted vital systems, would be unacceptable."

McDonnell-Douglas responded March 15, 1973, that there would need to be "a considerable increase in floor and fuselage weight" if the plane were redesigned to meet the possibility of a large cargo door opening, thus cutting down either the number of passengers or the amount of cargo that could be carried. "In our opinion, this is unwarranted, due to the excellent safety record of structure in service aircraft," the letter went on.

Nearly a year later, on Feb. 13, 1974, the FAA made a more specific request for information on the feasibility of some kind of venting arrangement.

McDonnell-Douglas responded Feb. 25 that it was not "in a position to accept this burden alone" of undertaking the kind of study that the FAA was requesting that the "questions involve the whole transport aircraft industry" and it suggested that "the FAA consider the possibility of funding this study because of the magnitude of the effort required."

"We will not plan any further action on your Feb. 13, 1974, letter until we hear from you further," the letter from McDonnell-Douglas concluded.

Six days later the Paris crash occurred.

[McDonnell-Douglas, through it Douglas Aircraft Co. division in Long Beach, Calif., said last night that there was no connection between its correspondence with the FAA in February regarding a proposed safety analysis and the accident, the Associated Press reported.

["To imply that a different response on our part could have prevented the tragedy is both irresponsible and malicious," said division president John C. Brizendine.]

FAA AIDE CRITICIZES AGENCY FOR CANCELING SAFETY ORDER

(By Jack Egan)

A Federal Aviation Administration official said yesterday that the agency should not have canceled his 1972 directive ordering mandatory changes in cargo doors on DC-10 airliners.

The official, Arvin O. Basnight, director of the FAA's Western region, declined to say who recalled the order, pointing out that he was under subpeona to testify before congressional committees investigating the March 3 crash of a DC-10 near Paris. The crash—the worst in civil aviation history—killed 346 persons.

A failure of the rear cargo door to latch properly is believed to have caused the Turkish Airlines crash near Paris. The door, according to U.S. safety experts, was ripped open soon after takeoff. This would have rapidly depressurized the cargo area, collapsing the floor about it, sucking passengers in the rear cabin out the opening and severing the airplane's control cables below the cabin floor.

The plane's manufacturer, McDonnell-Douglas, said in a statement that after an accident over Canada in 1972 the company "took immediate action to make the cargo door latching mechanism failsafe, regardless of human error or abuse of the mechanism."

The rear cargo door defect was first pinpointed in the nonfatal air incident over Windsor, Ont. Four days after the Canadian incident, Basnight's Western region—which has jurisdiction over California-based McDonnell-Douglas Corp.—drafted the first of what were to be several administrative directives (ADs) to prevent a recurrence of the problem.

"Upon appeal to the (FAA) administrator by the manufacturer, a decision was made to forgo the issuance of ADs and, instead, to seek the modification of the cargo compartment door latching mechanism through voluntary compliance by operators with McDonnell-Douglas service bulletins," the present head, Alexander P. Butterfield, explained in a letter this week.

John H. Shaffer, who was FAA administrator at the time, could not be reached for comment.

Basnight explained that an AD for domestic airlines "has the force of law, and it invokes the FAA's inspector personnel to check it," while on a service bulletin the FAA inspectors "may do it, but are not required to do it."

For foreign airlines, an AD is not mandatory, but it must be sent to the governments of all airlines operating a particular aircraft while a service bulletin does not have to be provided to the foreign government.

He said an inspection of all 134 DC-10s subsequent to the Paris crash showed that two craft did not have modifications called for by the service bulletins, including the Turkish Airlines plane, which was purchased after the bulletins had been issued. The other DC-10, also operated by a foreign airline, has since been modified.

In addition, the FAA is in the process of issuing another AD requiring a further refinement on the rear door incorporating a so-called "closed loop" system that won't let the airline pressurize unless the cargo door is completely locked.

"The attitude of McDonnell-Douglas has changed with the demonstration of the two accidents now," Basnight said. "The company has adopted the position that whatever is required, they'll do it."

McDonnell-Douglas president John C. Brizendine, in the statement issued late Thursday, admitted that the Turkish plane's rear cargo door, which has now been recovered, "did not incorporate all the approved changes," but he did not explain why.

He said that "all aircraft now flying anywhere in the world have been reinspected thoroughly to establish beyond doubt that they now do incorporate the necessary changes."

Richard S. Sliff, chief of the FAA Western region's aircraft engineering division, said a faulty early version of the cargo door caused the floor of a mockup DC-10 to collapse during pressurization tests of the plane in 1971, prior to its certification.

The door—which was never certificated "blow off the test article," Sliff said, when pressure reached about 5 pounds per square inch, and that "the structure above the door the floor—deformed toward the door."

This initial version was replaced by the redesigned door that would up on the certificated plane and the FAA described as "failsafe."

MONTHLY LIST OF GAO REPORTS

Mr. METCALF. Mr. President, the General Accounting Office, an arm of the Congress, releases many of the letters and reports prepared for Members and committees. These releases are conveniently summarized in the Comptroller General's "Monthly List of GAO Reports." I have previously inserted issues of this invaluable summary report, and ask unanimous consent that the current issue, March 1974, be printed in the RECORD.

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

MONTHLY LIST OF GAO REPORTS—COMPTROLLER GENERAL OF THE UNITED STATES

AGRICULTURE AND RURAL DEVELOPMENT

Audit of Commodity Credit Corporation Fiscal Year 1973. Department of Agriculture. B-114824 of February 7.

CCC reported a $4.09 billion loss for fiscal year 1973, up $637 million from its $3.46 billion loss for fiscal year 1972. This loss was CCC's second highest since it was created in 1933—the highest was $4.21 billion for fiscal year 1970.

Most of the loss for 1973 resulted from—

Net direct payments of $3.1 billion to producers for setting aside land from production of feed grains, cotton, and wheat during the 1972 crop year.

Interest expense of $370 million, and

Export subsidies of $349 million.

COMMERCE AND TRANSPORTATION

Fewer and Fewer Amtrak Trains Arrive on Time—Causes of Delays. National Railroad Passenger Corporation. B-175155 of December 28, 1973, released February 5 by the Chairman, Subcommittee on Transportation and Aeronautics, House Committee on Interstate and Foreign Commerce.

This is the last of four GAO reviews on Amtrak operations, considered critical to reestablishing satisfactory passenger rail service in the U.S.

Amtrak's objective of operating 9 out of every 10 trains on time was not achieved. One of every four trains was late in 1972 and one of every three was late in the first half of 1973.

Time lost because of track conditions and maintenance work increased from 8,700 minutes in January 1972 to 23,700 minutes in December 1972—an increase of 170 percent. During the first half of 1973, one-third of all reported train delays resulted from this cause.

EDUCATION AND MANPOWER

Case Study of the Hawaii Public Employment Relations Act. B-172376 of February 1.

Hawaii's public employee collective-bargaining law goes further than do the laws of most public jurisdictions in adopting the customs of private-sector bargaining. It provides for statutory bargaining units; union security; a defined scope of bargaining; third-party administration; and, within the limits of public health and safety, the right to strike.

GAO found general agreement that the law was working reasonably well. Almost no one was opposed to collective bargaining by public employees or major provisions of the law—despite the seemingly radical nature of some of them. The Hawaiian experience may provide a basis for assessing issues that will be raised in other public jurisdictions in formulating an employee-management relations program.

GENERAL GOVERNMENT

Design and Administration of the Adverse Action and Appeal Systems Need to be Improved. Civil Service Commission. B-1798170 of February 5.

The need for agency appeal systems is questionable because of problems associated with

Inexperienced and inadequately trained agency hearing officers;

Excessive time required to process appeals at agency level; and

Duplicate effort involved in having hearings by both agencies and the Commission.

The Commission's objectively and impartiality and employee trust in the appeal system can be increased through a restructuring of the Commission's appellate organization.

Such restructuring should centralize administration of the appeal program and separate personnel management from adjudication of appeals, which would avoid the appearance of conflict that these dual functions create.

Opportunities for Savings in the Procurement of Tab Paper. General Services Adminstration. (To the Administrator, GSA.) B-115369 of February 7.

GAO examined how the Federal Government spends an estimated $100 million annually for tab paper used with computers. Greater economies could be realized in the procurement of this paper if more of it were purchased under competitive contracts.

GSA estimated, for example, that its annual cost of $8 million for commonly used tab paper, purchased under competitive contracts, was 20 percent less than the cost of the paper at the lowest prices offered by suppliers under contracts to the Government Printing Office.

These contracts are multiple awards at varying prices to all responsive suppliers. Under more competitive conditions there would be greater incentive for suppliers to offer lower prices. Efforts should be made to develop a more competitive method of awarding Government Printing Office contracts, as well as those of other departments or agencies.

Changes in Law Recommended to Enable GSA to be More Effective in Selling Excess Properties and in Acquiring Public Building Sites. General Services Administration. B-165511 of February 15.

Under competitive bidding the Government would have more assurance of receiving the highest value for excess property than it has under negotiated exchanges based on appraised fair market value.

Appraised values do not sufficiently assure that the Government is receiving the highest value obtainable because participation in an exchange is limited to one individual. In some cases former Government property was sold, shortly after an exchange, at prices much higher than the appraised value at which it had been exchanged.

To provide all interested parties an opportunity to acquire excess Government property in exchanges, the Congress should consider amending the law to permit GSA to offer such property at competitive bid and to deposit the cash proceeds into a building fund to be used, subject to annual appropriation acts, for acquiring public building sites.

INTERNATIONAL AFFAIRS AND FINANCE

United States Programs in Ghana. B-179421 of February 12.

For a 5-year period through FY 1971, the U.S. gave about $155 million, or an average of $31 million a year, in bilateral economic assistance to Ghana. This was the largest single source of assistance to that country.

However, this assistance has been primarily balance-of-payments support through loans to finance Ghana's import of commodities and Public Law 480 sales of agricultural commodities.

The 1973 U.S. program of $25.3 million reserved $19 million to be loaned to Ghana as soon as Ghana and its creditors agree on resolving that country's debt problem.

Because of the seriousness of the problem, Congress may wish to review with the State Department and AID the role of foreign donors, including the U.S., in providing a net-aid flow to support Ghana's economic development.

Exporters' Profits on Sales of U.S. Wheat to Russia. Department of Agriculture. B-176943 of February 12.

Financial results of the Russian wheat sales of July and August, 1972, cannot be determined precisely.

Six companies participated. Five voluntarily made their records and documents pertaining to the transactions available. The Louis Reyfus Corp. sold about 83 million bushels to Russia; the company refused GAO access to its records.

Estimated results of the sales ranged from a profit of 2 cents to a loss of 1.9 cents per bushel on sales of 316 million bushels.

However, grain exporters had opportunities to make unusual profits on their non-Russian sales through September 1972, and thereafter, because these sales were made at higher prices while the exporters still received subsidies. Fifty examples of companies' non-Russian sales showed possible profits per bushel ranging from 2 to 53 cents. Five additional examples showed possible profits per bushel ranging from 8 to 37 cents.

NATIONAL DEFENSE

Improvements Needed in Managing Nonexpendable End-item Equipment in the Air Force. B-133361 of February 26.

GAO tested the accuracy of the Air Force's new Equipment Management System to determine whether management was receiving current, complete, and accurate information on which to base budget, procurement and other decisions.

On the basis of analyzing 200 statistically selected computations, GAO estimates that gross equipment needs were misstated by $454 million and assets available to meet these needs were misstated by $383 million.

GAO found that management was not always provided with reliable data for making decisions to buy, budget, hold or release equipment.

Audit of Payments from Special Bank Account to Lockheed Aircraft Corporation for the C-5A Aircraft Program During the Quarter Ended December 31, 1973. Department of Defense B-162578 of February 19.

This is GAO's 11th report on the audit of payments to Lockheed. Since June 16, 1971, the Air Force has paid Lockheed $611 million from the special bank account against the total appropriated amount of $657.5 million.

Adequate Medical Evidence Needed When Approving Extended Sick Leave For Retiring Employees. Department of Defense (To the Secretary of Defense.) B-152073 of February 19.

To prevent loss of unused sick leave, the Federal retirement law was amended in 1969 to permit available sick leave to be added to employees' service time in computing retirement annuities.

While this change created incentive for conserving sick leave, it still is more advantageous financially for employees to use sick leave on the threshold of retirement. By doing so, employees generally obtain a larger increase in their retirement annuities as well as receiving full pay while on sick leave.

About 300,000 DOD employees are now or soon will be eligible for optional retirement. Granting of extended sick leave prior to optional retirement on the basis of inadequate medical evidence could become a major problem throughout DOD unless the Secretary

Requires medical examinations,

Defines medical evidence to support an incapacity for duty,

Checks extended absences, and

Reassigns disabled employees to positions they could still perform.

Consolidation of Reserve C-130 Airlift Squadrons Consistent with the Total-Force Concept Would Reduce Reserve Personnel Needs and Operating Costs. Department of the Air Force. B-158626 of February 20.

Using 1972 costs of Reserve and Guard squadrons as a basis for its estimates, GAO believes $27 million could be saved annually by reducing the 28 Reserve and Guard squadrons to 14 squadrons and equipping them like Active Squadrons.

Of the $27 million projected savings, about $24 million would result from a reduction in military and civilian personnel needed to sustain 14 squadrons with 16 aircraft each rather than 28 squadrons with 6 or 8 aircraft.

Need to Improve Administration of Stevedoring Contract at the Military Ocean Terminal, Sunny Point, North Carolina. B-177404 of December 14, 1972, released February 12 by the Chairman, Subcommittee on Manpower and Civil Service, House Committee on Post Office and Civil Service.

Controls at Sunny Point need to be improved to insure that provisions of the stevedoring contract are fulfilled. Timekeeping procedures are inadequate and cannot be relied on to verify the stevedoring contractor's charges.

Weaknesses are attributable to the insufficient number of Army timekeepers assigned to each ship to check the stevedores' and carpenters' time and to lack of written instructions defining timekeepers' functions and responsibilities.

NATURAL RESOURCES AND ENVIRONMENT

Action Needed to Improve Federal Efforts in Collecting, Analyzing, and Reporting Energy Data, (*To the Chairman, Senate Committee on Interior and Insular Affairs.*) *B-178205 of February 6.*

This report concludes it would be feasible to establish within the executive branch an energy information system containing current and valid information on energy supply and demand. To establish the system, however, legislation will be required.

It will take a significant period of time—years—to develop an adequate system and intervening steps will be necessary to reach this goal.

The report summarizes the existing situation, describes current data collection processes and problems, focuses on very recent activities in the Federal Energy Office and in the Congress, and sets forth GAO findings in support of the conclusion that a data system is feasible.

More Intensive Reforestation and Timber Stand Improvement Programs Could Help Meet Timber Demand. *Forest Service, Department of Agriculture. B-125053 of February 14.*

Obtaining the best timber growth on national forest land will require accelerated reforestation and timber stand improvement and better land inventory data and fund allocation procedures so that available funds are used on the highest priority work.

The Forest Service acknowledges its land inventory data and fund allocation procedures have not been adequate to make sure that available funds are used where reforestation and timber stand improvement would result in the best possible timber growth.

Congress may wish to consider Forest Service progress in improving land inventory data and allocation procedures so that funds are used on a priority basis and to reduce the large backlog of land needing reforestation and timber stand improvement.

VETERANS BENEFITS AND SERVICES

Examination of Financial Statements of Veterans Canteen Service for Fiscal Year 1973. Veterans Administration. B-114818 of February 25.

During FY 1973 the Service operated 169 canteens—one in each VA hospital and home—located throughout the U.S. and Puerto Rico. Services were available to a daily average of about 82,000 hospitalized veterans, 10,000 veterans domiciled in VA homes and about 30,000 veteran outpatients.

In FY 1973 sales totaled $86 million and resulted in a net operating income of $1.4 million, an increase of 32 percent over the previous year.

In GAO's opinion, the financial statements present fairly the position of the Service at June 30, 1973, and the results of its operations and changes in financial position for the year then ended.

LETTER REPORTS

To Senator James O. Eastland, on the Head Start program operated by the Community Education Extension, Mary Holmes College, Jackson, Mississippi, B-157356 of February 8, released February 19.

To Representative Claude Pepper, on allocation of revenue sharing funds to programs to benefit the elderly. B-146285 of February 14, released February 22.

To Representative Patricia Schroeder, on travel to Alaska by staff of the National Field Investigations Center, Environmental Protection Agency, Denver, Colorado. B-179514 of January 29, released February 1.

To the Chairman, Subcommittee on Priorities and Economy in Government, Joint Economic Committee, on use of should-cost studies by the Army and Navy. B-159896 of January 17, released February 11.

To the Chairman, Senate Committee on Agriculture and Forestry, concerning data available from Federal agencies on need for water and waste disposal systems in rural area. B-166506 of December 28, 1973, released February 26.

To Representative George E. Brown, Jr., on Air Force plans to perform custodial services by contract at Norton Air Force Base, California. B-178849 of July 2, 1973, released February 7.

To the Chairman, Subcommittee on Transportation, House Committee on Appropriations, on use of FY 73 funds appropriated to the Federal Railroad Administration for additional positions in the Bureau of Railroad Safety. B-178306 of May 18, 1973, released February 20.

To the Secretary of Defense, pointing out the need to consider the priority of research needs for the Antiballistic Missile system. B-164240 of February 4.

To the Secretary of Defense, on planning of innovative research by DOD and the military services. B-167034 of February 14.

To the Secretary of Health, Education, and Welfare, on Medicaid expenditures for "ineffective or possibly effective" prescription drugs. B-164031(2) of February 15.

OFFICE OF FEDERAL ELECTIONS REPORTS

The Office of Federal Elections, on February 5, referred to the U.S. Attorney General, the Ohio Attorney General, and other Federal and Satte officials, apparent violations of law by the Ohio Democratic Party, in hiring State employees on the basis of political activity.

OFE also issued a background summary on the administration of the Presidential Election Campaign Fund for the 1976 presidential election.

HOW TO OBTAIN GAO AUDIT REPORTS

Copies of these reports are available from the U.S. General Accounting Office, Room 6427, 441 G Street, N.W., Washington, D.C. 20548. Phone (202) 386-3784.

Copies are provided without charge to Members of Congress, congressional committee staff members, Government officials, members of the press, college libraries, faculty members, and students. The price to the general public is $1.00 a copy, except as noted. There is no charge for copies of letter reports.

When ordering a GAO report, please use the B-number, date and title to expedite filling the order. Orders should be accompanied by check or money order. Please do not send cash.

Copies of Office of Federal Elections reports are available from the U.S. General Acounting Office, Room 6510, 441 G Street, NW., Washington, D.C., 20548. Phone (202) 386-6411. Copies are free, except as noted.

IN DEFENSE OF CONGRESS

Mr. ROBERT C. BYRD. Mr. President, the accomplishments of the 93d Congress have been commendable. I believe that the Senate has compiled a splendid record thus far, and the fine cooperation between Democrats and Republicans in this body clearly shows that Congress is still the people's branch of government.

Yet, despite its fine record, Congress still finds itself the target of what I consider to be unjustified criticism. These attacks on Congress receive widespread media coverage, while the actual performance of Congress—in too many instances—goes unreported.

I have said on several occasions that all of us who are Members of Congress should make a conscientious effort to defend Congress as an institution against such attacks.

Yesterday, at a luncheon of the National Capital Democratic Club, I had an opportunity to speak up for Congress. I did so.

I ask unanimous consent that my speech be printed in the RECORD.

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

SPEECH TO NATIONAL DEMOCRATIC CLUB BY U.S. SENATOR ROBERT C. BYRD, OF WEST VIRGINIA

Mr. Chairman, my fellow West Virginians—several of whom are here—my fellow Democrats, my Republican friends—some of whom are present—ladies and gentleman:

In 1215, the Barons of England met with King John on the meadow at Runnymede. They were not demanding new laws or better laws, but a righteous and consistent administration of laws already established and regarded as their immemorial birthright as Englishmen.

They had found John to be arbitrary, untrustworthy, never to be counted on to follow any fixed precedent to limit himself by any common understanding—a lying man who respected no man's rights and thought only of having his own will.

And they came, a body of armed men in counsel, to have a final reckoning with him. And, so, they thrust Magna Charta into his hand to be signed. Swords made uneasy, stir in their scabbards; and John had no choice but to sign.

That was the beginning of constitutional government in its simplest form. It established, once and for all time, the ideal of a government conducted upon the basis of a definite understanding—and if need be on the basis of a formal pact—between those who are to submit to it and those who are to conduct it, with a view to making government an instrument of the general welfare rather than an arbitrary, self-willed master, to do what it pleases.

572 years later, a group of illustrious men met in Philadelphia to draft a new Magna Charta which would serve as the organic law and basic charter of a new nation.

Some of them were descendents of Englishmen, but all of them were familiar with denial of justice and liberty by the tyranny of an English monarch.

They were determined that their fledgling government would forever be responsive to the will of the governed, and that no powers reposited in any office or in any place would ever go unchecked.

To accomplish this, they devised three equal and coordinate branches of government—the legislative, executive, and judicial—each subject to a system of checks and balances.

187 years have passed since the creation, in Philadelphia, of the American parliament, or Congress. It is the People's Branch—the voice of those who are governed, translating their will into the laws of the land.

During the past year, we nave seen a severe strain placed upon the system of checks and balances. It is not too much to say, I believe, that the principles first laid down at Runnymede, and reiterated by the framers of our Constitution at Philadelphia, are today threatened as they may not have been before in our history.

Presidential impoundments have greatly increased over those of any previous administration. The doctrine of Executive Privilege—unmentioned in the Constitution but obviously inherent in the executive powers relative to national security—has been invoked without regard to the people's right to know what their government is doing.

The Executive Branch of Government, symbolized by one man and speaking with one voice—the President—has virtually commandeered the television and radio media to launch subtle, but sustained and unjustified attacks upon the Legislative Branch.

The criticism is deliberate, apparently calculated to portray Congress a being partisanly uncooperative in respect to the enactment of legislation, and partisanly motivated in the House impeachment inquiry.

The apparent objective is to create an underdog sympathy toward an embattled President; convey the impression that Congress is tied up in Watergate and "out to get" the President; and divert the growing anxiety and distrust of the people away from the President and toward the Congress.

It is a strategy that can only mislead the people, and it is designed to sabotage the legitimate and constitutional impeachment inquiry by the House of Representatives, and avoid the disaster of a possible trial and conviction by the Senate.

I know this is strong language. Yet, it comes from one who will not prejudge the President's guilt or innocence before a House vote on articles of impeachment—if such occurs. But it also comes from one who, as a member of the Legislative Branch, cannot but resent unfair and misleading criticism of Congress.

This Congress has been a progressive one, and, though under the control of Democrats, it has not been overly partisan; it has been objective and cooperative in dealing with the President and the Executive Branch. It will continue to be.

The President, last week, in a nationally televised appearance in Houston, Texas, sought to place blame on Congress for the Nation's current energy problems.

"There are now 17 energy bills before the Congress," he said, "which have not been acted upon,"—the inference being that Congress had done nothing.

Congress is "dragging its feet," he said. The truth is that Congress had already developed its own proposals to deal with energy matters, many of which were well on the way to enactment before the Administration could even make up its mind that an energy problem really existed.

The Senate has enacted a great deal of energy legislation—often in the face of Administration opposition. And the President vetoed the very energy bill that contained

a good many of the 17 measures which he now says he has been wanting for so long.

But the President, in his effort to blame Congress, did not see fit to remind his audience in Houston, Texas, that he had vetoed the energy bill.

"One year of Watergate is enough," the President said in his State of the Union Message. The impression sought to be conveyed, of course, was that Congress has been all tied up in Watergate. In reality, the converse is true.

Only 7 Senators were on the Watergate Committee, and, while those hearings were being televised to the nation last summer, the work of 93 other Senators and 435 Representatives—active on 250 other Senate and House committees and subcommittees was not being televised.

The Senate has already compiled a remarkable record during this 93rd Congress consider, for example, the Alaska Pipeline Bill; the Strip Mining Bill; the Petroleum Allocations Bill; the National Energy Emergency Act; Social Security Pay Increases; Minimum Wage—vetoed once by the President and passed a second time; legislation on Health Maintenance Organizations, Emergency Medical Services, and Sudden Infant Death Syndrome; Job Training legislation; the War Powers Bill, enacted over the President's veto; legislation dealing with the freight car shortage, the death penalty, housing, D.C. Home Rule, public works and economic development, and veterans' care; the Federal Highway Bill; Voter Registration; Pension Reform; Election Reform; Wage and Price Control legislation; the Congressional Budget Reform Bill; and legislation terminating the bombing in Indochina—which, by the way, was what really got us out of Vietnam.

The list of legislative accomplishments is too long to further repeat here. And I shall not go into the oversight function of Congress which the Senate has been performing well. It is enough merely to recall the confirmation hearings on the nominations of L. Patrick Gray, Elliott Richardson, William Saxbe, William Ruckelshaus, and Gerald Ford; and the Senate Judiciary Committee hearings on the guidelines covering the investigations by Special Prosecutors Cox and Jaworski.

What a splendid record of dedication and responsible service on the part of both Democrats and Republicans in the People's Branch!

But somebody needs to remind the people of that record in the face of unfair criticism and attack!

The President has sought to convey the idea that Congress is dragging out Watergate! "To drag out Watergate only drags down America," he told his Houston audience last week.

Congress did not create Watergate! And Congress is not dragging out Watergate. The President could have done more than anyone else to put Watergate behind us a long time ago, if he had only cooperated with the courts and the Special Prosecutors in carrying out their responsibilities.

"Clear the innocent and punish the guilty," he has said. Yet, the evidence to do both is withheld time and time again under the cloak of Executive Privilege, spuriously invoked.

He would cooperate with Special Prosecutor Archibald Cox, the President said. Yet, Cox was summarily and—according to the court—illegally fired for seeking to secure evidence from the White House through the judicial process.

He has cooperated with Special Prosecutor Jaworski, the President says. Yet, Jaworski, in a letter to the Senate Judiciary Committee on February 14 said the President had terminated cooperation. Even while the President was assuring his Houston audience last week that Jaworski had been given all the information he needed, a subpoena from Jaworski for other documents from the White House had been issued, and the President knew it!

He will cooperate with the House Judiciary Committee's impeachment inquiry, the President assured the nation in his televised State of the Union Message. The game-plan, however, as it has since unfolded, is to restrict the parameters of impeachable offenses and to limit the scope of the House inquiry. As a matter of fact, the President's lawyer, Mr. St. Clair, has reportedly been meeting privately with key Republicans on Capitol Hill in an apparent effort to win support for President Nixon's refusal to give further Watergate evidence to the House Judiciary Committee until that body formulates its charges. Now who is dragging out Watergate!

The President says he is compelled to defend the confidentiality of Presidential discussions. Yet, the principle of confidentiality was compromised when conversations were taped at the White House without notice to those whose words were being recorded.

Mr. Nixon said he would never give Congress a "hunting license or fishing license" to search through Presidential papers. The House committee has made no such unreasonable demand.

It wants tapes of 42 conversations, together with information regarding the White House indexing system—all of which would probably not fill a wheelbarrow, let alone a "U-Haul trailer."

So, instead of cooperation with the courts, the Federal grand juries, the House Judiciary Committee, and the special prosecutors—both of whom were selected by the Administration—road blocks have been thrown up at every turn of the way.

No evidence has been yielded by the White House except grudgingly, and then, only under pressure of public opinion or the threat of court action.

Repeated promises of cooperation have been followed by much ducking and weaving and have been repeatedly meaningless as if to remind us of Mr. John Mitchell's sage remark, "You'd be better informed if instead of listening to what we say, you watch what we do."

The House Judiciary Committee—both Democrats and Republicans—are to be commended on proceeding carefully, objectively, and judiciously in the impeachment inquiry—an unpleasant but solemn duty thrust upon them by the Constitution. And they are to be commended for refusing to be goaded or stampeded into acting prematurely to impeach for contempt.

So, the Congress is still the People's Branch. It is still faithful to the trust bequeathed to it by the constitutional framers.

Our duty, as Democrats, is to work to strengthen the control of our Party over the Congress this fall and to restore leadership of the country to the Democratic Party in 1976! Never again do we want to see divided leadership, divided responsibility, and divided government in the United States of America!

The last 15 months have marked a downward trend in the fortunes of our country. Because of the plethora of scandals involving people in high places in the Administration, and because of the cloud that hangs over the President, our country has been weakened at home and abroad.

It has been weakened because the power of the President has been eroded—eroded not from without, but from within. He speaks and the people do not believe him.

Only the holder of the office can weaken the Presidency, but the Presidency has been weakened—and at a time when plans are being laid for a summit meeting in Moscow in June!

A worse time could hardly have been chosen for so critical a mission to the Soviet Union for nuclear talks.

What a pathetic spectacle—to see the President of the United States repeatedly appearing on national television to answer questions concerning his possible misconduct in office!

What a sorrowful thing for the President to have to proclaim before the Nation that he is "not a crook"!

Not long ago, our Nation's military forces were put on worldwide alert. Our people were told that there was a Middle East crisis. They did not believe it!

More recently, our people were told that there was an energy crisis. They did not believe it! Whatever energy problem truly existed, they thought it was contrived!

When people lose faith in their leaders, they can lose nothing more. When they no longer believe in a national destiny, every man thinks only of himself.

What if circumstances were suddenly to arise necessitating the calling of men to the colors to protect our Nation's safety! Who would believe there was a crisis?

If American fighting men were suddenly to be called upon to go abroad to protect the security interests of our Nation, how many of our young men would be willing to go?

How strong is an Army, a Navy, an Air Force whose Commander-in-Chief no longer has the support of a majority of his people?

But not only the Presidency has suffered a loss of faith among the people; the people have lost confidence in all of the institutions of government. That confidence has to be restored!

If our country is to remain strong, the people must be united in their faith in their government! They have never lost faith in our constitutional system; the loss of faith has been toward those who man the public institutions of government. Public men have failed to measure up!

Woodrow Wilson, a great President and a great Democrat, said, "Constitute them how you will, governments are always governments of men, and no part of any government is better than the men to whom that part is entrusted."

The quality of government is gauged by the conscience, the intelligence, the integrity, and the dedication of our Nation's public men—from the President on down to the Justice of the Peace!

A constitutional government is only as good as the men and women who hold office in that government—no better, no worse. Our country cries out for leadership!

The people are tired of political flim-flam and double talk! They want straightforwardness in their candidates and in their political leaders! They want honesty and integrity in public affairs!

The most basic problem in America today is not energy, or the economy, or inflation—serious as these problems are. It is, instead, the breakdown of the values and the standards upon which our Nation was built, and the desperate need that exists for a restoration of simple honesty and decency and integrity in all aspects of our national life!

If the Democratic Party has gained an advantage because of the misfortune this Administration has brought upon itself, let us be constructive in our use of the opportunity we have.

Above all else, let us seek to restore and rebuild the confidence in government that has been so destrcutively eroded!

Let us stress the progressive achievements of the Democratic Party through the years; but more importantly, let us look to the future with political honesty, honor, and integrity as our times, but it cannot be said too often: the best government of which we are capable will always be the best politics for us.

Let us work to save our country! In this we will not fail, and when this troublesome

year is behind us, the judgment of history will proclaim that the system of constitutional government, which had its beginnings at Runnymede 759 years ago, still protects the governed against the abuse of power.

CONTINUING AND EXPANDED U.S. ROLE IN INDOCHINA

Mr. HUGHES. Mr. President, the whole question of continued American aid to South Vietnam will soon come before the Senate. I intend to oppose the increase requested in the supplemental defense appropriations bill and to seek major reductions in the proposed military aid program.

The Defense Department told the Armed Services Committee last June that it would have a backlog of $160 to $200 million at the end of the fiscal year. In fact, that backlog was nearly half a billion dollars.

Now, because the Pentagon could not spend money fast enough last year, it wants to increase its ceiling for this year by $474 million.

I do not think that this supplemental request is justified. If we expect Hanoi and its allies to show any arms restraint, we should restrain ourselves and our allies, rather than further fueling an arms race.

Even more troubling is the administration's request for a 75-percent increase in military aid to Saigon for next fiscal year. The South Vietnamese government says that its own forces have suffered over 40 percent fewer casualties and two-thirds fewer deaths in the year since the cease-fire. Yet the Pentagon wants a sixfold increase in money for ammunition.

With warfare obviously much reduced in scale, I do not see why we should approve greatly increased aid.

Already we see that the food for peace program is being turned into a food for war program, concentrated in Vietnam and Cambodia. U.S. commodities are being used to increase our military aid in both of those countries, and there are serious questions as to whether or not truly needy people are being helped by this program.

Since the United States is pouring into South Vietnam about 6½ times as much money as the Thieu government raises for its total budget, I do not think that the South Vietnamese are paying their fair share of defense costs.

While these programs are for the future, we should be aware of the continued American military presence in Southeast Asia and the apparent preparations for renewed combat.

Recently I received a report that significant numbers of bomb-loaded planes continue to engage in mission out of Thailand. I wrote to the Secretary of Defense and received a reply from Rear Admiral T. J. Bigley of the Office of International Security Affairs which partially confirmed this report.

Admiral Bigley confirmed that such flights are taking place in Thailand, and he calls them "training missions."

One mission last November 15 involved 92 sorties—a massive armada, reportedly unarmed—but unmistakably a show of force beyond routine training flights.

The Defense Department says that these missions are entirely within Thailand. But I have received a report, which I have so far been unable to confirm, that these aircraft have ventured into the nations of Indochina.

Not only are these "training missions" being conducted, but over 4,000 men each month have been receiving hostile fire pay.

Excluding the men still listed as missing in action, who continue to be allotted such pay, and those assigned as defense attachés, embassy guards, and truce team personnel, there are still approximately 2,400 men who somehow or other qualify for hostile fire pay. In the case of air crews, this would mean missions in Indochina at least 6 days of every month—certainly a significant U.S. presence.

While I do not deny the need for pilots to maintain flying proficiency, I believe that the United States should avoid provocative actions.

We could not legally renew bombing without a change in current law which is obviously unlikely under existing circumstances. To endanger American personnel in practice flights that might provoke reprisal would clearly be a dangerous business.

In order that the entire Senate may be aware of this information, I ask unanimous consent that Admiral Bigley's letter, except for certain deleted classified information, be printed in the RECORD.

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

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 5, 1974.

Hon. HAROLD E. HUGHES,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUGHES: The Secretary of Defense has asked me to reply to your letter of February 19, 1974, regarding current United States military activities in Southeast Asia. The answers to your specific questions are as follows:

Question: On a monthly basis, since August 1973, how many U.S. military personnel have received combat pay supplements?

Answer: I assume your use of the term "combat pay" is a reference to "hostile fire" pay. Under current statutes, there is no entitlement for combat pay; however, hostile fire pay is an authorized entitlement in accordance with the Uniformed Services Pay Act of 1963. As indicated in Comptroller General Decision B-168403, dated February 9, 1970, the hostilities in Vietnam did not involve clear lines of demarcation between friendly and enemy forces. Instead, there was the possibility of exposure to possible hostile fire in almost any area or location. Thus, the concept of exposure to possible hostile activity was used as the basis for hostile fire pay authorized in 37 U.S.C. 310.

The Joint Resolution passed by the Congress on June 30, 1973 and signed into law terminates the prosecution of combat activities by United States military forces, in North Vietnam, South Vietnam, Laos, and Cambodia. This law does not terminate noncombat activities by United States military personnel in those countries. Pursuant to 37 U.S.C. 310, those American servicemen who are performing non-combat activities in Vietnam, Laos and Cambodia and whose presence in these countries makes them vulnerable to being exposed to hostile fire are entitled to hostile fire pay. In addition, under Department of Defense regulations members stationed outside a designated hostile fire area who perform duties in or over such designated areas, under the conditions prescribed in the DOD Military Pay and Allowances Entitlements Manual, have been accorded hostile fire pay.

The total number of hostile fire payments in the months in question are as follows:

September 1973	21,590
October 1973*	6,263
November 1973	5,669
December 1973	4,700
January 1974	4,015

*On October 1, 1973, the hostile fire area of Vietnam was redesignated so as to exclude the off-shore waters of North Vietnam; thus terminating entitlement to hostile fire pay for those serving at Yankee Station.

Question: Please identify by Service and give some breakout of the numbers for different kinds of activities which would justify combat pay.

Answer: No records are maintained that identify hostile fire payments by function. Generally, military personnel such as military attaches assigned to South Vietnam, Laos or Cambodia draw hostile fire pay. Additionally, members of the Joint Casualty Resolution Center, who conduct searches for U.S. KIA and MIA personnel throughout Southeast Asia, and air crew members stationed in Thailand, who meet the conditions of entitlement described in the DOD Military Pay and Allowances Entitlements Manual receive the pay. Hostile fire payments, identified by Service for the months in question are as follows:

	Army	Navy	Marine Corps	Air Force
September 1973	669	12,957	478	7,486
October 1973	597	265	329	5,072
November 1973	627	233	314	4,495
December 1973	551	196	316	3,637
January 1974	532	191	311	2,981

These figures include those personnel in missing-in-action status and personnel hospitalized outside the hostile fire pay area through the date of hospitalization termination or for three months after the month in which the wound or injury occurred, whichever is earlier.

Question: If these activities include reconnaissance sorties, what have been the monthly rates for such sorties since last August?

* * * * *

Question: Is it correct that U.S. aircraft in Southeast Asia have made practice bombing flights with large numbers of bomb loaded planes?

Answer: United States Air Force aircraft do conduct training flights in Southeast Asia, but do not employ large numbers of bomb loaded planes.

Question: Was such an operation conducted on November 15, 1973? Please describe the circumstances and areas of operation of any such flights.

Answer: On November 15, 1973 an air exercise was conducted in Thailand. Ninety-two sorties were flown in support of this exercise. No aircraft carried bombs, and no ordnance of any kind was delivered during the exercise. The purpose of this and other training exercises is to maintain the combat proficiency of the aircrews currently stationed in Thailand.

I trust this information will satisfy your request.

Sincerely,

T. J. BIGLEY,
Rear Admiral, USN, Director, East Asia & Pacific Region.

SCHOOLBUS SAFETY: A PROGRAM THAT NEEDS TO BE PUT IN GEAR

Mr. PERCY. Mr. President, I wish to commend a most constructive and well-researched report on schoolbus safety issued by the National Highway Traffic Safety Administration. Released in May 1973, "Pupil Transportation Safety Program Plan" reviews statistics and points up important shortcomings in present Federal motor vehicle safety standards governing the manufacture and operation of schoolbuses. A responsible, practical plan for improving schoolbus safety is set forth.

I strongly urge NHTSA to take its own advice and implement post haste the recommendations contained in the report. Hopefully, the agency will move forward on schoolbus safety more promptly in the coming months than it has in the past.

However, conspicuously absent from the report are recommendations relating to inspection, operation, and public recordkeeping for resold schoolbuses that are no longer part of a school fleet. Old schoolbuses are used to transport all types of passengers, from farm laborers to PTA groups to Sunday school outings.

Yet, present State and Federal regulations are woefully inadequate to deal with the particular safety problems involved in the operation of resold schoolbuses. The recent accidents at Blythe, Calif., and Fort Sumner, N. Mex., are tragic cases in point. Thirty-eight persons were killed and forty-six injured in these two accidents alone.

Certainly, insuring the safety of passengers transported in resold schoolbuses to as great a degree as is possible should be a fundamental priority of NHTSA.

Mr. President, because I believe that NHTSA's report is a significant preliminary effort toward the goal of safer schoolbuses for the Nation, I ask unanimous consent that its full text be printed in the RECORD.

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

PUPIL TRANSPORTATION SAFETY PROGRAM PLAN

(Prepared by School Bus Task Force: Chairman, Joseph F. Delahanty; Members: Ezio C. Cerrelli, Nelson Gordy, David H. Soule.)

SUMMARY

School bus transportation is one of the safest available modes of transportation; it is approximately eight times safer than the family passenger car. Each year, however, approximately 85 children are killed in or around school buses. Catastrophic accidents such as the high speed rollover accident at Monarch Pass in Colorado in September 1971 and the school bus-train collision at Congress, New York, in March 1972 continue to focus attention on school bus safety.

The purpose of this study is to assess the school bus safety problem and to develop a program plan to increase the safety of pupils transported by bus.

Available data is fragmentary, but the information is sufficient to develop a reasonably accurate estimate of the number of children killed and injured both inside and outside of the bus.

A number of in-depth, multidisciplinary investigations of school bus accidents were analyzed. These provided information on the cause of accidents, cause of injuries and possible design modifications needed to improve bus safety.

The operational and human aspects of the pupil transportation system were also analyzed. These factors include the driver, fleet supervisor, pupil passengers, administrators and motorists.

The School Bus Task Force recommends the following:

1. Seating standard be expedited.
2. Standard on the strength of structural joints of school buses be promulgated.
3. Standards No. 105 and 121 on brakes be implemented as soon as possible on school buses.
4. Compliance testing of school buses be performed.
5. School bus safety improvement project be initiated.
6. School bus data collection and analysis be required.
7. State safety program for pupil transportation be defined and supported by National Highway Traffic Safety Administration (NHTSA).

The program requires an eight man technical level of effort plus a contract support program of $260,000 for the next two years and $210,000 and $130,000 for the third and fourth years, respectively.

STATISTICAL FINDINGS

Data collected by the Task Force show a summary of school bus accident statistics which include:

Although school bus safety can and should be improved, school buses are 8 times safer than passenger cars—the school bus injury rate is 1 injury per 8 million passenger miles compared to 1 injury per million passenger miles for passenger cars.

19 million students are transported daily in approximately 260,000 school buses.

School buses are involved in approximately 40,000 accidents during a one year period.

Most of these accidents are property damage accidents but some do result in injuries.

There are an estimated 8,200 injuries associated with school buses. Of these, 5,150 are to pupils while the remaining 3,050 are to occupants of other vehicles.

Of the 5,150 pupils injured annually, only a small portion (7%) are injured as pedestrians while the remaining (93%) are injured inside the bus.

By far the most frequent type of injuries inside the bus are facial injuries which account for over one-fourth of the injuries and are severe enough to require the services of an oral surgeon.

Approximately 158 people are fatally injured in school bus accidents annually. Of these, 83 are pupils, 5 bus drivers and 70 occupants of other vehicles.

Over two thirds of the pupil fatalities are classified as pedestrians, and the remainder as bus occupants.

Half of the pupils killed as pedestrians were struck by school buses and the other half by other vehicles.

TABLE 1

Year	Number of pupils	Number of buses	Operating cost	Cost pupil, dollars per year	Consumer Price Index	Normalized cost
1970–71	19,191,483	245,608	$1,178,910,190	$61.4		
1969–70	18,752,735	239,973	966,135,767	51.52	1.277	$40.4
1968–69	18,467,944	238,102	901,353,107	48.81	1.212	40.3
1967–68	17,271,718	230,578	822,595,699	47.63	1.163	41.0
1966–67	16,684,922	221,722	763,600,617	45.77	1.131	40.5
1965–66	16,423,396	210,692	696,325,421	42.40	1.099	38.5
1964–65	15,413,000	206,000	642,627,000	41.69	1.081	38.5
1963–64	15,559,524	200,116	612,310,333	39.35	1.067	36.9
1962–63	14,247,753	195,397	578,017,634	40.57	1.053	38.5
1961–62	13,687,547	191,160	540,168,114	39.46	1.040	38.0
1960–61	13,106,779	185,869	505,754,515	38.59	1.031	37.3
1959–60	12,700,989	179,780	474,202,128	37.34	1.010	36.9
1958–59	12,021,372	176,222	441,402,595	36.72	.995	36.8
1957–58	11,343,132	170,689	419,539,863	36.98	.975	38.0
1956–57	10,683,643	164,853	382,751,975	35.83	.952	37.6
1955–56	10,199,276	159,764	356,349,783	34.94	.933	37.5
1954–55	9,509,699	154,057	$329,035,047	$34.60	.915	$37.6
1953–54	8,906,126	147,425	308,704,303	34.66	.895	38.7
1951–52	7,697,130	NA	268,827,000	34.93	.860	40.6
1949–50	6,980,689	115,202	204,611,283	29.31	.800	36.7
1947–48	5,854,041	NA	176,265,000	30.11	.720	41.8
1945–46	5,056,966	89,299	129,756,375	25.65	.627	41.0
1943–44	4,512,412	NA	107,754,000	23.88	.560	42.5
1941–42	4,503,081	92,516	92,921,805	20.64	.510	40.5
1939–40	4,144,161	NA	82,283,000	20.10	.480	41.8
1937–38	3,769,724	92,152	75,636,956	20.01	.470	42.5
1935–36	3,250,658	NA	62,653,000	19.27	.478	40.3
1933–34	2,794,724	77,042	53,907,774	19.28	.520	37.0
1931–32	2,419,173	NA	58,078,000	24.01	.560	43.0
1929–30	1,902,826	58,016	54,823,143	28.81	.590	48.9
1925–26	1,111,553	NA	35,052,680	31.53	.611	51.4
1921–22	594,000	NA	NA	NA	NA	NA

1.0—PUPIL TRANSPORTATION BACKGROUND FACTS

Pupil transportation is the largest transportation system in the country. In the second half of the 19th century, States started to require that all children receive some education and the need arose for the consolidation of school attendance centers. The first State law which authorized the use of public funds for pupil transportation was passed in Massachusetts in 1869. By the year 1900, eighteen States had enacted pupil transportation laws and by 1919 this type of transportation at public expense was legal in all States.

Some of the statistics on pupil transportation extend as far back as the 1921–22 school year. These statistics are in the form of the number of pupils transported at public expense, number of vehicles used and the amount of public funds expended in the operation of the pupil transportation system. Table 1 indicates an overview of the trends which these statistics have experienced over the years. In Table 1 the total cost of operation has been supplemented with the average cost of operation per pupil transported, which is a better indicator of the economics of the system.

The data show the system has experienced a steady growth through the years. The rate of growth for pupils transported remained constant at 200,000 pupils per year until 1947, when a sharp increase brought the rate to 600,000 per year. The rate has remained at this level since 1947 with a slight decline during the last three years.

The school bus population appears to have a very similar pattern of growth, at a somewhat lower rate, however, due to the continuous increase in the capacity (size) of buses used.

The chart (Figure 1) also indicates the yearly cost per pupil transported. The figures show that after an initial decrease, the cost per pupil has steadily increased from

$19.28 in 1934 to $51.52 in 1970. However, when adjustments are made based on the consumer indexes for these two years and all years in between, this increase in unit cost becomes quite negligible. In fact, it suggests that the cost of pupil transportation has generally remained constant relative to the value of the dollar.

1.1. Pupil Transportation System and Its Uses: Table 1 clearly indicates the dimensions of today's pupil transportation system: it involves buses with an annual operating cost well in excess of one billion dollars.

1.1.1. Bus Registrations: The total number of school buses in use nationwide is not a well defined figure. This is due to the gross classification used in many States in registering buses, and also to the multiple uses of many of the vehicles. For the year 1970, the "Highway Statistics" publication of the Federal Highway Administration shows that there were 379,021 buses registered in all States; of these 90,271 were classified as commercial and Federal buses and 288,750 were classified as school buses and others. The National Safety Council publishes a figure of 290,000 school buses (*Accident Facts 1972*) while the National Association of State Directors of Pupil Transportation Services sets the total at 245,608 for the same period. There is no data available at the present time that provides an acceptable explanation for the difference of approximately 45,000 buses.

From these statistics we estimate that school buses account for approximately 262,000 units or 70% of all registered buses. Of these, 6,000 units are transit buses used for pupil transportation and 5,000 are buses used by parochial and private schools. The remaining 250,000-plus school buses constitute the fleet used for public schools. They fall under the direct responsibility of State and school authorities.

1.1.2. The Users: The users of the pupil transportation system are all the primary and secondary school children who qualify for this type of subsidized transportation. Figure 2 and Table 2 provide some pertinent statistics on this group of students.

Thus we learn that there are over 19 million students using pupil transportation. This constitutes approximately 38% of the student population and comes close to the total number of students who walk or use bicycles to get to school (20,000,000).

When these riding students are separated by grade level we find that 57% are in the elementary grades (K thru 6th), 17% belong to the intermediate grades (7th and 8th), and the remaining 26% belong to the senior grades (9th thru 12th).

When the same students, who ride school buses are classified by distance to school, we find that 4% live less than one mile and 63% live more than three miles from school. To better estimate the total travel of students in school buses, it was necessary to perform an extrapolation of the data contained in the first and last columns of Table 2. We thus obtained the distribution of school children and distance to school which is presented in Table 3.

TABLE 2.—NUMBER OF STUDENTS BY MODE OF TRANSPORTATION AND DISTANCE FROM SCHOOL
[In thousands]

Distance from school (miles)	Modes of transportation					
	School bus	Public transportation	Private automobile	Walk/bicycle	Other modes	Total
Less than 1	796	52	1,350	15,059	52	17,309
1 to 1.9	2,479	131	1,746	4,304	70	8,730
2 to 2.9	3,753	485	1,971	1,312	61	7,582
3 and over	12,002	846	3,073	276	65	16,262
Total	19,030	1,514	8,140	20,951	248	49,883

A graphic presentation of the contents of Table 3 is seen in Figures 3 and 4. These charts can be summarized as follows:

There are nearly 50 million students enrolled in the primary and secondary schools.

Thirty-eight percent, or approximately 19 million students, are transported at public expense in school buses.

When school bus students are grouped on the basis of distance to school, the distribution has the characteristics of a normal curve with a range of one to six-plus miles, a mean of 3.6 miles and a standard deviation of 1.5 miles.

TABLE 3.—DISTANCE FROM SCHOOL FOR BUS RIDERS

Distance from school (miles)	All students		School bus riders		
	Number (thousands)	Percent	Number (thousands)	Percent	Percent usage
0 to 1	17,309	34.7	796	4.2	4.6
1 to 2	8,730	17.5	2,479	13.1	28.4
2 to 3	7,582	15.2	3,753	19.7	49.5
3 to 4	6,285	[1] 12.6	[1] 4,400	[1] 23.0	70.0
4 to 5	4,490	[1] 9.0	[1] 4,000	[1] 20.5	89.1
5 to 6	3,741	[1] 7.5	2,500	[1] 13.9	66.8
6 plus	1,746	[1] 3.5	[1] 1,102	[1] 5.7	63.1
Total	49,883	100	19,030	100	38.1

[1] Estimated.

1.2. Estimates of Exposure: Exposure constitutes, in general, the reference base from which a measure of performance of a given system can be taken. Based on the system and on the type of performance that requires evaluation, a given set of exposure measures is selected which best satisfies the needs.

For the pupil transportation system, the safety performance of the entire system requires evaluation. Here we want to know what the safety performance level of this system is in absolute terms and relative to other modes of transportation. To accomplish this evaluation at the very general level, a minimum set of exposure measurements (estimated) must be obtained.

This minimum set consists of the following items:

Number of school bus vehicles used.

Total mileage driven (vehicle miles).

Number of pupils carried.

Total miles of travel by pupils (passenger miles).

Based on these exposure measurements the following performance type values can be obtained:

Probability of a school bus becoming involved in an accident.

Probability of a school bus accident occurring in a mile of travel.

Probability of a pupil rider being injured in a school bus.

Probability of pupil being injured in one mile of travel.

This set of gross statistics permits an overall safety performance evaluation of the school bus system. By obtaining similar measurements for other modes of transportation the safety performance of the school bus system can be described in terms relative to these other systems.

Total mileage—measure of exposure

The estimated number of school buses has been placed at 250,000 units, 20,000 of which are classified as station wagons, cars and vans (Type II).

In order to estimate the total mileage traveled by the school buses it is reasonable to assume that:

Both types of vehicles (Type I & II) either service similar routes or are present in similar proportions in many States.

A national estimate can be obtained from the data available in some of the States. (Table 4)

Based on the figure of 9,266 average annual miles per school vehicle for the 81,051 units available, we can estimate that the total vehicle mileage figure for the entire fleet is close to 2.31 billion vehicle miles and the total number of pupils is approximately 19,000,000. This mileage figure happens to coincide with the one published by the NSC (*Accident Facts 1972*) even though a discrepancy exists in the number of vehicles used by the system.

One other empirical verification of these estimates comes from the fact that the number of pupils transported, obtained by extrapolating the total in Table 4, is very close to the total number published by FHWA National Personal Transportation Study and based on census data (19,000,000).

Distance traveled—measure of exposure

The source of data for this estimate is the portion of the National Transportation Study which deals with the transportation characteristics of school children. Figure 3 and Table 3 represent a summary (in both graphical and numerical form) of the data contained in this report with some necessary extrapolations.

The procedure adopted in arriving at an estimate of the total distance traveled by all pupils on school buses is to:

Estimate the average distance from school for pupils (3.6 miles).

Multiply this estimate by a routing factor (1.6) which is used in converting this distance into miles of travel.

Finally multiply by the number of pupils (19×10^6) and the number of trips (trips $= 2 \times 180$ school days $= 360$).

TABLE 4

	Number of pupils	Number of buses	Vehicle mileage	Average miles/bus
Virginia	618,690	6,808	54,954,507	8,072.0
Michigan	775,407	8,825	86,205,572	9,768.0
Arizona	133,666	1,434	16,821,540	11,730.0
New Jersey	509,564	8,294	87,603,480	10,562.0
Iowa	282,288	6,483	55,535,763	8,566.0
New Mexico	109,702	1,629	14,350,500	8,806.0
Ohio	1,189,883	11,286	103,642,560	9,183.0
Wisconsin	421,008	7,007	81,511,081	11,632.0
Massachusetts	480,395	5,190	34,374,000	6,623.0
Pennsylvania	1,364,048	14,114	148,121,993	10,494.0
North Carolina	683,413	9,981	67,942,164	6,807.0
Total	6,568,070	81,051	751,063,160	9,266.5

By carrying out this procedure we have:

Pupil miles $= 3.6$ miles $\times 1.6$ routing factor $\times (19 \times 10^6)$ pupils $\times 360$ trips $= 40 \times 19^9$.

The value of 3.6 miles average distance from school was obtained by computing the weighted mean of the "Distance from School" column in Table. The estimate of the routing factor (1.6) is somewhat more complex and requires further clarification.

This value was derived by first estimating that the average number of routes serviced by one bus is 1.4. This estimate is based on very little data but its value appears very reasonable, because it leads to an acceptable average number of pupils per route of 54 and average route length of about 18 miles. A higher value than 1.4 would lead to a lower number of pupils per route and a shorter average route.

Based on the utilization value of 1.4 and the number of buses estimated at 250,000, the total number of school bus routes can be estimated at 350,000. The total yearly bus mileage (2.3×10^9) is used to arrive at the 18 mile average route length, while the total number of pupils 19×10^6 is used to obtain the average number of 54 pupils per route.

TABLE 5.—SCHOOL BUS STATISTICS (AS PUBLISHED IN NSC ACCIDENT FACTS)

Year	Number of school buses	Annual bus miles (10^6)	Number of school bus pupils (10^6)	Number of bus accidents	Fatalities				Injuries		
					Pupils on bus	Pupils, pedestrian	Others	Total	Pupils	Others	Total
1971	290,000	2,300	20.0	47,000	35	50	65	150	4,200	1,400	5,600
1970	280,000	2,200	19.5	42,000	25	50	65	140	3,900	1,500	5,400
1969	275,000	2,150	19.0	39,000	25	50	65	140	3,900	1,500	5,400
1968	260,000	1,950	18.0	37,000	25	50	65	140	3,600	1,400	5,000
1967	250,000	1,900	17.2	33,000	25	35	60	120	3,200	800	4,000
1966	225,000	1,800	16.5	34,000	15	35	80	130	3,800	1,200	5,000
1965	220,000	1,750	16.0	32,000	15	35	80	130	3,700	1,300	5,000
1964	200,000	1,700	16.0	10,700	15	35	40	90	3,700	1,100	4,800
1963	192,389	1,675	15.1	9,969	11	30	37	78	3,533	1,067	4,600
1962	190,753	1,650	13.4	9,246	17	32	53	102	2,906	1,356	4,262
1961	186,765		12.8	9,279	38	27	NA	NA	2,153	NA	NA
1960	175,000		12.5	9,908	19	31	NA	NA	2,067	NA	NA

By analyzing the present routing procedure, the empirical conclusion was reached that pupils are being transported only during 60% of the route trip mileage. This would place the furthest students at a distance of 10.8 route miles from school. The ratio of 10.8 route miles to the 6.8 distance miles from school is what yielded the value of 1.6 for the routing factor.

Summary of exposure estimates

Number of Buses=250,000
Number of Pupils=19,093,000
School Bus Mileage=2.3 billion
Pupil Miles=40.0 billion

1.3. School Bus Accidents: Accident data are by far the most important information that must be obtained in order to perform a comprehensive review and evaluation of the safety performance of the pupil transportation system.

Generally, a report is filed on each motor vehicle accident which results in an injury or produces damages in excess of a minimum limit.

School bus accidents are no exception. In fact, every time a school bus is involved in an accident, two reports are filed, one by the police, the other by the school authorities.

Based on the amount of available information on school bus accidents, we can see that very little has and is being done with these reports. A few States do attempt some type of analysis but in all instances the reports reflect the low level of effort which is placed on such analyses.

In 1968, the Southwest Research Institute (SRI), under a Government contract, attempted to compile a "Statistical Summary of School Bus Accident Data." SRI's efforts yielded only an incomplete set of very general information. The inability of SRI to accomplish the task was entirely due to the unavailability of existing data. The contractor was fully aware of the existence of school bus accident report files and ultimately learned that most of the information contained in these files was not and could not be made available for national use. Two of the strongest recommendations in the final report were:

The development and adoption of a uniform accident reporting procedure, and

The yearly compilation, by each State, of a Standard School Bus Summary Report similar to the one suggested by the contractor.

Unfortunately, neither recommendation has been carried out, therefore preventing any substantial improvement in the availability of facts in the area of school bus transportation.

Under these circumstances, we find that the only source of national statistics on school buses is *Accident Facts* published annually by NSC. The data contained in these booklets have been used to compile the information in Table 5 and the graphs in Figure 5. Table 5 shows that in 1971 school buses were involved in 47,000 accidents, resulting in 150 fatalities and 5,600 injuries. The fatalities are classified as pupils on buses (35), pupils as pedestrians (50), other nonpupil (65). The injuries (5,600) are subdivided into pupils (4,200) and others (1,400).

All of these figures are estimates and are subject to questioning. The total number of school bus accidents (47,000) was presumably obtained by extending to the entire country the same rates (per bus) found in those States in which complete reporting of school bus accidents takes place. Some of these States are California, North Carolina, Kentucky and Ohio. In these four States we find that 16% the school buses are involved in accidents. The approach of extending this rate to all buses nationwide is quite acceptable, but since we differ with the NSC estimate of total number of buses in use, our estimate for total number of accidents in 1971 is 40,000.

There is less disagreement with the estimate on fatalities even though our estimate is 158. When we classify the school bus fatalities for the school year 70–71 we find that of the 158 fatalities 17 were pupils on the bus, 33 were pupils who were run over by the bus, 33 were pupils who were run over by other vehicles, 5 were bus drivers and 70 were occupants of other vehicles involved.

Reliable statistics on injuries are not as readily available on a national basis.

It appears that the estimate of 5,600 total injuries in accidents involving school buses, as published in *Accident Facts*, is lower than the sum of the actual partial count of reporting States. In fact, by using fairly reliable estimates of injuries for those six large States that did not report to NSC, we can actually count approximately 8,200 nationally reported total injuries, 5,150 of which are pupils.

There is some doubt that this total represents all injuries. The problem of underreporting, so evident in the totals for all types of accidents, is certainly present, on a lower scale, in injury data. Different approaches could be used to estimate the overall total and different results would be obtained. Since there is no sound basis for arriving at this estimate, we prefer to accept the figure of 8,200 with the implied acknowledgment that the actual figure is higher. Of the 5,150-plus pupils who are injured in school bus accidents, no nationwide information is available on the source of injury or level of injury. Fortunately, summary reports were found for every school bus injury accident which occurred in the State of New York during the 1966–67 school year. These accidents accounted for 650 injuries, 300 of which were suffered by pupils. By focusing on the injured pupils, we find that only 21 (7%) were pedestrians while the remaining 282 (93%) were bus occupants. If we were to extend the same proportion to the estimated national totals, we would obtain a national estimate of 360–plus pedestrian injuries with the remaining 4,800-plus injured inside the bus. As to the type of injuries that occurs in the bus, a survey conducted by the American Society of Oral Surgeons established that 1,350 school children in school buses required the services of an oral surgeon during one school year.

At this point we can summarize the school bus accident statistics as follows:

School buses are involved in approximately 40,000 accidents during a one year period.

Most of these accidents are property damage accidents but some do result in injuries.

There are an estimated 8,200 injuries associated with school buses. Of these, 5,150 are to pupils while the remaining 3,050 are to occupants of other vehicles.

Of the 5,150 pupils injured annually, only a small portion (7%) are injured as pedestrians while the remaining (93%) are injured inside the bus.

By far the most frequent type of injuries inside the bus are facial injuries which account for over one-fourth of the injuries and are severe enough to require the services of an oral surgeon.

Approximately 158 people are fatally injured in school bus accidents annually. Of these, 83 are pupils, 5 bus drivers and 70 occupants of other vehicles.

Over two thirds of the pupil fatalities are classified as pedestrians, and the remainder as bus occupants.

Half ofthe pupils killed as pedestrians were struck by school buses and the other half by other vehicles.

By combining these accident statistics with the previously stated estimates on exposure, we can obtain a general measure of the safety performance of the pupil transportation system.

The first measure to be considered is the probability of a school bus being involved in an accident. The ratio of accidents (40,000) to number of buses (261,000) shows that 16% of the buses are involved in accidents, or one in six. All vehicles combined show that one in four is likely to be involved in an accident.

The ratio of accidents to vehicle (bus) mileage, yields an accident involvement rate for buses of 1.75 involvements for every 100,000 miles of travel. The same rate for all types of vehicles combined is approximately 2.4.

The second measure listed was the rate of injury to the pupil. This rate can be expressed both in terms of number of pupils and number of miles. By dividing the number of pupils injured (5,150) by the total number of pupils using school buses (19 million) we find that one pupil out of 3,700 is likely to be injured in a school bus during a school year. The same rate for all vehicles combined is one person out of 100.

The estimated number of annual pupil miles is 40 billion. Using this estimate, a rate of one injury per 8.0 million pupil miles is computed. Based on an average vehicle occupancy (FHWA estimate) of 2.2 passengers per car we find that the same rate for cars is about one injury per 1.0 million passenger miles.

Arriving at similar comparative rates for fatalities is more difficult because the fatalities associated with school buses have

completely different characteristics than those for other types of vehicles.

The number of 1970–71 school year fatalities experienced inside the buses is low (17) when compared to the number of pedestrians (66) and other vehicle occupants killed. We shal. refrain from computing fatality rates for school buses for two important reasons:

The numbers are small and subject to large variations.

These rates would not provide a reasonable measure of performance of school buses relative to other vehicles.

We shall therefore limit the analysis of school bus fatalities to the actual count and with the general interpretation that pedestrian fatalities account for most of the pupils killed in pupil transportation. (Table 6 summarizes all of these statistics.)

We should also mention the type of collisions in which school buses are usually involved. The four major types of collisions and the relative frequency of each is shown below:

1. Collision with other motor vehicle in traffic—75%.
2. Collision with parked motor vehicle—11%.
3. Collision with fixed object and run-off road—12%.
4. Collision with pedestrian—2%.

The trends followed by the school bus accident statistics are presented in Figure 5. This figure shows that the correlation between accident, injuries, fatalities, and vehicle miles has remained constant in the last few years. This implies that the steady increase in the number of accidents, injuries, and fatalities is mostly explained by the increase in the utilization of the system.

TABLE 6.—SUMMARY OF ACCIDENT STATISTICS

	School buses	All vehicles
Accident involved vehicles	40,000	28,000,000.
Number of vehicles	250,000	113,000,000.
Accident involvement rate/vehicle.	0.16	0.25.
Number of vehicle miles	2.3×10^{9}	1.2×10^{12}.
Accident involvement rate/V.M.	1.75×10^{-8}	2.4×10^{-8}.
Number of injured occupants	4,800	2,000,000.
Number of users	19×10^{6}	200×10^{6}.
Injury rate/user	2.5×10^{-4}	100×10^{-4}.
Number of passenger miles	40×10^{9}	2.4×10^{12}.
Injury rate/passenger miles	1.2×10^{-7}	8.3×10^{-7}.
Vehicle occupant fatalities	17 (20 percent).	44,100 (8) percent).
Pedestrian fatalities	66 (80 percent).	10,600 (20 percent).

2.0—THE SCHOOL BUS

2.1. Vehicle Structure: In its report of a gradecrossing accident at Waterloo, Nebraska, the National Transportation Safety Board (NTSB) concluded that the structural assembly of school bus bodies might be inadequate. That accident which occurred on October 2, 1967, showed that major elements of the school bus body had clearly separated under severe crash forces resulting from a collision with a train. The separations occurred at points where fasteners used to assemble many elements of the school bus were few and widely spaced.

A second accident investigated by the NTSB occurred at Decatur, Alabama, April 23, 1968. In this accident, the school bus brakes failed at the top of a long hill. The driver was unable to control the bus and ran off the shoulder at a turn at the bottom of the hill into a deep, eroded gully. The forward upper right-hand section of the bus body was destroyed as it struck exposed tree roots, rocks and a fencepost. Four fatal injuries occurred, two near the collapsed forward portion of the bus structure, two at unknown seat locations.

In addition, several passengers suffered lacerations attributed to contact with exposed sharp edges of the bus interior sheet metal. The distortion of the upper right-hand front structure of the bus caused the interior sheet metal, particularly the ceiling panels, to fail at the joints, exposing sharp metal edges which may have contributed to some of the reported injuries.

The exposure of the sharp edges of the interior roof panels was made possible by the very wide spacing of the securing screws which are used to fasten the sheet metal edges to each other and to the roof bows. This wide spacing of fasteners does not allow the sheet metal to transfer the loads developed in a crash to the main body structure. Consequently, as the structure collapses, sharp edges of the sheet metal panels are exposed. The NTSB report implied that the collapse of the bus body might not have been so complete had all the ceiling panel joints held.

Another accident occurred on November 19, 1968, in Huntsville, Alabama, when the brakes failed as a school bus was descending a hill. The bus ran off the road after failing to negotiate a turn and rolled over. The rear portion of the body struck a tree which penetrated the passenger compartment at the last row of seats. The right rear seat was torn out killing one occupant and seriously injuring the other.

The rear section of the bus body separated neatly from the forward section, with very little deformation. There was a very wide spacing of rivets used in the construction of the body shell. Close observation of the accident showed that rivets had pulled through the parent material or through the panel edge. Analysis of this bus indicates that the penetration of the tree into the rear section of the bus would have been reduced if the fasteners had been sufficient to transfer a significant portion of the load into the next section.

In a runaway crash at Monarch Pass near Gunnison, Colorado, on September 11, 1971, driver inexperience, unfamiliarity with the vehicle, and lack of proper emergency training were the major causes. The bus uncontrollably careened down a steep grade and eventually overtook the slower moving traffic that occupied both lanes of a two-lane highway. To avoid an impending crash with this traffic, the driver veered the bus into a gas station driveway, traveling at a calculated speed of 70+ mph. The bus spun sideways and then rolled over two and a half times before coming to rest.

Structural damage was severe. All supporting side posts failed and the roof collapsed to the level of the seat backs. Two passengers were ejected at the beginning of the second complete rollover, and 37 of the remaining 46 occupants were ejected during the final one-half roll of the bus. Eight members of the Gunnison High School junior varsity football team and their assistant coach were killed, and 29 others were injured in the accident. All fatally injured occupants were either totally and partially ejected from the bus.

A number of possible structural modifications were recommended in the Monarch Pass report, including:

a) Add two body/roof bows, one forward of the front door, and the second at the rear of the bus around the emergency exit, to increase the structural strength and protect the door egress passages.

b) Specify minimum requirements for the method of anchoring the bus body to the frame.

c) Modify construction techniques which reduce the load carrying strength of structural members through improper welding.

d) Increase the section modulus of side/roof bows.

e) Extend side bows below the floor level and secure with a gusset to increase the torsional rigidity of the bus superstructure and protect the gas tanks.

f) Mount the outboard side of the seat to the sidewall of the bus so that the seat will act as a gusset between the floor and the sidewall thereby increasing the rigidity of the superstructure.

g) Adhere to the NTSB recommendation to increase joint efficiency if body manufacturers continue to use numerous short longitudinal panel sections.

h) Other school bus design recommendations were made with regard to fuel tank location, prevention of fuel leakage, the securing of seat cushions and removable panels.

The National Transportation Safety Board is investigating an accident involving the collision between a train and a school bus at Congers, New York, on March 24, 1972. This accident resulted in five fatalities and injuries to forty-five bus occupants.

Failure of the driver to stop at the crossing (apparently unaware of the oncoming train) was the fundamental cause of the accident. The 83 car freight train powered by three diesel locomotives impacted the school bus at an estimated speed of 25 to 30 mph and carried the bus 927 feet from the crossing before it stopped. This impact resulted in gross disintegration of the school bus and left the bus wrapped around the front of the locomotive. Twenty-three occupants were ejected when the rear section separated immediately after impact. An additional four were ejected as the train came to a halt. Two of the latter were ejected on to the tracks and fatally injured as the train passed over them. The National Transportation Safety Board concluded that "the construction method employing relatively few widely spaced rivets and other fasteners throughout the body of the school bus appears. to have contributed to the large-scale disintegration of the school bus body and chassis."

In each of these accidents, two involving collision between a train and school bus and three in which the school bus rolled over, the Safety Board has indicated that the school bus structure was inadequate. Based on these accident investigations, it appears that there is definite room for improvement in the design and fabrication techniques used by the school bus industry.

One suggested modification is the NTSB rivet spacing recommendation. The rivet patterns used to join sheet metal panels do not comply with standard design procedures. Improvement in the rivet patterns could reduce the likelihood of exposing sharp edges caused by the separation of sheet metal panels during a crash and would also provide some improvement in structural integrity. This recommendation is discussed in more detail in section 2.2.

A complete evaluation of the school bus structure of today's buses is in order. While it is true that domestically produced school buses are quite similar in construction, subtle differences do exist in the basic structure between manufacturers. The section modules of the roof bows vary as does the metal gauge or thickness of the metal structure and panels. Some bus bodies use numerous short longitudinal panel sections, others use long continuous sections. Variation in welding, high shear fasteners, rivets, bolts, etc. used in joint construction is yet another factor in body structural integrity that influences the bus design and method of manufacture.

One approach to establishing improved structure of the school bus would be to incorporate into a single unit the best of the several construction methods now practiced by the industry. Testing and evaluation of this unit would establish a level of performance which could then be translated into a meaningful federal regulation to control structural strength of school buses.

2.2. Structural Joints: The Vehicle Equipment Safety Commission, in Regulation

VESC-6, Minimum Requirements of School Bus Construction and Equipment, specifies body construction requirements. Two significant sections in this specification apply to the school bus body structure. The first section:

5.3. The bus body, including all of its components and reinforcements, shall be of sufficient strength to support the entire weight of the fully loaded vehicle on its top or side if overturned. The body shall be designed and built to provide impact and penetration resistance into the passenger compartment. The deflection of the body after testing in accordance with the code must not exceed the following measurements:

A. Deflection at center of roof bow, 3.00 inches.

B. Deflection at each side pillar at window sill, 1.00 inches.

C. Deflection at center of floor, .40 inches.

The second:

5.6. Strength of Structural Joints of School Bus Bodies. It is the intent of this section to insure that all structural joints within bus bodies which employ discrete fasteners, including those between heavy gauge members and those which join panels to panels or panels to heavier structures, achieve a significant proportion of the strength of the parent metal, so that all available panel materials are capable of serving as part of the structure. Accordingly, in all joints of the above named types which employ discrete fasteners such as rivets, screws or bolts, the pitch of fasteners shall not exceed 24 times the thickness of the thickest material used in the joint. Alternatively, for any method of joining such structural members, it shall be demonstrated by calculation that the strength of such joints is at least 60% of the tensile strength.

Section 5.6 is referenced in Safety Recommendation H-72-30 issued by the National Transportation Safety Board on September 22, 1972. The Safety Board has recommended the NHTSA "expeditiously" adopt this requirement for specifying strength of structural joints of school buses. It should be pointed out at this time that section 5.6 of VESC-6 presumes that the panel thickness is adequate in the first place. That is, the panel itself is capable of withstanding a certain amount of load under crash conditions. Panels are designed, in some instances, as nonstructural. Such panels have "snap" fasteners which facilitate easy and rapid removal for "quick" access to equipment. These are not intended to carry a structural load and presumably would be exempt from the standard.

Section 5.3 of the regulation addresses itself to the performance of the school bus body structure. It simulates to a very limited extent, the performances of the vehicle structure when overturned or on its side. It does not, however, simulate the dynamics of the crash condition to which the bus would be subjected in a rollover accident.

Analysis has shown that the school bus which experienced a complete roof failure in the Monarch Pass tragedy, in all probability, could meet the body structure requirement of 5.3. That is, it could support its own weight when overturned. However, the dynamic loading of the bus structure resulting from this severe rollover incident was several magnitudes higher than the loading requirements of Regulation VESC-6.

Again, joint efficiencies of 60%, 80% or even 100% would be of no avail in preventing the total roof failure of this particular bus when subjected to a crash of this type. Unless the basic structural strength of the load carrying members is adequate for the crash conditions imposed, joint efficiency is superfluous.

In summary, the improvement in the rivet pattern could reduce the likelihood of exposing sharp edges caused by separation of sheet metal panels during a crash, but it is unlikely that this requirement alone will significantly improve crashworthiness of the bus.

It may be acceptable practice to use the "snap-on" panel, which has a very low joint efficiency, provided that the panel edges are not sharp and are rounded off. Such panels would not contribute to the structural strength of the bus, but would help in reducing injury.

An important question to be answered is whether or not NHTSA should adopt section 5.6 joint strength, as a standard. As pointed out by the NTSB, Regulation VESC-6 ". . . when implemented by the States, would require that all school buses under State purchasing authority have substantially increased strength of structural joints." If adopted, this regulation would provide improved protection for children riding on school buses. Forty-four member States have endorsed Regulation VESC-6 which will apply to school buses manufactured after October 1, 1972. The regulation, however, is only a guide; individual States will have to take action to establish the requirement for buses sold in their States. It is expected that a considerable amount of time will pass before the States adopt the requirements of section 5.6 unless a Federal Motor Vehicle Safety Standard is enacted.

2.3. Pupil Seating and Restraint Systems: NHTSA has conducted studies of injury modes in school bus crashes. Full-scale crash tests were conducted by the University of California, Los Angeles, under Contract FH-11-6971, School Bus Seat Restraint. It is evident from this and other work on this problem, that by preventing ejection from the bus, and providing a passive protection system including well-padded, high-backed seats, the severity of most injury modes can be eliminated or greatly reduced.

NHTSA has already taken action to prevent ejection in the form of Federal Motor Vehicle Safety Standard No. 217, Bus Window Retention and Release. In addition, a notice of proposed rulemaking on seating systems for buses was recently issued. This standard will provide a high level of crash protection in most school bus crash situations, and will emphasize fully passive protection. The bus manufacturer however is given an option to install an alternative restraint system using seat belts equipped with a warning system. If this option is used, stringent performance requirements for the seat are reduced somewhat.

The fact that today's buses were not designed for the installation of safety belts presents a sizable problem. Most current bus seat anchorages, as well as many of the seat frames, are not structurally adequate to withstand safety belt loads. Consequently, belts cannot be attached directly to the seats. Passing the belts through the seat to the floor structure, as in automobiles, is not practical because the belts would pass through the space occupied by the feet and legs of other passengers seated to the rear.

A far greater problem in the case of school buses and certain public buses equipped with a relative low-backed seat with a rigid frame around the top edge, has become apparent during a number of bus crash tests. Indications are that occupants wearing lap belts could be more seriously injured in a head-on collision than those not wearing belts at all. The occupant wearing a lap belt is restrained in such a manner that it is likely his face or neck will impact the top of the low-backed seat in front of him while the unrestrained occupant would more likely impact the flat back surface of the seat with his upper torso receiving the majority of the impact force.

A further problem arises because of the broad range in size of school bus occupants. No belt system has been designed which will accommodate either two large occupants or three smaller occupants in the same seat. Yet such alternate seat use is common where the same bus alternately or concurrently carries kindergarten and high school students.

An option to fully passive protection is being considered in the bus occupant protection standard which would require seat belts combined with a sensing and warning system to assure that the belts are used. A system of this type is probably too costly and vandalism-prone for most school bus applications.

Consideration is being given for the following:

Incorporation of high, rear-padded seats backs;

Strong, padded hip restraints or armrest on the aisle side of each seat and;

Adequate fastening of the seats to the bus floor.

A program is needed to support this padded, encapsulated approach to pupil protection during interior impact. The safety benefits derived from this approach must be carefully analyzed, since reduction of seating capacity which results from higher seat backs, for example, may adversely affect the total pupil transportation system. School districts, as a consequence, would be forced to purchase additional buses, or they might have to resort to overcrowding, creating the inherent unsafe standee situation.

Seat development, therefore, is of great importance for upgrading occupant protection capability in the bus interior. A program to continue the development of an optimum seating system for school bus safety is recommended. Installation and testing of prototype seating systems could be included in other school bus testing programs as a "piggy back" test to body structure development.

24. Vehicle Brakes: During 1970, NHTSA conducted field surveys of school buses in several States to determine how well a recall campaign involving three chassis and twelve different body manufacturers had been carried out. The original campaign involved changes in the hydraulic master cylinder of the bus braking system. The results of this survey have shown that of the fifty-six additional safety related defects found, twenty-six were related to the brake system.

Nine recall campaigns provided for the correction of safety defects on approximately 203,600 school buses and trucks through November 1971. Brake system related defects accounted for over seventy-five percent of these corrections.

Of the seventeen school-bus-related accidents reported in depth by the various NHTSA-sponsored multidisciplinary accident investigation teams throughout the country, five were directly attributed to the failure of the buses' braking system (five were attributed to the driver error, one to faulty steering, one to failure of the heater hose and five were a result of failures in the opposing vehicle).

Had the brakes held for the driver of the runaway school bus on the morning of September 11, 1971, the nine fatalities that resulted in the Monarch Pass, Colorado tragedy, would have been averted. Clearly, the braking system of the school bus is one of the most, if not the most important safety related vehicle system requiring our attention.

In August 1972, NHTSA issued an amendment to FMVSS No. 105 establishing new requirements for hydraulic brake and parking brake systems and extending this standard to cover all vehicles including trucks and buses so equipped, effective September 1, 1975. The amended standard specifies stopping distance, linear stability while stopping, fade resistance and fade recovery. All vehicles equipped with hydraulic brakes must have a split service brake system with partial failure or an "emergency" braking feature. The amendment also requires driver warning (lamp to light) in the event of hydraulic pressure failure or when the level

of brake fluid in the master cylinder drops to an unsafe level.

Earlier, FMVSS No. 121 was issued in order to establish performance requirements for vehicles equipped with air brake systems. The standard establishes requirements to govern the braking behavior of the vehicle during application of the service brakes including minimum stopping distance, fade resistance and recovery, lateral stability and wheel lockup. A warning system must be provided to warn of brake system failure. An emergency back up brake system is also specified in the standard. This standard becomes effective for school buses on September 1, 1974.

Additional equipment standards relating to brake systems have also been established: FMVSS No. 106 Hydraulic Brake Hoses and FMVSS No. 116, Hydraulic Brake Fluids. A proposed standards, brake shoe and pad assemblies, will specify critical performance characteristics for these brake systems components.

These requirements do not, however, represent the full capabilities of present braking technology. Anti-lock brake systems are needed to supplement the present brake systems and prevent undesirable skid conditions. More stringent requirements for vehicle stopping distances, pedal effort ranges, and fade characteristics are needed. "Hot" and "wet" recovery requirements need upgrading and new tests, including spike stop tests to evaluate structural integrity of the brake and chassis components, should be specified.

The present brake system standards are not effective for school buses until September 1, 1974, or September 1, 1975. Therefore, this agency should encourage manufacturers to implement the provisions of these standards on the school bus fleet as soon as possible. It is suggested that the school bus be the first to benefit by the "phasing in" of the new brake system specified. In addition, more advanced braking systems such as "automatic emergency brakes" could be provided for school buses by the manufacturers long before the Federal government imposes such a standard on the industry.

Braking continues to be the most important single element of accident avoidance from the standpoint of vehicle performance. The full utilization of the industry's technological capability in this area is therefore of highest importance to school bus safety.

2.5. Vehicle Handing and stability systems: Vehicle handling and stability characteristics are critically related to school bus accident avoidance. Driver-vehicle characteristics are vital to vehicle maneuvering and are dependent upon matching driver characteristics to the vehicle (including steering, suspension, brake and acceleration system). These in turn must be compatible with roadway surface and dynamic traffic environments.

The handling characteristics of the vehicle are first identified as related to steering, suspension, center of gravity and power. As these system performance requirements are defined, the base line for the Vehicle Handling and Stability Systems will be established.

Tires and wheels have a significant effect on vehicle handling. Standards to cover tires and rims for school buses will be issued in 1974 at which time all types of new tires will be covered by standards. When these rules become effective, they will be combined with existing Standards 109 and 110 so that all new tires in 1976 will be covered by one standard.

A similar consolidation and realingment is planned for retreaded tires. Standard 117 for passenger cars has already been issued and the rule for retreading other than passenger car tires is proposed for issuance in the Spring of 1973. Included in the final rule will be regulations on casing age. Upon completion of research now underway at NHTSA, an amendment will be made to Standard 109 to include minimum preformance of tires for skid and traction.

With the exception of standards on tires, it is not expected that school bus handling and stability standards will be issued in the forseeable future. Research is currently being conducted on passenger cars, trucks and buses. However, current plans do not allow for issuance of standards relating to handling and stability of passenger cars before 1976. While this may be an important area relative to school bus safety, the cost effectiveness of pushing the "state-of-the-art" of bus handling and stability is questionable at this time.

2.6. Visibility Systems: The visibility systems of a motor vehicle are concerned with all operating factors, systems and components which affect the driver's ability to see sufficiently in any direction. Visibility systems that relate to school buses include:

1. Lighting and reflectors.
2. Direct fields of view.
3. Indirect visibility.
4. Anti-glare and adverse weather visibility (includes defogging, defrosting, wiping, washing and spray protection).

In general, this area is already covered by existing standards which apply to all vehicles including school buses. Upgrading and improvement of these regulations is a continuing effort. Projected beyond 1976 is a plan to further integrate and systematize overall visibility requirements in order to ensure adequate safety performance with minimum restriction on motor vehicle design innovation and styling.

Over thirty school children are struck and killed annually by a school bus as they enter or leave. This type of accident is exemplified by the small child who walks in front of the bus and is run over because the driver mistakenly thinks that all of the children are clear. The driver simply does not see the child. Indirect visibility aids that provide visibility to all areas around the bus, including the underside, need to be developed.

2.7. Driver Environment: Accidents can be caused by inadequate human engineering. The driver's attention to the road may be diverted while looking for a control, and he may not find that control in time to avoid an accident. If he is short, he may not be able to adjust the seat for adequate visibility or for proper reach to the controls. The shoulder belt may be too uncomfortable to wear. In addition to factors affecting the man-machine interface, the critical problem of "driving while under the influence" also exists. There is also the problem of carbon monoxide build up in the driver's blood stream due to seepage of exhaust fumes into the passenger compartment. Driver fatigue is another problem.

Driver Environment Systems is the term applied to those interior elements and their interactions that influence the driver's ability to operate and control his vehicle safely and is comprised of the various internal control and display systems. The first standards establishing the beginning of the Driver Environment Systems specified requirements for locating essential controls within reach of the driver, identifying certain of the controls on the instrument panel and providing for a uniform shift sequence for the transmission lever. In addition, illumination of certain controls to ensure proper visibility at all times is necessary.

To avoid conflicts between these requirements and those of other standards, a total system approach for Driver Environment has been initiated. This approach applies to changes in current safety standards and to additional planned rulemaking actions relating to improving driver operation through interior information and control systems.

Upgrading of Standard 101 has also been proposed. New requirements would include high speed warning devices and the fail-safe aspects of the accelerator control systems to prevent engine overspeeding and loss of vehicle control in the event of linkage failure. Standard 102, Controls and Displays is also being updated to require standardized locations and a reach boundary for controls as well as the Shift Lever Sequence.

Requirements for effective alcohol countermeasures and reduction in toxic gases and noise as they relate to the driver will be established and included in a common standard.

Of special concern to school bus safety is the development of various audiovisual devices to alert the school bus driver to an approaching train at a grade crossing. Such devices need to be adequately tested and developed before further rulemaking action can be taken. Nevertheless, such development should be included in any proposed school bus testing program.

A joint effort between Federal Railroad Administration (FRA) and NHTSA was initiated in FY 1972 to improve the understanding of driver behavior in the grade-crossing environment. Based on this study, appropriate countermeasures such as improved warning systems will be developed in follow-on research programs budgeted for FY 1973–74. The application of this program to situations such as the tragic school bus-train collision at Congers, New York is obvious.

Other driver environment programs are presently underway although they primarily involve passenger cars. However, such programs have a direct correlation to the school bus safety problem and will be extended to these vehicles as successful programs are completed. Special driver environment projects applicable solely to the school bus are not recommended at this time.

2.8 Egress, Pupil Boarding and Alighting: In the post-collision area of school bus safety, occupant egress has been identified as a major safety consideration requiring Federal attention. Siegel, in his discussion of emergency exiting, recommends that roof port exits and nonoverhead hinged windows be required. Minimum door frame structure is also needed to check collapse which renders the door inoperative.[1]

FMVSS NO. 217, Bus Window Retention and Release, establishes requirements for the retention, operating forces, opening dimension, and markings for push-out bus windows and other emergency exits. The purpose of this standard is to minimize the likelihood of occupants being thrown from the bus and to provide a means of readily accessible emergency egress.

The University of Oklahoma, under contract to NHTSA, has studied the problems of egress from buses involved in crashes and in cases of fire. Major problems have been identified in this study and possible solutions are indicated. There is a need to expand the development of egress concepts through practical demonstrations of available systems.

Data is not available for school bus accidents related to boarding and alighting. However, studies performed by Booz, Allen Applied Research under contract to Urban Mass Transportation Administration (UMTA), have shown that more than one-third of those passengers injured, resulted from this mode of operation.[2]

Outward or inward opening doors seem to influence passenger injury level. Quick

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[1] Bus Collision Causation & Injury Patterns, Proceedings of Fifteenth Stapp Car Crash Conference 1971, SAE 710860, Siegal and Naham.

[2] Transit Bus Safety—Final Report, September 1972, DOT/UMTA, Booz, Allen Applied Research.

opening doors are advantageous under certain circumstances of egress, but present additional problems by catching hold of those entering or exiting the bus. The same can be said for quick closing doors. The accident potential of the door opening mechanism of the school bus has been cited by NTSB.[3]

NHTSA has identified front door latches as a school bus safety problem.[4] "With buses in motion, when brakes are applied, children standing in the area of the first step have been thrown against the door latch connecting rod.

As a result of a child's momentum, the 'over center' latches have, in some cases, unlatched, allowing doors to open." Better operating door mechanisms are available and new ones are being developed by at least three manufacturers under contract to UMTA in its transit bus program.

A trade-off study of service door operation could be combined with emergency door studies to determine the optimum door that should be required. A demonstration of the various door concepts would be a valuable tool in determining the parameters to be traded.

3.0—STATE SAFETY PROGRAM FOR PUPIL TRANSPORTATION

3.1. School Bus Drivers: There are approximately 300,000 drivers for the Nation's 260,000 school buses. They range in age from 16 to over 75. Twenty-five States have no upper age limit for drivers. School bus driving is largely a part-time job. Drivers usually drive a school bus in addition to maintaining some other job such as farmer, gas station attendant, student, housewife, fireman, or insurance agent. However, there is a growing number of full time school bus drivers in and around the big cities.

Selection of a school bus driver must be made from a limited manpower pool, since the job requirements generally call for a part-time worker with approximately 2 free hours in the morning and 2 free hours in the afternoon. Most States require a special license to drive a school bus. All States identify some agency as responsible for training school bus drivers. In practice, however, most drivers receive no formal training. Only a few States require bus driver education by law and nine States merely "recommend" it. Most local school districts, therefore, are free to do what they wish.

NHTSA should, therefore, establish a National School Bus Driver Education program to aid the States in meeting the requirements of Standard No. 17 in this area. Such a program should include the following:

1. Development school bus driver profile.
2. Establish driver training requirements including transportation of handicapped children.
3. Study necessary driver aids for safer and more efficient transportation.
4. Identify manpower requirements.
5. Identify the school bus driver task.

3.2. Fleet Supervisors: Of the 18,000 school districts in the U.S., 15,000 report[1] that they operate school bus fleets. Because the size of these fleets vary from one bus to over 700, many do not have full time fleet managers.

The job of a school bus fleet supervisor, in general, is to assist the school administrator in the implementation of the State pupil transportation policies. His principal duties should include at least the following:

Chassis and body procurement (when this is not done at the State level).

Recruiting, selecting, instructing, and supervising drivers.

Routing and scheduling of buses.

Investigating accidents, road failures, and other problems associated with the school transportation operations.

Keeping records and preparing reports.

Those involved in pupil transportation believe that a fleet of 20–25 or more units requires a full time supervisor. Based on this, 4,500 full time supervisors are needed, but only slightly more than 1,000 are presently employed.

A manpower development program is needed so that the States may attain an acceptable level of competence in school bus fleet supervision.

3.3. Mechanics: With approximately 260,000 school buses in the U.S., a large number of well-trained mechanics is needed to maintain them. The average fleet size is 17 buses. The staffing pattern frequently used is one full time mechanic for a fleet of 10 buses. A fleet of 10-20 buses calls for one full time mechanic and one assistant and for fleets over 20 vehicles, a competent mechanic for each 15-18 units with one helper for each two mechanics is required.

Currently all large school bus fleet contractors and most large school fleets have their own maintenance facilities. Most small fleets are maintained by independent garages or by the automobile agency through which the bus was purchased.

In order for the States to meet the vehicle maintenance requirement of Standard No. 17, more qualified mechanics must be made available. An estimated 8,000 mechanics are needed immediately to maintain the 260,000 buses used in pupil transportation.

3.4. Pupil passengers: Since 1869, children have been transported to and from school at public expense. Distance and hazards to walkers are given as the main reasons for transporting children.

Behavioral problems that occur during transportation have led to requests for monitors or patrols aboard school buses. Misbehavior has been the indirect cause of accidents so should not be tolerated. The most effective means of solving this problem is to deny transportation to those whose behavior endangers the lives of other riders.

Vandalism is one of the most serious problems involving transported children. Each year, students damage many buses to such an extent that they must be taken out of service for repairs. Early attempts by body manufacturers and school boards to give greater protection to pupil passengers by providing well padded seats were largely frustrated by students who slashed the padding so severely and so often that maintenance calls became prohibitive. Manufacturers actually produced a virtually indestructible plastic seat for use where this type of vandalism was acute.

Pupil misbehavior thwarts much of the safety effort in school bus design, endangers other passengers, frustrates the driver and indirectly presents a safety hazard to others outside the bus. Such behavior cannot be tolerated. A program for pupil training and behavior control is needed to encourage the States to follow through on this important aspect, "pupil passenger behavior," of pupil transportation safety.

Related to the pupil problem is the transportation of the special education student. While this is not a discipline problem, the behavior of the handicapped child is an important consideration in that special accommodations must be provided for his transportation. A program to determine what is needed in this area should be pursued.

3.5 Administrators: Pupil transportation is primarily a State responsibility. All States use some "general funds" to support pupil transportation under one or more State statutes. In each State some official has the responsibility of this program or at least a part of it. Until the U.S. Department of Transportation was established, this individual was usually the chief State school officer. In only two States was this leadership role placed in the State Highway Department (Arizona and Kansas). Since 1967, however, several States have transferred this responsibility to their State Department of Transportation.

Some of the principal duties of the chief State school officer are as follows:

Provide leadership in the development of a comprehensive school transportation program for statewide application.

Develop and implement a clear, concise school transportation policy.

Develop and implement a statewide management information system to accommodate pupil transportation statistics, such as data on costs, accident and injury data, and information on manpower availability.

No two States have identical laws governing school buses and the motoring public. Nor are all school buses manufactured to the same specifications in all States. Most regulations governing pupil transportation are issued or approved by the State board of education and implemented by the State supervisor of school transportation. Functions such as licensing of school bus drivers and school bus inspections are usually handled by other State agencies with or without the cooperation of the State school transportation director.

Standard 17 requires that there shall be a single State agency having primary administrative responsibility for pupil transportation. In addition, this agency shall furnish NHTSA a summary evaluation of its pupil transportation safety program. NHTSA must in turn advise and furnish recommendations to this State agency on the conduct of its programs. Thus, a program to monitor and review the "State Administration of Pupil Safety Programs" is required within NHTSA.

3.6. Motorists: The average motorist regards school buses with mixed emotions. A motorist who is held up by a loading or unloading school bus may become impatient and take chances with his own life as well as those of the children by illegally passing the school bus. Inattention and impatience are the two largest contributors to motorist involvement in school bus accidents.

In addition, the States do not have uniform laws governing school bus loading and unloading. Nor are there uniform laws regulating how other vehicular traffic should react to a stopped school bus. These differing laws can lead to a confusing and dangerous situation.

In 30 States, for example, the bus must be provided with special visual signals. A type of flashing light is specified in 25 States; 5 require some kind of mechanical device—such as a stop arm that can be projected from the bus like a railroad semaphore. In 19 States the requirement to stop is unrelated to any special visual signal.

In 36 States, the laws regarding stopping for a school bus apply throughout the respective States. But in 5 of the 36, the stop laws do not apply in business and residential districts.

In 17 States, the school bus must actuate its flashing signals only after coming to a stop for the purpose of receiving or discharging passengers. But in 22 States the signals must be actuated before the bus has stopped.

State traffic laws describing when drivers must stop for school buses receiving or discharging children are not reasonably uniform from State to State. Clearly, efforts must be made to achieve some degree of uniformity which will make it easier for the motoring public to obey those laws designed to safeguard transported pupils.

A program for "Model Legislation for School Buses to Control Traffic" should be

[3] School Bus/Automobile Collision and Fire, Near Reston, Virginia, February 29, 1972, NTSB—HAR-72-2.

[4] School Bus Safety Problems, DOT/NHTSA, November 1971.

[1] Survey of State Directors of Pupil Transportation 1970.

provided to the States so that they may enact appropriate legislation.

3.7 Marking and Identification: The Uniform Vehicle Code states that every motor vehicle that meets certain color and identification requirements and transports children to and from school or school activities in a school bus. Marking this vehicle for easy identification sets this bus apart from all other passenger carrying vehicles.

Distinctive marking for vehicles carrying school children began in the 1920's with the words "School bus" placed as high as possible on the front of the vehicle. Since the average speed of traffic was well below 40 mph, the sign gave adequate warning to the motoring public that this vehicle carried young children. As traffic speed and volume increased in the 1930's, some additional means were required to alert motorists to a school bus. In 1939, following tests by the National Bureau of Standards, the National Conference on Pupil Transportation adopted National School Bus chrome yellow as the distinctive color for school buses. Following World War II the climbing accident rate again necessitated better identification and a means of controlling traffic for the safety of the transported pupils. Consequently, flashing red lights were added to the front and rear of school buses.

To date not all States have adopted these three means of uniformly identifying vehicles transporting children to and from school. Thirty-two States require or permit a stoparm as a warning or as the actual traffic control device in addition to the other items of identification. All States have added a legend on the rear of the bus to more adequately inform the motorist of the law relating to his behavior in the vicinity of a school bus. However, these legends also lack uniformity. They read, "Stop State Law," "Stop When Bus Stops," "Stop When Lights Flash," "Stop When Red Lights Flash," "Stop On Signal" or some other wording intended to help the motorist.

With 260,000 school buses making an estimated 5,000,000 stops per school day, the need for uniformity in marking and the standardization of the stop laws becomes readily apparent. A confused motorist is a dangerous motorist. To increase the safety of transported pupils a uniform stop law and a uniform stop signal are essential.

3.8 Pupil Transportation and Extracurricular Activities: Pupil transportation evolved because of the need to help children reach educational services which were beyond a reasonable walking distance. It is an instructional tool whose potential use has not yet been fully realized.

Until the early 1930's, school buses were used primarily for transporting children to and from school. Today, they transport pupils to many points of educational opportunity both within and outside the community.

At the high school level, athletic programs make heavy demands on school bus fleets to transport teams, cheerleaders and spectators to and from games. At the elementary level, children are bused to museums, dairy farms, zoos, the planetarium, parks, nature centers and fire stations.

The field trip is usually much longer than the to-and-from school trip. Therefore, the exposure is greater. However, the hazards of this type of transportation are considered less than the to-and-from school travel because the field trip is usually direct from the school to the trip site without the need to stop for loading and unloading along the way. Data from 10 States indicate that extra curricular mileage is about 7% of total mileage or about 152,000,000 miles a year. Data on trip length, frequency, number of buses used and cost of field trips would need to be collected and analyzed to determine if there is a safety problem.

Standard 17 does not cover this type of pupil transportation. However, if the data indicate that a safety problem exists the standard could be amended to apply to pupil transportation for extra curricular activities.

3.9. School Bus Disposal and Wear Out: The national fleet of 260,000 school buses is renewed about every eight or nine years. This means approximately 25,000 school buses must be disposed of every 12 months.

Old school buses are kept by the schools and rebuilt as wreckers, turned into a "flatbed" for school floats, or given to the auto mechanics shop for training purposes. Some buses are in such poor condition that they can only be sold for junk. Others are purchased by private individuals, churches, boys clubs, PTA's, parochial schools and scouts. In some instances these buses continue to be used as school buses. The private and parochial schools are the largest purchasers of used buses.

Worn out or discarded school buses are creating new problems in traffic management. Although many are remodeled internally for camping or other use, they are often left unchanged externally and continue to carry the school bus identification characteristics. Complaints have been registered by many individuals who travel the highways—law enforcement officers, insurance agents, school bus drivers and school administrators—about the unconventional manner in which these buses operate. They create hazards and are traffic accident potentials.

The following is the law in South Carolina: 21–795. Identification marks to school buses. All school buses in this State, when no longer used for school purposes and sold to any person for private or public use, must have all marks of identification showing that these buses were used by schools and school districts removed before private or public use may be made of them. Any person violating the provisions of this section shall be subject to a fine not exceeding twenty-five dollars or imprisonment upon the public works of the county in which the offense is committed for a period of not more than thirty days.

21–795.1 Former school buses to be repainted before use. Any person who purchases a used school bus must paint it a color other than yellow before operating such bus on the highway. Any person violating the provisions of this section shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than one hundred dollars or imprisoned for not more than thirty days, or both, at the discretion of the court.

Such a requirement should be mandatory in every State.

The uniform vehicle code is the recommended guideline for the States to follow in drafting legislation.

4.0—CONCLUSIONS

This study has been undertaken to assess the magnitude of the school bus safety problem and to develop a plan to improve pupil transportation safety. This report provides estimates of school bus population and daily usage, the injuries and fatalities that occur annually and compares the safety records of school buses to passenger cars. It also provides an analysis of the school bus vehicle and reveals some systems which could be improved. The operational aspects of State safety programs for pupil transportation including driver training, program administration, uniform State laws, and use of buses for extracurricular activities were also reviewed. Principal findings and conclusions of the study are as follows:

19 million students are transported daily in approximately 260,000 school buses.

Although school bus safety can and should be improved, school buses are 8 times safer than passenger cars—the school bus injury rate is 1 injury per 8 million passenger miles for passenger cars.

Approximately 158 school bus involved fatalities occur annually; approximately half of these are pupils.

Over two-thirds of the pupil facilities are classified as pedestrians, and the remainder as bus occupants.

Approximately 8,200 school bus involved injuries occur annually and slightly more than 5,000 of these are pupils.

While only 20% of pupil fatalities occur inside the bus, 93% of the injuries occur there.

Over one-fourth of the bus occupant injuries require the services of an oral surgeon.

It is evident from an analysis of the school bus accidents reported in depth by various multidisciplinary accident investigation teams throughout the country that three aspects of school bus design and construction are in need of improvement. These include the vehicle brakes, the structural integrity of the vehicle and the seats.

Of the 17 school bus related accidents investigated in depth by NHTSA, five were directly attributed to a failure of the buses' braking system (five were attributed to driver error, one to faulty steering, one to failure of the heater hose and five as a result of failures in the opposing vehicle). Clearly, brakes are one of the most important safety related vehicle systems requiring NHTSA attention. Standards 105 and 121, which establish new requirements for hydraulic, parking and air brake systems on buses, effective September 1, 1974 and September 1, 1975, will significantly improve brakes. However, further improvements after these effective dates should also be studied.

In the structural area, the NTSB conclusion regarding the inadequate riveting of school bus panels has been sufficiently documented. As the NTSB points out, school bus manufacturers are not complying with accepted industrial practice on the joining of panels. Compliance with the NTSB recommendation should indeed reduce school bus injuries.

Several modifications to bus design which were pointed out in the Monarch Pass report appear practical and should render the bus more crashworthy—particularly in the catastrophic accidents involving rollover. The window retention and release standard (FMVSS 217) effective on buses produced after September 1, 1973, should reduce the likelihood of passenger ejection in accidents and enhance passenger exit in emergency.

School bus seats appear to be the primary cause of over one-fourth of all injuries which occur inside the school bus. Seat backs should be made more pliable, through padding or some other means, in order to reduce facial injuries during impact. The proposed school bus seat standard, issued in February 1973, should provide a high level of injury protection in most school bus crashes.

As many children (33) are struck and killed by their own bus as are killed by other cars. Development of countermeasures, such as an improved indirect visibility system to prevent or reduce the number of children run over by their own bus, would be a high pay-off safety system. However, to date, researchers have not achieved significant breakthroughs in the development of indirect visibility systems for passenger cars, and it is not expected that an effective school bus system can be developed in the near future.

Nineteen Federal Motor Vehicle Safety Standards now apply to school buses (see Appendix A). Although there is no indication that current buses do not comply with these standards, school buses have not been included in the NHTSA compliance test program in past years. Their compliance should be verified in the future.

Vehicle safety countermeasures can be developed by the Federal Government, but the pupil transportation systems are operated by local communities under the guidance of the States. States and local communities need help and advice in upgrading their systems. Standard 17, which was issued in early 1972, will help improve the State systems, but additional NHTSA effort and financial support are needed in the areas of bus driver training, promotion of uniform school bus laws and management and administration of the States' programs.

5.0—RECOMMENDATIONS

The School Bus Task Force recommends the following:

1. Expedition of Seating Standard. A notice of proposed rulemaking, Bus Passenger Seating and Crash Protection, was issued in February 1973. The proposed standard would require strengthened seats and seat anchorages, seat back impact protection and increased seat back height.

2. Strength of Structural Joints. NHTSA should follow the recommendation of NTSB to ". . . adopt a FMVSS to control the strength of structural joints of school buses." The proposed standard could follow the Vehicle Equipment Safety Commission's requirement 5.6, body structure.[1] This would be a first step in establishing structural standards for school buses and would require that normal engineering practices be followed in their construction.

3. Implementation as soon as possible of FMVSS No. 105(a) and FMVSS No. 121 on School Buses. Body and chassis manufacturers should be persuaded by NHTSA to implement FMVSS No. 105, Hydraulic Brake Systems, as amended, and FMVSS No. 121, Air Brake Systems, on school buses before the September 1, 1974 and September 1, 1975 effective dates. These two standards specify more stringent braking performance for school buses including stopping distance, lateral stability, fade resistance and recovery, "emergency" braking features and warning signal of system failure.

4. School Bus Compliance Test. A number of school buses can be tested for compliance with applicable Federal standards. Verification of compliance with the nineteen standards now in effect for school buses would focus attention on the public concern for the safety of pupil transportation.

5. School Bus Safety Improvement Project. The objective of this project is to demonstrate the degree of safety improvement that can be applied to contemporary school buses by proper utilization of present technology. The best features of the present day school bus would be incorporated into a modified bus. In addition the "mod" bus would have many of the "off-the-shelf" optional equipment installed to further enhance its safety performance. This demonstrated measure of improvement in school bus safety will, in turn, establish the basis for possible Federal Regulations. After completion of this project, it may be beneficial to develop additional experimental safety "prototype" school buses.

6. Data Collection and Analysis. Data on school bus accidents, their causes and school bus usage are essential. To assess the school bus accident picture on a nationwide basis, and to develop effective countermeasures based on school bus accident experience, the following data programs are required:

(a) Compile and issue annually a national report on the pupil transportation system, based on school bus accident and usage information provided by the States.

(b) Acquire from each State and analyze a copy of each school bus accident which results in a pupil injury.

(c) Annually conduct approximately five multidisciplinary investigations of high severity types of collisions which may occur—e.g., pedestrian, rollover, impact with large truck, bus or train.

7. State Safety Program for Pupil Transportation. Three critical areas have been identified which will enhance the State programs. These include: (a) the development and promotion of a school bus driver selection and training program; (b) the drafting and promotion of model legislation regarding the control of traffic by school buses; and (c) providing technical and financial assistance to States to upgrade the State administration and operation of a pupil transportation system.

Manpower allocation

Within NHTA, the Task Force has identified the need for eight professional personnel in fields relating to school bus safety. These are broken down by offices as follows:

A. Motor Vehicle Programs Seating and Occupant Protection, 1.

Vehicle Structure & Crashworthiness, 1.

Accident Avoidance (handling and stability, driver visibility, brakes and tires), 1.

Total, 3.

B. Research Institute Data Analysis, 1.

Accident Investigation, 1.

Vehicle Performance, 1.

Total, 3.

C. Traffic Safety Program State Safety Program for Pupil Transportation, 1.

(Additional personnel needed), 1.

Total, 2.

Total personnel for school bus programs, 8.

Seven of these positions are already filled; one more should be added to carry out the tasks of regional and State liaison within the transportation safety program. The addition of supervisor and secretarial help would bring this allocation to a ten position level which has been recommended by congressional committee.[2]

Proposed program summary

The specific projects and Resource Requirement supporting the school bus program are summarized as follows:

1. School Bus Seating and Occupant Protection—The objective is to develop an improved occupant seating system for school bus application.

Resource Requirements: 1 man for seat rulemaking (MVP), $50,000 contract support.

2. School Bus Safety Improvement Project—This program will support rulemaking for vehicle structures and crashworthiness as well as in the area of accident avoidance. In this program, the modification of an up-to-date school bus to incorporate the best safety features of all existing buses and the addition of presently available improved safety systems will demonstrate an achievable level of safety within the present "state-of-the-art."

Resource Requirements: 1 man for Accident Avoidance rulemaking (MVP); 1 man for Crashworthiness rulemaking (MVP); 1 man for Contract Monitoring (RI); $150,000 contract support over 2 years.

3. Yearly Summary Report—Acquire, compile and analyze State reports for issuance of an annual national report on Pupil Transportation Systems.

Resource Requirements: See Injury Accident Report resource requirements below.

4. Injury Accident Report—Establish a national school bus injury file from the school bus accident reports from each State. Analysis of the file will contain recommendations for countermeasures.

Resource Requirements: $20,000 contract support the first year, $15,000 thereafter; 1 man level of effort for data analysis for yearly Summary and Injury Accident Reports (RI).

5. Multidisciplinary Investigations of Fatal School Bus Accidents—Accident investigation teams to cover fatal school bus accidents as they occur.

Resource Requirements; 1 man level of effort (RI); $60,000 contract support annually to investigation teams.

6. School Bus Driver Selection and Training Program—The objective of this program is to develop a model driver training program for each State.

Resource Requirements: ½ man level of effort (TSP); $75,000 contract support annually.

7. Model Legislation—A uniform traffic law with regard to school buses is needed so that motorists traveling from State to State are less confused.

Resource Requirements: ¼ man level (TSP); $10,000 contract support total over three years.

8. State Administration of Pupil Transportation Safety Programs—In support of Standard 17, monitoring of State programs and Federal assistance for such programs, with recommendations for improvements would be beneficial.

Resource Requirements: 1¼ man level of effort is required which is ¼ man above current level (TSP); $5,000 contract support annually.

An annual funding of $260,000 is projected for the next two years dropping down to $210,000 in the third year and leveling off at $130,000 per year thereafter. The following table, Contract Program Summary, details the required funding to support the School Bus Programs recommended by the Task Force.

CONTRACT PROGRAM SUMMARY

	1974	1975	1976	1977
Data:				
Yearly summary report	0	0	0	0
Injury accident report analysis	$20,000	$15,000	$15,000	$15,000
Multidisciplinary investigations	60,000	60,000	60,000	60,000
Vehicle:				
Bus safety improvement project	50,000	100,000	0	0
Seating and occupant protecton	50,000	0	0	0
Other programs	0	0	50,000	50,000
State safety program:				
Driver selection and training	75,000	75,000	75,000	.....
Model legislation	1,000	4,000	5,000	.....
State administration of pupil transportation program	5,000	5,000	5,000	5,000
Total	261,000	259,000	210,000	130,000

APPENDIX A—SUMMARY DESCRIPTION: FEDERAL MOTOR VEHICLE SAFETY STANDARDS APPLICABLE TO BUSES

STANDARD NO. 101—CONTROL LOCATION, IDENTIFICATION AND ILLUMINATION

This standard requires that the headlamps, windshield wiping and other essential controls be labeled and within the reach of the driver restrained by a lap and upper torso restraint seat belt. Purpose of the Standard is to facilitate control selection and insure accessibility. An amendment to this standard requires illumination of specified controls and extends coverage to buses effective September 1, 1972.

STANDARD NO. 102—TRANSMISSION SHIFT LEVER SEQUENCE, STARTER INTERLOCK, AND TRANSMISSION BRAKING EFFECT

This standard requires all vehicles with automatic transmissions to have a neutral shift lever position between the forward and reverse drive positions, and whenever a park position is included to be located at the end of the shift lever sequence adjacent to the reverse drive position. If the shift lever is mounted on the steering column, the shift

[1] Regulation VESC-6, "Minimum Requirements for School Bus Construction and Equipment," January 1971.

[2] DOT Appropriation Bill 1973, Report No. 92-1312, August 7, 1972.

lever movement from neutral to forward shall be clockwise. It also requires an interlock to prevent starting the vehicle in reverse or forward drive positions, transmission braking capability and the permanent marking of the shift lever sequence. Its purpose is to reduce the likelihood of shifting errors, starter engagement with vehicle in gear and provide supplemental braking speeds below 25 miles per hour.

STANDARD NO. 103—WINDSHIELD DEFROSTING AND DEFOGGING SYSTEMS

This standard requires that all buses manufactured for sale in the continental United States be equipped with windshield defrosters. The purpose of the standard is to provide visibility through the windshield during frosting and fogging conditions.

STANDARD NO. 104—WINDSHIELD WIPING AND WASHING SYSTEMS

This standard requires that all buses be equipped with two or more speed power-driven windshield wipers and windshield washer systems. Its purpose is to provide improved visibility through the windshield during inclement weather. The standard includes test procedures and performance requirements for the washer system.

STANDARD NO. 105—HYDRAULIC BRAKE SYSTEMS

This revised standard requires buses utilizing hydraulic brakes to have a split brake system, incorporating service and emergency brake features that are capable of stopping the vehicle under certain specified conditions; such as "hot" and "wet" fade, partial failure, and inoperative power assist. The parking brake system must be capable of holding light vehicles on a 30 percent grade and heavy vehicles on a 20 percent grade. It also requires warning lights to indicate loss of pressure, low fluid level and antilock system failure. The effective date is September 1, 1975.

STANDARD NO. 107—REFLECTING SURFACES

This standard requires that windshield wiper arms, inside windshield moldings, horn rings and the frames and brackets of inside rearview mirrors have matte surfaces which will reduce the likelihood of visual glare in the driver's eyes.

STANDARD NO. 108—LAMPS, REFLECTIVE DEVICES AND ASSOCIATED EQUIPMENT

This standard specifies requirements for lamps, reflective devices, and associated equipment, for signaling and to enable safe operation in darkness and other conditions of reduced visibility. Sidemarker lights and reflectors, hazard warning lights and backup lights are included in the requirements for these vehicles. This standard has been amended several times increasing the safety performance levels of lighting systems. Several revisions were made in the standard, effective January 1, 1972, including the extension of the requirements to cover applicable replacement equipment. Another amendment, effective January 1, 1973, affects turn signals and hazard warning signal flashers.

STANDARD NO. 112—HEADLAMP CONCEALMENT DEVICES

This standard specifies that any fully opened headlamp concealment device shall remain fully opened whether either or both of the following occur: (a) any loss of power to or within the device or (b) any malfunction of wiring or electrical supply for controlling the concealment device occurs. Its purpose is to eliminate the possibility of loss of forward visibility due to malfunction of the headlamp concealment device, a problem with some devices.

STANDARD NO. 113—HOOD LATCH SYSTEMS

This standard, effective January 1, 1969, specifies requirements for a hood latch system for each hood. A front opening hood, which in an open position, partially or competely obstructs a driver's forward view through the windshield, must be provided with a second latch position on the hood latch system or with a second hood latch system.

STANDARD NO. 116—HYDRAULIC BRAKE FLUIDS

This standard specifies minimum physical characteristics for two grades of brake fluids, DOT 3 and DOT 4, for use in hydraulic brake systems of all motor vehicles. In addition, the standard establishes labeling requirements for all brake fluid containers.

STANDARD NO. 121—AIR BRAKE SYSTEMS

Effective September 1, 1974, each air braked bus is required to have a service brake and a parking brake system that will result in significantly improved levels of performance over existing vehicles. Stopping capabilities are established at both loaded and unloaded conditions, and on high and low coefficient of friction surfaces. In addition, the standard provides for an emergency braking system that activates in the event of loss of air pressure. It also establishes requirements for emergency braking system in the event of a failure in the primary service braking system. It also establishes requirements for various items of equipment.

STANDARD NO. 124—ACCELERATOR CONTROL SYSTEMS

This standard establishes requirements for the return of a vehicle's throttle to the idle position when the driver removes the actuating force from the accelerator control, or in the event of a breakage or disconnection in the accelerator control system.

STANDARD NO. 205—GLAZING MATERIALS

This standard specifies requirements for all glazing materials used in windshields, windows, and interior partitions of motor vehicles. Its purpose is to reduce the likelihood of lacerations to the face, scalp, and neck, and to minimize the possibility of occupants penetrating the windshield in collisions. It requires, among other things, that windshields be of a type that tends to cushion those that impact them, rather than allowing head penetration and even decapitation—a problem with older windshields.

STANDARD NO. 207—SEATING SYSTEMS

This standard establishes requirements for seats, their attachment assemblies, and their installation to minimize the possibly of failure as a result of forces acting on the seat on vehicle impact. This standard was amended, effective January 1, 1972, to extend applicability to the driver's seat of buses.

STANDARD NO. 208—OCCUPANT CRASH PROTECTION

This standard, previously titled "Seat Belt Installations" specifies requirements for lap and shoulder belt installations in passenger cars, and was effective beginning January 1, 1968. The standard was amended September 23, 1970 to extend applicability to multipurpose passenger vehicles, trucks, and the driver's seat in buses. The standard was further amended and re-titled "Occupant Crash Protection"—March 3, 1971. This amendment specifies requirements for both active and passive occupant crash protection systems. Effective January 1, 1972, buses (driver's seat only) are required to have a complete passive protection system or a belt system conforming to Standard No. 209, i.e. seat belt.

STANDARD NO. 209—SEAT BELT ASSEMBLIES

In order to mitigate the results of an accident to a person in a motor vehicle, the standard specifies requirements for seat belt assemblies. The requirements apply to straps, webbing, or similar devices as well as all necessary buckles and other fasteners, and all hardware designed for installing the assembly in a motor vehicle. Included is a requirement for anchorages for lap and upper torso restraint belts in all forward facing outboard seats (four in standard sedans). This standard was amended to upgrade webbing abrasion, buckle crash and emergency locking retractor requirements.

STANDARD NO. 210—SEAT BELT ASSEMBLY ANCHORAGES

This standard specifies the requirements for seat belt assembly anchorages to insure effective occupant restraint and to reduce the likelihood of failure in collisions. Included is a requirement for anchorages for lap and upper torso restraint belts in all forward facing outboard seats (four in standard sedans). This standard was amended extending the requirements to driver's seats in buses and upgrading the test requirements effective January 1, 1972.

STANDARD NO. 217—BUS WINDOW RETENTION AND RELEASE

This standard establishes minimum requirements for bus window retention and release to reduce the likelihood of passenger ejection in accidents and enhance passenger exit in emergencies. The effective date is September 1, 1973.

STANDARD NO. 302—FLAMMABILITY OF VEHICLE INTERIOR MATERIALS

Specifies burn resistance requirements for materials used in the compartments of motor vehicles. It becomes effective September 1, 1972.

FAIR LABOR STANDARDS AMENDMENTS OF 1974—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, morning business having expired, the Senate will now proceed to the consideration of the conference report on S. 2747, which will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, 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 March 26, 1974, at pp. 8285–8291.)

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS. 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. WILLIAMS. Mr. President, I bring back to the Senate the conference report on minimum wage legislation and

urge that the Senate agree to the report. I will say before briefly explaining the conference report that the Senate conferees, despite their strenuous efforts, were confronted by a strong degree of unanimity on the part of the House conferees, supported in a great measure by a letter from the President reflecting a preference for the House provisions.

Mr. President, briefly the major issues separating the conferees were the wage increases, coverage of domestic service employees, coverage of firefighters and police, and special provisions for the employment of students at a subminimum rate. I will say at the outset that a general youth subminimum was not an issue in this year's conference in that authorization for such a youth subminimum was not contained in either bill. However, the House conferees did agree to the amendment by the Senator from Ohio mandating a study of unemployment for disadvantaged people including youth.

MINIMUM WAGE RATES

The Senate conferees yielded to the House on the wage package. Although in our judgment the Senate package would have brought meaningful increases to many workers at an earlier period of time, we were impressed that the House wage package reflected the near unanimous judgment of the House of Representatives.

In addition, the President in his letter to me of February 27, 1974, reflected his own judgment that the wage increases of the House package were designed "in a way which should reduce the inflationary and disemployment impact that last year's bill would have had." I remind Senators that the President vetoed last year's bill. Although I do not agree with the President, I am not looking for an issue; rather the Senate conferees are looking to achieve the goal of the Senate, namely, to provide more meaningful wages to America's low wage workers.

DOMESTIC SERVICE EMPLOYEES

The Senate and House conferees reached agreement that it would be best if the conference report contained both the Senate and House tests for minimum wage coverage for domestic service employees. Under the conference report, therefore, a domestic service employee will be covered for minimum wage purposes if either test is met. In addition, the conferees retained the provisions in both bills exempting casual babysitters and companions from minimum wage and overtime coverage, and live-in domestics from overtime coverage.

FIREFIGHTERS AND POLICE

Under the Senate bill a limited overtime exemption was authorized for policemen and firemen, under employer-employee agreements providing a 28-day work period, and if during such period such employees receive overtime compensation for employment in excess of—

First, 192 hours during first year from effective date;

Second, 184 hours during second year from such date;

Third, 176 hours during third year from such date;

Fourth, 168 hours during fourth year from such date; and

Fifth, 160 hours thereafter.

The House amendment provided for a complete overtime exemption for policemen and firemen.

The Senate receded with an amendment which provides that firefighters and law enforcement personnel receive overtime compensation for tours of duty in excess of—

First, 240 hours in a work period of 28 days—60 hours in a work period of 7 days or in the case of any work period between 7 and 28 days, a proportionate number of hours in such work period—during the year beginning January 1, 1975.

Second, 232 hours in a work period of 28 days—58 hours in a work period of 7 days or in the case of any work period between 7 and 28 days, a proportionate number of hours in such work period—during the year beginning January 1, 1976; and

Third, 216 hours in a work period of 28 days—54 in a work period of 7 days or in the case of any work period between 7 and 28 days, a proportionate number of hours in such work period—during the year beginning January 1, 1977, and thereafter, except that if the Secretary finds on the basis of separate studies conducted during the calendar year 1976 of the average duty hours of firefighters and law enforcement personnel that such average duty hours are lower than 216 hours in a work period of 28 days—54 hours in a work period of 7 days or in the case of any work period between 7 and 28 days, a proportionate number of hours in such work period—in calendar year 1975 then such lower figures shall be effective January 1, 1978, and thereafter.

Public agencies which employ fewer than five employees either in firefighting or law enforcement activities are exempt and the duty hours of such employees are not to be calculated in the Secretary's studies of average duty hours.

The conference substitute further provides for averaging duty hours over the work period so long as the work period is no greater than 28 consecutive days. The conference substitute departs from the standard FLSA hours of work concept directed primarily at industrial and agricultural occupations and adopts an overtime standard keyed to the length of the tours of duty, thereby reflecting the uniqueness of the firefighting service. The Secretary is directed to adopt regulations implementing these new and unique provisions, including regulations defining what constitutes a tour of duty.

In establishing this "tour of duty" concept as a new element of the Fair Labor Standards Act, the conferees were recognizing that the work schedule of firefighters is dictated by the needs of the community.

Firefighters may be needed at any time of any day to fight fires. But to do so effectively, they need to be constantly prepared. Our safety in our homes depends as much on their ability to maintain their equipment and their own physical condition as it does on their willingness to risk their lives to save our lives and our property. They are on duty, in some jurisdictions, for 24 hours in a row. In others they work 10 and 14-hour shifts or 9 and 15-hour shifts. Whatever their varying schedules, they are subject to our call. They are not free to follow their own pursuits. They must be there ready to respond immediately to the alarm, whether it be false or not.

To accomodate this need by society and the "tour of duty" concept so generally applicable in firefighting, the Senate conferees were willing to abandon the "hours of work" concept of the Senate bill and the complexities that this concept entailed, while adhering to the Senate's expressed will that firefighters, like most other workers, be protected from abusive duty schedules by covering them under the overtime provisions of the law.

In this regard, it should be noted that the bill establishes a Federal standard that is applicable to all firefighters, whether Federal, State or local, unless they are employed by public agencies employing fewer than five employees in firefighting activities.

While this bill, in many instances, will require payment of the time and a half overtime rate for hours in excess of the statutory limits, it does permit the flexibiliy of scheduling by authorizing the averaging of hours over a period of not to exceed 28 days. This provision also permits the use of so-called "comp time" within the cycle.

Furthermore, the committee expects the Secretary of Labor to adopt regulations which permit the continuation of the practice of "trading time" both within the tour of duty cycle, the 28-day "averaging" work period and from one cycle or period to another within the calendar or fiscal year without the employer being subject to the overtime rate by virtue of the voluntary trading of time by employees.

STUDENT EMPLOYMENT

The Senate bill retained the existing law limit on the number of hours students may be employed by a retail or service establishment under certificates authorizing payment of less than the applicable minimum wage. Under the limit the proportion of student hours of employment in any month under certificates to the total hours of employment of all employees in a retail service establishment may not exceed the proportion existing in the establishment for the corresponding month of the year preceding the date of first coverage of its employees under the act or, if no records or if a new establishment, the proportion existing in similar establishments in the area in the year prior to the 1961 amendments.

The House amendment eliminated such existing law limits.

The conference substitute revises the existing law limit on the number of hours students may be employed by a retail or service establishment under certificates

authorizing payment of less than the applicable minimum wage.

In the case of a retail or service establishment whose employees are covered by the act before the effective date of the Fair Labor Standards Amendments of 1974, the monthly proportion of certified student hours of employment to total hours of employment in any such establishment may not exceed, first, such proportion in the corresponding month of the preceding 12-month period; second, the maximum proportion to which the establishment was ever entitled in corresponding months of preceding years; or third, one-tenth of the total hours of employment of all employees in the establishment, whichever proportion is greater.

In the case of retail or service establishments whose employees are covered for the first time by the Fair Labor Standards Amendments of 1974, the monthly proportion of certified student hours of employment to total hours of employment in any such establishment may not exceed, first, such proportion in the corresponding month of the preceding 12-month period; second, the proportion of hours of employment of students—as distinct from student hours of employment under certificates—in the establishment to the total hours of all employees in the establishment in the corresponding month of the 12-month period immediately prior to the effective date of the Fair Labor Standards Amendments of 1974; or third, one-tenth of the total hours of employment of all employees in the establishment, whichever proportion is greater.

In the case of a retail service establishment for which records of student hours are not available—including those newly established after the effective date of the Fair Labor Standards Amendments of 1974—the monthly proportion of certified student hours of employment to total hours of employment in any such establishment shall be determined according to the practice during the immediately preceding 12-month period in, first, similar establishments of the same employer in the same general metropolitan area in which such establishment is located; second, similar establishments of the same or nearby communities if such establishment is not in the metropolitan area; or third, other establishments of the same general character operating in the community or the nearest comparable community. Once such an establishment obtains a record of employment data, one of the preceding categories of limitations—whichever is applicable—shall take effect with respect to such establishment.

In determining the student hours of employment under certificates for purposes of applying the proportionate limitation described above, the Secretary is to include all student hours of employment under certificates whether or not subject to the precertification procedures.

In the case of private institutions of higher learning no prior certification will be required unless such institutions violate the Secretary's requirements.

Questions have been raised by many Senators regarding the treatment of young workers under this legislation. These amendments do not treat young workers as a separable class of workers. The law, however, as it exists and as it would be amended by this legislation, recognizes that some young workers, as well as many other workers regardless of age, encounter difficulties in the job market because of their lack of training and lack of skill. This lack of training and lack of skill may have the effect of curtailing employment opportunities for them. In addition, there are workers whose employment opportunities may be curtailed by their inability to work full-time because of their status as full-time students or because their earning capacity is impaired by age or mental or physical deficiency or injury.

With this in mind the Congress, beginning with the enactment of the first Fair Labor Standards Act in 1938, has legislated special authority in the Secretary of Labor, where necessary to prevent curtailment of opportunities for employment for these potential workers without creating a substantial probability of reducing the full-time employment opportunities of other persons, to provide, by regulation or order, for the employment of learners, of apprentices, of messengers employed primarily in delivering letters and messages, of full-time students in retail or service establishments and in agriculture or by their educational institutions, and of workers whose earning or productive capacity is impaired by age or physical or mental defiency or injury, at rates below the minimum.

Section 14 of the act, as it would be amended by these Fair Labor Standards Amendments of 1974, provides special limitations on the authority of the Secretary in each of these categories to guard against potential abuse. And, it must be noted that the potential for abuse is not purely hypothetical. Public attention has recently been focused on two such examples which are noteworthy. The first, reflected in the committee report on S. 2747, relates to institutions which provide care for handicapped persons.

It is distressing to know that many of these institutions require their patients to perform such services for the institutions as custodial work. Under the guise that such work is "therapeutic," these institutions require patients to perform productive labor for which the patients would certainly have to be remunerated outside the institution and for which the institution would otherwise be required to employ nonhandicapped individuals at fair labor standards. A second example has arisen under the Labor Department's WECEP program for training 14- and 15-year-old students.

Under that program, a small number of establishments in Florida were found on investigation, to have committed approximately 500 violations of certificates issued under the FLSA. These violations included minimum wage violations but most requiring 14- and 15-year-olds to work hours in excess of those permitted by certificate. This not only interfered with their education, it also has serious potential for undercutting adult employment opportunities.

Without exploring all of the potential for abuse under each of the different subsections of section 14, it is important to note the following with regard to any programs which may be undertaken by a Secretary of Labor within the limitations of section 14(a).

Section 14(a) of the act permits the Secretary to issue special certificates authorizing the employment of learners and apprentices "at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe." In issuing such certificates, however, the Secretary must consider whether there is an adequate supply of qualified experienced workers available for employment and whether reasonable efforts have been made to recruit them.

Experienced workers presently employed in a plant in occupations in which learners are requested must be afforded an opportunity to the fullest extent possible to obtain full-time employment. The Secretary must guard against any authorization to employ learners at subminimum wage rates where such rates will tend to create unfair competitive labor cost advantages or have the effect of impairing or depressing wage or work standards established for experienced workers for work of a like or comparable character in the industry.

Under no circumstances can employment of learners be authorized where there are serious outstanding violations of the Fair Labor Standards Act or certificates issued thereunder, and, as a consequence, the Secretary has reasonable grounds to believe that the employer may not comply with the terms and conditions of any new learner certificate. Similarly, certificates cannot be issued where a strike, lockout, or other similar abnormal labor condition exists.

In exercising his judgment on whether to issue a certificate, the Secretary must take into consideration whether the occupation for which authorization is granted is one which is customarily learned in a practical way through training and work experience on the job, of sufficient duration, whether it requires related instruction to supplement the work experience, and whether it involves the development of skill sufficiently broad to be applicable in other occupations. This, together with the requirement that learners be afforded every reasonable opportunity for continued employment upon completion of the learning period, will insure to the greatest extent feasible that the training will lead to gainful employment.

Of course, learners must in fact be available for employment and the Secretary must determine that the granting of a certificate is necessary in order to prevent curtailment of opportunities for employment.

Since the provisions of section 14(a)

are directed at situations where a lack of training and skill curtails employment opportunities, the occupation or occupations in which learners are to receive training must in fact involve a sufficient degree of skill to necessitate an appreciable training period. So, for example, the provisions of section 14(a) would not be applicable where the skills required can be learned in a few hours of filmed lectures and demonstrations. In this regard, this provision is not intended to authorize the employment of learners at subminimum wage rates as homeworkers, or in maintenance occupations such as watchmen or porters, or in operations of a temporary or sporadic nature. Similarly, certification, under this section, is not available with respect to selling, retailing or similar occupations in the distributive field, managerial, clerical, professional and semiprofessional occupations, although the provisions of section 14(b) may be applicable for such employment in retail or service establishments.

Of course, no authorization can be granted which is inconsistent with higher standards applicable to learners which may be established under any other Federal law, any State law, any learner certificate in effect under the Fair Labor Standards Act, nor under any collective bargaining agreement. Furthermore, if the Secretary issues a certificate, a notice must be published in the Federal Register giving interested persons a reasonable time, such as 15 days, to file a written request for reconsideration or review.

Mr. President, these compromises reflect a sincere effort by the conferees to meet the President more than half way on the issues he raised in his letter to me. I should also note that the conferees agreed, as the President had requested, that enforcement responsibilities for the application of minimum wage and overtime laws to Federal employees, is generally delegated by the bill to the Civil Service Commission

Mr. President, I ask unanimous consent to include in the RECORD at this point in my remarks a section-by-section analysis of the conference report.

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

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title; References to Act.—The name of this bill is the "Fair Labor Standards Amendments of 1974."

Section 2. Increase in Minimum Wage Rate for Employees Covered Before 1966.—This section amends section 6(a)(1) of the Act to provide an increase in the minimum wage rate for employees covered by the Act prior to the effective date of the 1966 amendments and for Federal employees covered by the 1966 amendments (wage board employees and employees of nonappropriated fund instrumentalities of the Armed Forces). The minimum wage rate for such employees is raised from not less than $1.60 an hour to (1) not less than $2 an hour during the period ending December 31, 1974, (2) not less than $2.10 an hour during the year beginning January 1, 1975, and (3) not less than $2.30 an hour beginning January 1, 1976.

Section 3. Increase in Minimum Wage Rate for Nonagricultural Employees Covered in 1966 and 1973.—This section amends section 6(b) of the Act to provide an increase in the minimum wage rate for nonagricultural employees (other than Federal employees) covered by the 1966 amendments to the Act and for employees covered by the 1974 amendments. The minimum wage rate for such employees is raised from not less than $1.60 an hour to (1) not less than $1.90 an hour during the period ending December 31, 1974, (2) not less than $2 an hour during the year beginning January 1, 1975, (3) not less than $2.20 an hour during the year beginning January 1, 1976, and (4) not less than $2.30 an hour beginning January 1, 1977.

Section 4. Increase in Minimum Wage Rate for Agricultural Employees.—This section amends section 6(a)(5) of the Act to provide an increase in the minimum wage rate for agricultural employees covered by the Act. The minimum wage rate for such employees is raised from not less than $1.30 an hour to (1) not less than $1.60 an hour during the period ending December 31, 1974, (2) not less than $1.80 an hour during the year beginning January 1, 1975, (3) not less than $2 an hour during the year beginning January 1, 1976, (4) not less than $2.20 an hour beginning January 1, 1977, and (5) not less than $2.30 an hour during the year beginning January 1, 1978.

Section 5. Increase in Minimum Wage Rate for Employees in Puerto Rico and the Virgin Islands.—

Subsection 5(a) amends section 5 by adding a new subsection (e) to establish, for employees employed in Puerto Rico or the Virgin Islands (a) by the United States government or the government of the Virgin Islands, or (b) by a hotel, motel, or restaurant, or (c) by retail or service establishments employing such employees primarily in connection with the preparation or offering of food or beverages, a minimum wage rate determined in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act.

Subsection 5(b) amends subsection (c) or section 6 to require that the rate for employees in Puerto Rico and the Virgin Islands covered by a wage order rate in effect on the day before the effective date of the 1974 amendments which is under $1.40 an hour, be increased by $0.12 an hour; and if such rate is $1.40 or more an hour, such rate be increased by $0.15 an hour. Effective one year later and each subsequent year thereafter the wage order rate for other than commonwealth and municipal employees shall be increased by $0.12 an hour if under $1.40 an hour, and by $0.15 an hour if $1.40 or more an hour, until parity with the mainland is achieved. For agricultural employees covered by a wage order whose wage is increased by a subsidy (or income supplement) the increases prescribed by the 1974 Amendments shall be applied to the wage rate plus the amount of the subsidy (or income supplement). For newly covered employees under the 1974 amendments, a special industry committee shall recommend the highest minimum wage rates which shall not be less than 60 percent of the otherwise applicable rate under section 6(b) or $1.00 an hour whichever is greater. Effective dates of rates recommended by this special industry committee shall not be effective before sixty days after the effective date of the 1974 Amendments and shall be increased in the second and each subsequent year as provided in the 1974 Amendments. Wage rates of any employee in Puerto Rico or in the Virgin Islands shall not be less than 60 percent of the otherwise applicable rate or $1.00, whichever is higher, on the effective date of the wage increases. Wage order rates prescribed in the 1974 Amendments may be increased by a wage order issued pursuant to a special industry committee recommendation but not decreased.

Section 5(c)(1) amends section 8(b) by requiring that special industry committees to recommend the otherwise applicable rate under section (a) or 6(b) except where substantial documentary evidence, including pertinent financial data or other appropriate information establishes that the industry or portion thereof is unable to pay such wage rate. Minimum wage rates in wage orders may, upon review, be specified by a court of appeals.

Section 6. Federal and State Employees.—Section 6 amends section 3(d) and 3(e) to include under the definitions of "employer" and "employee" the United States and any State or political subdivision of a State or intergovernmental agency. This will extend minimum wage and overtime coverage of the law to civilian employees in agencies and activities of the United States (except the armed forces). Elected officials, personal staff, appointees on the policy making level, or immediate advisors in State and local governments are exempt. Coverage of State and local hospitals, nursing homes, schools, and local transit companies is provided under present law. A special overtime compensation provision is included in the 1974 Amendments for Federal, State and local government employees, in fire protection or law enforcement activities including security personnel in correctional institutions. The United States Civil Service Commission is to administer the Act for Federal employees (other than Postal Service, Postal Rate Commission, Library of Congress employees and the TVA.)

Section 7. Domestic Workers.—

The Senate bill provided that an employee employed in domestic service in a household would be covered under both minimum wage and overtime unless the employee receives from his employer wages which would not, because of section 209(g) of the Social Security Act, constitute "wages" for purposes of title II of such Act (wages of less than $50 in a calendar quarter).

Under the House amendment such an employee would be covered under minimum wage for any workweek in which such employment is for more than 8 hours in the aggregate. If the employer employs such an employee in domestic service in a household for more than 40 hours in a workweek, the employer would be required to pay the employee overtime compensation.

The conference substitute combines both provisions to establish alternative tests for coverage. The conference substitute retains the exemption for casual babysitters and companions contained in both bills and retains the overtime exemption for "live-in" domestic employees.

The Committee expects the Secretary to immediately undertake a program utilizing all feasible administrative procedures to apprise employers of their responsibilities under the Act and to notify employees of their rights and entitlements under the Act. The Committee further expects the Secretary to seek the assistance of the Social Security Administration and other relevant agencies in this regard.

The Secretary shall also adopt regulations and enforcement procedures to require that employers are reasonably apprised of when their obligation regarding the payment of the minimum wage commences.

It is intended by these comments to put the burden on the administrative arm of the government to use its maximum efforts to communicate with both employers of domes-

tic service employees and such employees of their rights and duties, of the effective date of the wage increases, and of the overtime provisions and of any regulations which may become applicable to them. It is not intended to impose any burdens of proof or establish any defenses which do not already exist under the Fair Labor Standards Act.

Section 8. Retail and Service Establishments.—

Section 8 amends section 13(a)(2), the special dollar volume test for retail and service establishments, by phasing out the dollar volume establishment test from the present $250,000 to $225,000 on July 1, 1974, to $200,000 on July 1, 1975; and to repeal the test on July 1, 1976. This amendment would gradually expand the coverage of retail and service activities to include employees of all small establishments of chain store operations in which the total chain operation has gross annual sales of more than $250,000. This provision applies also to employees of establishments which are part of covered conglomerate operations.

Section 9. Tobacco Employees.—

Section 9 amends section 7 and section 13 relating to tobacco employees. A limited overtime exemption (14 weeks, 10 hours per day, and 48 hours per week) is provided for certain employees engaged in activities related to the sale of tobacco. These employees are currently covered by the section 7(c) exemption pursuant to determination by the Secretary of Labor. Section 13 is amended to cover employees engaged in the processing of shade grown tobacco prior to the stemming process for use as cigar wrapper tobacco for minimum wages but not for overtime.

Section 10. Telegraph Agency Employees.—

This section repeals the minimum wage exemption and phases out the overtime exemption for persons engaged in handling telegraph messages for the public under an agency or contract arrangement with a telegraph company, if they are so engaged in retail or service establishments exempt under section 13(a)(2) and if the revenues for such messages are less than $500 a month, as follows: 48 hours in the first year beginning with the effective date of the 1974 Amendments, 44 hours in the second year; and repealed thereafter.

Section 11. Seafood Canning and Processing Employees.—

This section amends section 13(b)(4) relating to fish and seafood processing employees, by phasing out the overtime exemption for such workers, as follows. 48 hours in the first year after the effective date of the 1974 Amendments; 44 hours in the second year; and repealed thereafter.

Section 12. Nursing Home Employees.—

This section amends section 13(b)(8) as it relates to nursing home employees by replacing the limited overtime exemption for employees of nursing homes (overtime compensation required for hours of employment in excess of 48 hours in a week) by the overtime exemption applicable to hospitals. (By agreement, the employer and employee may substitute a 14-consecutive-day work period for the seven day workweek and requires overtime compensation for employment over 8 hours in any workday and for 80 hours in such 14 day work period.)

Section 13. Hotel, Motel, and Restaurant Employees and Tipped Employees.—

This section amends section 13(b)(8) as it relates to hotel, motel, and restaurant employees by limiting the overtime exemption to hours in excess of 48 hours a week during the first year and to hours in excess of 46 hours a week thereafter. This section also amends section 13(b)(8) to phase out the overtime exemption for maids and custodial employees of hotels and motels as follows: 48 hours in the first year; 46 hours in the second year; 44 hours in the third year; repealed thereafter. The tip credit provision of section 3(m) of the FLSA is also amended to require the employer to inform each of such employer's tipped employees of this provision before the credit (up to 50% of the applicable minimum wage but not to exceed the value of tips actually received by the employee) is applied. In addition, this section further requires that all tips received by a tipped employee must be retained by such tipped employee.

Furthermore, regarding the tip credit provision the Department of Labor has regulations applicable to employers of tipped employees which, if complied with, should enable any complying employer to meet the burden of proof regarding the amount of tip credit. Those regulations provide in part as follows:

Section 516.28. Tipped employees

"(a) Supplementary to the provisions of any section of the regulations in this part pertaining to the records to be kept with respect to tipped employees, every employer shall also maintain and preserve payroll or other records containing the following additional information and data with respect to each tipped employee whose wages are determined under section 3(m) of the Act:

"(1) A symbol or letter placed on the pay records identifying each employee whose wage is determined in part by tips.

"(2) Weekly or monthly amount reported by the employee, to the employer, of tips received (this may consist of reports made by the employees to the employer on IRS Form 4070).

"(3) Amount by which the wages of each tipped employee have been deemed to be increased by tips as determined by the employer (not in excess of 50 percent of the applicable statutory minimum wage). The amount per hour which the employer takes as a tip credit shall be reported to the employee in writing each time it is changed from the amount per hour taken in the preceding week.

"(4) Hours worked each workday in any occupation in which the employee does not receive tips, and total daily or weekly straight-time payments made by the employer for such hours.

"(5) Hours worked each workday in occupations in which the employee receives tips, and total daily or weekly straight-time earnings for such hours."

In addition Section 531.52 of the Department of Labor regulations regarding tips provides: "Only tips actually received by an employee as money belonging to him which he may use as he chooses free of any control by the employer, may be counted in determining whether he is a 'tipped employee' within the meaning of the Act and in applying the provisions of section 3(m) which govern wage credits for tips."

Section 14. Salesmen, Partsmen, and Mechanics.—

This section amends section 13(b)(10) relating to salesmen, partsmen, and mechanics by repealing the overtime exemption for partsmen and mechanics in nonmanufacturing establishments primarily engaged in selling trailers; by repealing the overtime exemption for partsmen and mechanics in nonmanufacturing establishments engaged in selling aircraft; and by providing an overtime exemption for salesmen engaged in the sale of boats.

Section 15. Food Service Establishments.—

This section amends section 13(b)(18) by phasing out the overtime exemption for food service establishments employees as follows: 48 hours during the first year; 44 hours during the second year, repealed thereafter.

Section 16. Bowling Establishment Employees.—

This section amends section 13(b)(19) by phasing out the overtime exemption for employees of bowling establishments in two steps; reducing the exemption from 48 to 44 hours effective one year after the effective date of the 1974 amendments and repealing the exemption two years after the effective date of the 1974 Amendments.

Section 17. Substitute Parents for Institutionalized Children.—

This section amends section 13(b) by providing an overtime exemption for couples who serve as house-parents for orphaned children or children with one parent deceased placed in nonprofit educational institutions if the couple resides on the premises, receives their board and lodging without cost and are together paid on a cash basis not less than $10,000 a year.

This in no way suggests a judgment that a $10,000 combined salary will actually comply with the minimum wage requirements. That will depend on how many hours of work these house-parents are engaged in.

Section 18. Employees of Conglomerates.—

This section amends section 13(a)(2) by providing that the minimum wage exemptions of section 13(a)(2) for certain retail and service establishments, and of 13(a)(6) relating to agricultural employees, would not be applicable to establishments which are part of conglomerates having a combined annual gross volume of sales exceeding $10,000,000.

Section 19. Seasonal Industry Employees.—

This section amends sections 7(c) and 7(d) by phasing out the limited overtime exemption for employees of industries found to be of a seasonable nature or characterized by marked annual recurring seasonal peaks of operation (other than for cotton or sugar processing), as follows: on the effective date, the seasonal periods for exemptions are reduced from 10 weeks to 7 weeks, and from 14 weeks to 10 weeks; on the same date, the workweek exemptions are reduced from 50 hours to 48 hours; effective January 1, 1975, the seasonal periods for exemptions are reduced from 7 weeks to 5 weeks, and from 10 weeks to 7 weeks; effective January 1, 1976, the seasonal periods for exemption are reduced from 5 weeks to 3 weeks, and from 7 weeks to 5 weeks; effective December 31, 1976, the overtime exemptions (sections 7(c) and 7(d)) are repealed.

Section 20. Cotton Ginning and Sugar Processing Employees.—

This section amends section 13(b) by phasing down the overtime exemption for cotton ginning and sugar processing employees, as follows: Effective on the effective date, 72 hours each week for 6 weeks of the year; 64 hours each week for 4 weeks of the year; 54 hours each week for 2 weeks of the year; 48 hours each week for the balance of the year. Effective January 1, 1975, 66 hours each week for 6 weeks of the year; 60 hours each week for 4 weeks of the year; 50 hours each week for 2 weeks of the year; 46 hours each week for 2 weeks of the year; 44 hours each week for the balance of the year. Effective January 1, 1976, 60 hours each week for 6 weeks of the year; 56 hours each week for 4 weeks of the year; 48 hours each week for 2 weeks of the year; 44 hours each week for 2 weeks of the year; 40 hours each week for the balance of the year.

Section 21. Local Transit Employees.—

This section amends sections 7 and 13(b)(7) by phasing out the overtime exemption for all local transit operating employees, as follows: 48 hours on the effective date of the 1974 Amendments; 44 hours one year later, and repealed effective two years after the effective date of the 1974 Amendments.

Section 22. Cotton and Sugar Services Employees.—

This section amends section 13 by adding a subsection (h) which provides a limited overtime exemption for a period not more than 14 workweeks in the aggregate in any calendar year for cotton or sugar service employees receiving overtime compensation for work in excess of 10 hours in any workweek.

Employers receiving an exemption under this subsection for one type of employee shall not be eligible for any other exemption of this section or section 7 with regard to the same employee.

Section 23. Other Exemptions.—

Section 23 amends section 13 as it relates to motion picture theater employees, employees in forestry and lumbering, and pipeline employees, as follows:

1. Repeals section 13(a)(9) and amends section 13(b) thereby repealing the minimum wage exemption, but retaining the overtime exemption for employees in motion picture theaters.

2. Repeals section 13(a)(13) and amends section 13(b) thereby repealing the minimum wage exemption but retaining the overtime exemption for forestry and lumbering operations with 8 or fewer employees.

3. Amends section 13(b)(2) to repeal the overtime exemption for employees of oil pipeline transportation companies.

Section 24. Employment of Students.—

The Senate bill retained the existing law limit on the number of hours students may be employed by a retail or service establishment under certificates authorizing payment of less than the applicable minimum wage. Under the limit the proportion of student hours of employment in any month under certificates to the total hours of employment of all employees in a retail service establishment may not exceed the proportion existing in the establishment for the corresponding month of the year preceding the date of first coverage of its employees under the Act or, if no records or if a new establishment, the proportion existing in similar establishments in the area in the year prior to the 1961 Amendments.

The House amendment eliminated such existing law limits.

The conference substitute revises the existing law limit on the number of hours students may be employed by a retail or service establishment under certificates authorizing payment of less than the applicable minimum wage.

In the case of a retail or service establishment whose employees are covered by the Act before the effective date of the Fair Labor Standards Amendments of 1974, the monthly proportion of certified student hours of employment to total hours of employment in any such establishment may not exceed (A) such proportion in the corresponding month of the preceding twelve-month period, (B) the maximum proportion to which the establishment was ever entitled in corresponding months of preceding years, or (C) one-tenth of the total hours of employment of all employees in the establishment, whichever proportion is greater.

In the case of retail or service establishments whose employees are covered for the first time by the Fair Labor Standards Amendments of 1974, the monthly proportion of certified student hours of employment to total hours of employment in any such establishment may not exceed (A) such proportion in the corresponding month of the preceding twelve-month period, (B) the proportion of hours of employment of students (as distinct from student hours of employment under certificates) in the establishment to the total hours of all employees in the establishment in the corresponding month of the twelve-month period immediately prior to the effective date of the Fair Labor Standards Amendments of 1974, or (C) one-tenth of the total hours of employment of all employees in the establishment, whichever proportion is greater.

In the case of a retail or service establishment for which records of student hours are not available (including those newly established after the effective date of the Fair Labor Standards Amendments of 1974), the monthly proportion of certified student hours of employment to total hours of employment in any such establishment shall be determined according to the practice during the immediately preceding twelve-month period in (A) similar establishments of the same employer in the same general metropolitan area in which such establishment is located, (B) similar establishments of the same or nearby communities if such establishment is not in the metropolitan area, or (C) other establishments of the same general character operating in the community or the nearest comparable community. Once such an establishment obtains a record of employment data, one of the preceding categories of limitations (whichever is applicable) shall take effect with respect to such establishment.

In determining student hours of employment under certificates for purposes of applying the proportionate limitation described above, the Secretary is to include all student hours of employment under certificates whether or not subject to the pre-certification procedures.

In the case of private institutions of higher learning no prior certification will be required unless such institutions violate the Secretary's requirements.

Section 25. Child Labor.—

This section amends section 12 (relating to child labor) by adding a new subsection (d) requiring employers to obtain proof of age from any employee. This section also amends section 13(c)(1) relating to child labor in agriculture by permitting the employment of a child under age 12 in agriculture only if such child is employed outside of school hours for the school district where such employee is living by his or her parent or a person standing in place of his or her parent, on a farm owned or operated by his or her parent or such person, or is employed on a farm not covered by the Act under the 500 man-day test, with the consent of his or her parent or such person. A child 12 or 13 years of age is permitted to be employed on a farm outside of school hours for the school district in which he or she resides, if such employment is with the consent of his or her parents or person standing in place of his or her parents, or his or her parent or such person is employed in the same farm, or if such employee is 14 years of age or older.

This section also amends section 16 by adding a new subsection subjecting violators of child labor provisions or regulations to a civil penalty not to exceed $100 for each violation.

Section 26. Suits by Secretary for Back Wages.—

This section amends section 16(c) to continue the authority to the Secretary of Labor to sue for back wages and adds a provision to also permit the Secretary sue for an equal amount of liquidated damages without requiring a written request from the employee and even though the suit might involve issues of law not finally settled by the courts. In the event the Secretary brings such an action, the right of an employee provided by section 16(b) to bring an action in his or her own behalf, or to become a party to such an action would terminate, unless such action is dismissed without prejudice. * * *

Section 27. Economic Effects Study.—

This section also directs the Secretary of Labor to conduct a continuing study on the means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment (such as disadvantaged minorities, youth, elderly, and such other groups as the Secretary may designate). A report of the results of such study shall be transmitted to the Congress one year after the effective date of the 1974 Amendments and thereafter at two-year intervals after such date. Such report shall include suggestions respecting the Secretary's authority under section 14 of the Act.

The House amendment contained no comparable provision.

The House receded.

Section 28. Nondiscrimination on Account of Age in Government Employment.—

This section amends section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) by expanding its coverage from employers with 25 or more employees to employers with 20 or more employees. This section also amends section 11(b) of the Age Discrimination in Employment Act to include within its scope coverage for State, and local government employees (other than elected officials and certain aides not covered by Civil Service). The annual authorization of appropriations ceilings is raised from $3 million to $5 million. A new section (Sec. 15) is also added to the Act prohibiting discrimination on account of age in Federal government employment with jurisdiction for enforcement assigned to the United States Civil Service Commission. Aggrieved persons may bring a civil action in any Federal district court of competent jurisdiction.

Questions have been raised about the applicability of the Age Discrimination provisions to the discretion which now may rest in the heads of certain executive agencies to terminate an employee in the interests of the national security of the United States.

It was not the intent of the conferees to affect the exercise of such discretion, other than by barring actions which, in fact, would be illegal, such as a termination of employment or a refusal to hire based on age.

Section 29. Effective Date.—This section sets the effective date of the Act, except as otherwise specifically provided, as May 1, 1974.

Mr. WILLIAMS. Mr. President, I have been the chief sponsor of minimum wage legislation for 5 years, I have chaired the Labor Subcommittee and the full committee through over 100 hours of hearings, and through over 20 days of markup on this legislation. I have floor managed the bill three times in 3 years and now have served as chairman of the House-Senate conference on this legislation twice. The efforts have been thwarted, first by a blocked conference and then by a Presidential veto. But I will say to my colleagues in the Senate that the conferees on both sides made every possible effort to arrive at a minimum wage package which addresses some of the immediate needs of America's work force while insuring the degree of support which will guarantee that its provisions will go into effect on May 1, 1974.

Mr. President, I wish to take a moment to applaud my colleagues who were Senate conferees, particularly Senator JAVITS and Senator SCHWEIKER, for their untiring efforts in this long and arduous struggle. I also want to recognize the sincere efforts of our colleagues on the House Committee on Education and Labor, both majority and minority, who worked long and hard with us to produce a conference report signed by all House and Senate conferees. It is our unanimous recommendation that the Senate agree to the report. I hope it will be done expeditiously.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS. Mr. President, I know

that the Senator from Ohio and the Senator from Colorado, who are members of the committee, want to address themselves to this conference report, as does the Senator from New York (Mr. JAVITS), and while they are preparing their addresses let me suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. WILLIAMS. Take it out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TAFT. 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. TAFT. I ask the Senator from Pennsylvania, who I believe is in control of the time, if he will yield me 5 minutes.

Mr. SCHWEIKER. I yield the Senator from Ohio such time as he may require.

Mr. TAFT. Mr. President, the Congress for the last 3 years has considered legislation to amend the Fair Labor Standards Act. This morning the Senate will undoubtedly adopt a conference report that may very well culminate congressional consideration of this issue for the immediate future. Numerous interest groups will undoubtedly fill their publications with the great virtues of the proposed amendments and claim a great victory for the American working men and women. To a certain extent, this analysis will be correct as a constructive increment in the minimum wage is needed due to the inflationary pressures in the economy. As Senators DOMINICK, BEALL, and I, and many other Senators have maintained throughout consideration of this issue, an increase in the minimum wage is needed. What these interest groups and leading proponents of Labor and Public Welfare Committee proposals will fail to state, however, is that millions of American workers could have received increases in the minimum wage 2 or 3 years ago if constructive compromises could have been arrived at. When one suggests "compromise" on labor legislation it seems, however, that the word takes on a new meaning—either the positions of certain interest groups prevail or "compromise" is not available. This approach is not only inconsistent with the basic structure of our democratic process of government, but is also extremely detrimental to the interests of all Americans. The word "compromise" has been used this morning to describe the conference report before the Senate. Only in a very strained sense is this correct.

The wage rate structure adopted is that of the House. The series of minimum wage increments contained in the proposal establish a $2.30 minimum wage for agriculture and nonagriculture workers by 1978. The Senate adopted bill contained a $2.20 level with the committee arguing against a $2.30 proposal I advanced on this floor. The inconsistency of the committee is difficult to rationally explain. Evidently for a lack of a better word to explain the committee's approach, the word "compromise" has been suggested.

Coverage of domestic service employees was also "compromised" by accepting both the House and Senate provisions. This approach makes absolutely no sense, as an employer may be subject to liability under the Fair Labor Standards Act if he only employs an individual perhaps 2 or 3 hours a week, notwithstanding the House 8-hour work-week test. The reason that this potential illegal action might arise is that the 8-hour House test is not an employer test, but an employee test. The administrative enforcement problems with regard to this approach will be considerable. Further, by adopting such an approach the constitutionality of coverage of domestics becomes even more suspect. I can see no rational basis by which the Interstate Commerce clause can cover such limited domestic employment situations. Litigation will undoubtedly arise as to the constitutional validity of this proposal.

The report is also deficient with respect to inclusion of a new special wage structure for youth. Both the House and Senate Labor Committees have failed to adopt broad new programs to respond to the towering rate of youth unemployment. The Senate committee refused to adopt the suggestions made by every economist who appeared before the committee on this issue. Two important points were agreed to with respect to youth, however, in the conference report. First, the conference adopted a study amendment that I had proposed to the Senate bill and to which the chairman has already alluded. This provision will direct the Secretary of Labor to conduct a continuing study on methods to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment—such as disadvantaged minorities, youth, and the elderly. Such a study will permit the Secretary to further analyze his existing broad authority under section 14 of the act.

Second, the Senate in receding to the House on this issue made constructive provisions in the historic ratio test and adopted the House report language permitting a comprehensive demonstration project to be conducted by the Secretary of Labor with regard to a youth differential. Such an approach will permit the Secretary to implement existing broad authority under section 14 in the act and will clarify any misinterpretations that the Secretary did not have legal authority to establish such programs.

Compromise, it has been suggested, was reached on overtime coverage for firemen and policemen. While statistically this may be true, philosophically it is not. The conferees adopted a phase-in procedure whereby firemen and policemen will be subject to overtime coverage for all hours worked over 60 by January 1, 1975, with a continuing phase-in down to at least 54 hours by January 1, 1978. An exemption is also contained with respect to fire and police departments having five or fewer employees. As the Senator from New Jersey (Mr. WILLIAMS) has stated the report also contains provisions with respect to a study that is to be conducted by the Secretary of Labor. This study will determine the prevailing work practices of firemen and policemen and apply the findings to the standard to be implemented in 1978.

It is interesting to note that the conferees accepted a study approach on this point, as Senators DOMINICK, BEALL, and I have been stressing for over 3 years the need for more information as to the potential effects of proposed amendments to the act. Particularly, it is interesting to note that notwithstanding all the assertions that available information was obtained by the committee, no accurate information was available to the conference with respect to the current hourly average workweek of firemen and policemen. In all due respect to the committee chairman I believe his statements were not correct in arguing against the study amendments that I proposed on this floor during consideration of the Senate bill.

The conference report phases in minimum wage overtime exemptions for small retail establishments doing less than $250,000 annual sales. The House receded to the Senate provisions on this point and while such a phase-in is preferable to both the reported Senate bill and the reported House bill, I still fear disruption of business and jobs due to the rapidity by which such coverage is extended.

Mr. President, this body currently is considering the subject of campaign and election law reform. The deliberations, particularly during the conference committee, certainly underscore the need for constructive improvements in this area. Interest groups exercised an inordinate amount of control and at points during the conference deliberations resembled more an old time State legislative hearing, than the U.S. Congress. Some conferees did not even consider suggested compromise proposals without running into the hall or an adjacent room to consult with interest groups. The final session of the conference was scheduled with only an hour's notice to most Senators and Congressmen and only two Senate and four House conferees were present. In fact, interest group representatives outnumbered conferees almost 4 to 1 at that session. I hope that campaign reform and election law reform measures we are considering will take this experience into consideration.

Notwithstanding these objections, I will vote for the conference report this morning as I do not believe millions of American working men and women should be further precluded from receiving a needed increase in minimum wage.

Mr. President, I would like to pay tribute to the work of the minority staff on this issue including Bob Bohan and Roger King of the committee and Joe Carter on the staff of Senator BEALL. I also would like to thank Charles Woodruff, formerly of the minority committee staff, for his assistance during the last two sessions of Congress on this issue.

Mr. JAVITS. Mr. President, will the distinguished Senator from New Jersey yield me 10 minutes?

Mr. WILLIAMS. I yield the Senator from New York such time as he may require.

The PRESIDING OFFICER (Mr. ABOUREZK). The Senator from New York is recognized.

Mr. JAVITS. Mr. President, this is a measure which should have been passed 3 years ago. Senator WILLIAMS and I offered a minimum wage bill at that time. This is the end of a long and arduous road. It is deeply gratifying that at long last we have reached agreement.

I speak now as a ranking member of the minority. I have every reason to believe that the President will sign the bill. I am informed as recently as a few minutes ago that the conference report is supported by the administration.

Mr. President, I am grateful to Senator TAFT and to Senator DOMINICK who had grave reservations about this matter. Senator WILLIAMS, as is usual, with great specificity, explained it to the Senator. It fits into the large interest, at long last, of realizing some gain for the low-wage worker. For the low-wage worker an increase is desperately needed when one realizes that the minimum wage would, right now, be almost $2.20 if we were simply compensating for depreciation in the value of the dollar and the rise in the consumer price index since the effective date of the present $1.60 rate. We are thus actually behind the times in setting an initial rate of $2.00 on May 1, 1974.

I point out, too, that unless the matter is acted on immediately—and I mean immediately, within a matter of hours—there is grave danger that it could not take effect on May 1, which was our intention.

The details of the bill have already been described. I wish just to make two comments. There are two very important provisions of the act. One related to humanity and the other relates to the extraordinary breakthroughs we have now made in covering domestics.

The humanitarian provision relates to child labor. For a long time Senator WILLIAMS and I have tried to outlaw child labor on the farm. We have not yet succeeded completely, but this bill goes a long way toward this objective by eliminating child labor under the age of 12 on covered farms, that is farms which meet the 500 man-day test. It has been decades since child labor was eliminated in industrial employment, and given the fact that agriculture is one of the most hazardous occupations as shown by accident rates, there is no longer any excuse, if there ever was one, for permitting the exploitation of young children in agricultural labor.

The bill does eliminate child labor on the so-called covered farms, where the greatest exploitation has taken place. There will also be regulations concerning employment of children between 12 and 16 on farms. Of course, we also continue in effect the provisions now in the law prohibiting the employment of children in unusually hazardous occupations in agriculture.

The other matter, Mr. President, which should be reassuring to those who will be, for the first time, subject to that part of the law which relates to the coverage of domestics, is that although we have established an 8-hour test—that is an 8-hour week—for such employees with respect to coverage under the minimum wage. we have also in the statement of the managers made it clear that we expect the regulations to be promulgated under the law which will require, and I quote from page 28 of the manager's report:

> Will require that employers are reasonably apprised of when their obligations regarding the payment of minimum wage commence.

It was properly pointed out that the aggregate of 8 hours means 8 hours per week worked by a person in domestic employment for all employers. The one employer would have the right to be concerned as to whether the domestic he or she is employing is or is not under the minimum wage law.

We expect—and I emphasize this—the Secretary to deal with that question affirmatively; that is, that the employer must be reasonably apprised in connection with the regulations.

Mr. President, I think this is a well balanced report, the very best that could be done, considering the views of the House and the Senate, following the long delay and the period of makeup we now have to pursue in respect of a minimum wage which makes some sense in terms of the times. I am very gratified that there is every reason now to believe that the President will sign this bill.

I wish to join the Chairman and cosponsor of the measure in thanking all members of our committee for their tremendous cooperation, particularly the conferees; and in congratulating for their work far beyond the call of duty, Jerry Feder of the majority and Gene Mittelman of the minority, the staff members who fashioned the technical aspects of the bill.

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

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, will the Senator from New Jersey yield me about 10 minutes?

Mr. WILLIAMS. What is the time situation, Mr. President?

The PRESIDING OFFICER. The Senator from New Jersey has 3 minutes; the Senator from Pennsylvania has 15 minutes.

Mr. DOMINICK. Will the Senator from New York yield me 5 minutes?

Mr. JAVITS. I yield 10 minutes to the Senator from Colorado out of the 15 that the minority has.

Mr. DOMINICK. I thank the Senator from New York.

Mr. President, for 3 years now we have been working at raising the minimum wage as it applies to 49.4 million workers in this country. I have dissented from the majority of this body during that time, but I have not, and I emphasize have not, objected to the principle of raising the minimum wage for those workers already covered. Since 1972, the majority of the committee and Senators TAFT, BEALL, and I have come very close to agreement on the wage rate structure which should go into effect under the minimum wage. The debate rather has centered around extensions of coverage, repeal of exemptions and a differential wage structure for youth.

Now for the second time in less than a year we are faced with a conference report on minimum wage. I have strong reservations about this bill. In the first place, the youth differential once again has not received the attention that I believe it should. The youth unemployment figures in this country are appalling, and I firmly believe that the sure way to alleviate this problem is through specialized wage structures for youth. I note and I approve of the conference making adjustments in the historic ratio test for student employment and of the language allowing for one demonstration project for a youth differential. This, of course, is some improvement over the Senate bill. I am hopeful that immediate implementation of this project will give some basis upon which to resolve the difficult and controversial issue. However, I am fearful that this is not enough, and the results of the bill in this regard may be detrimental rather than beneficial for our Nation's youth.

Second, the conference report adopts alternative tests for triggering coverage of domestic workers. My views on the domestic coverage, I believe, have been quite clearly stated on this floor. For the life of me, I do not understand why we have chosen to ignore the testimony of the Secretary of Labor, Mr. Brennan, that such coverage will in the end probably increase unemployment among domestic workers in this country. To quote in part:

> In other areas of smaller cities and towns, domestics receive considerably less than the present minimum. The problem with applying the minimum wage to them has, as analysis clearly shows, a severe disemployment effect. This would reduce the income of many families where a member was employed either full-time or part-time in household work. Domestic service is in some respects unique from other forms of employment. A household who hires a maid typically has just so much budgeted for that purpose with no more available. She also has no opportunity to pass on any higher wage cost. If it comes down to it, the housewife can substitute her labor and that of other family members for the domestic. Few employers in other fields can do so.

In addition, the constitutionality of this coverage is definitely questionable. Congress can only regulate activities which are entirely intrastate only so long as there is a "rational basis" for a finding that the activity affects interstate commerce in a substantial way. If domestic employees who make beds, dust, and wash windows or mow lawns in private residences are engaged in interstate commerce, there is nothing left of intrastate activities. If someone who vacuums your carpet or mows your lawn is engaged in interstate commerce or is considered to have a substantial impact on interstate commerce, then this clause now encompasses every aspect of American life.

Finally, Mr. President, the question of

overtime for firemen and policemen is of concern to me. I believe that the conference report is an improvement over what we had in the Senate. I might say that the three or four cities we checked out in Colorado figure that for at least 2 years this is all right, but we have not been able to get in touch with smaller communities where a full-time fire department or police department is still in effect.

The compromise effected provides a limited amount of protection for municipalities which will be faced with increased costs for compensating these workers. I have checked with three or four of the municipalities in my State and with their police and firemen and although they will not be immediately affected they may at a later date. I am encouraged by the leadtime given to affected municipalities and the police and firemen involved because of the delayed implementation of this section.

Mr. President, this body and our friends on the House side have faced minimum wage for 3 years now. There are few, if any, Members that I know of who would seriously argue that the $1.60 per hour standard is "keeping up with the times." All of us have been inundated by complaints about the rising cost of living. The housewife who buys groceries and the driver who fills his tank with gas would qualify as experts to tell us about how far $1.60 an hour goes on March 28, 1974. I too, have observed the rising costs of living, but I am not going to bother boring my colleagues with the statistics all of them have heard.

This bill implements a $2 minimum, a minimum which would be in effect today already if our amendment of 1972 had been enacted into law. The differences which have divided us over these last 3 years have been set forth and enunciated. On some of them we have reached some compromise, and on others the majority has prevailed. I have observed the overwhelming vote by the Members of the House of Representatives in support of an increase in minimum wage, and I now feel that the issue which each of us must confront is whether or not erosions of the dollar earned by those 49.4 million workers of this country mandates that I set aside my strong reservations about other parts of the bill to insure a minimum wage increase this year. The conference report is better than the bill which I voted against earlier. I would, of course, have liked to have seen other changes. However, I believe that this report presents the best compromise that those of us who have differed with the majority have been able to achieve since this debate began. As such, it then offers the best chance we have had to effect an increase in the minimum wage, an increase which I have acknowledged on many occasions is justified.

I will, therefore, while acknowledging grave reservations about some parts of this bill and expressing concern that the constitutional issue may invalidate all or part of the bill, vote for passage so that minimum wage eroded by inflation will now be increased to more acceptable levels.

Mr. President, I would also like to commend the work performed during the long history of this increase in the minimum wage by three members of the minority staff of the Senate Labor Committee. Those three are: Chuck Woodruff, Roger King, and Robert Bohan.

Mr. MANSFIELD. Mr. President, will the Senator yield to me for one-half minute?

Mr. DOMINICK. I yield back my time.

Mr. JAVITS. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the conference report.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the first Allen amendment.

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

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I yield 5 minutes out of the time of the minority leader to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from New York has 7 minutes total remaining and the Senator from New Jersey has 3 minutes remaining.

Mr. JAVITS. Mr. President, I yield 3 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCHWEIKER. Mr. President, I thank the distinguished Senator from New York and the ranking member on the Republican side of the committee for yielding this time. I will not take much time because I think we have pretty well enunciated the issues and the problems involved. I join with the chairman and the ranking member of my committee in saying that it is unfortunate that this bill comes 3 years too late.

Many Americans have been forced beyond the bounds of reason in not being able to meet the inflationary spiral and the pressures of our times. I do not believe this bill is inflationary because at the very least we are catching up with what inflation has wrought in terms of the lower economic groups in our society and we are not even catching up to what the cost-of-living factor has been over that time frame. If we use another factor, which is the percent of the minimum wage, the average hourly wage in the United States, which at one point when the last change was made was at a 60-percent ratio, and we are not putting them to that 60 percent, they are still below the relationship that existed at the time the last minimum wage bill was passed. So this bill does not meet the inflation test or the relationship to the hourly average earnings of all workers. I think the legislation is a key step and will help many millions of Americans who are at the poverty level and below the poverty level to try to make ends meet.

One of the chief problems of the conference was the matter of whether or not to include firemen and policemen in this coverage. For the first time we have really addressed ourselves to the problem. This was one of the main contentions of the conference committee on which I served.

One of the reasons for the strong differences between the House and Senate was, as the Senator from Ohio pointed out, there is a lack of knowledge of the practices, of the hours of work and patterns of work that firemen particularly have in their jobs.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. Mr. President, I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 2 additional minutes.

Mr. SCHWEIKER. One of the real important features of this legislation is the acceptance of the suggestion made by the Senators from Ohio, Colorado, and Maryland to make a study so that we know, for instance, that some companies require the firemen to sleep at the firehouse and others do not. Hence the discrepancy. We did the best we could under the circumstances for the first time to bring them under coverage on a three-step basis, over 3 years, and then the fourth step will be based on the practice throughout the United States. I think this is a fair way to eliminate much of the argument. By the fourth year we will have the facts and we will set all firemen in accordance with the average practice in the United States. We will do the same for policemen. This is a significant advancement for firemen and policemen. They are long overdue members of our society and they should have been recognized some time ago for the role they perform as they risk their lives and limbs for us and we have not even covered them up to this date.

I am pleased to strongly support the conference report.

Mr. BENTSEN. Mr. President, the conference report on this minimum wage bill represents the culmination of 3 years of effort by the Congress to increase the living standards of millions of American workers.

In 1972, a minimum wage bill passed both Houses of Congress but never went to conference. Last year, a similar bill was unwisely vetoed by the President. This year, we have a minimum wage bill that should be signed into law promptly.

It has been some 8 years since the Congress has enacted legislation on the minimum wage. Between 1966 and 1973, the Consumer Price Index rose 42.5 percent; between February 1, 1968, the date the $1.60 minimum wage became effective for the majority of those covered, and December 1973, the rise was 35.4 percent.

For middle-income Americans, average hourly earnings have increased 45 percent since February 1968, and by 60 percent since 1966.

This legislation is directed to workers at the very bottom of the economic

ladder. I believe it is time that these American workers received a break, and I strongly support this minimum wage increase.

It is unconscionable for this Nation to have a minimum wage which yields an income fully $1,300 below the poverty level for an urban family of four. In view of the inflation which we have witnessed in the last 12 months the wage levels in this bill are now essential.

Another provision in which I have been interested for several years is the section extending the Age Discrimination in Employment Act to Federal, State, and local employees. Although I introduced this measure in March 1972, and it has passed the Senate on two occasions, it has not, until now, emerged from a House-Senate conference.

The passage of this measure insures that Government employees will be subject to the same protections against arbitrary employment based on age as are employees in the private sector. I am pleased that this long struggle is now ending, and that this provision will be written into law.

This legislation is literally a bread-and-butter issue for millions of American workers. We cannot afford to delay it any longer. I urge the President to sign it into law.

Mr. KENNEDY. Mr. President, I rise in support of the conference on the minimum wage bill and urge the Senate to approve it once more.

The 7 million workers who would be covered for the first time by the provisions of the minimum wage law have been suffering for the past 6 months because of the veto of the earlier bill approved by the Congress. The other millions of workers who have been receiving the minimum wage have been suffering as well because they have no means to defend themselves against the rising cost of living.

A year ago, we sought to take a modest step to raise the minimum wage for those workers on the bottom rung of the economic ladder in this country. For them, the rate of inflation since 1968, when the current $1.60 per hour minimum wage level took effect, has cut their purchasing power by more than a third. It would take a $2.17 per hour minimum wage just to match the rate of inflation since then.

Last summer, our bill attempted to provide that minimal protection to these workers but it was vetoed and we were unable to override the veto.

Ever since, we have been attempting to convince the administration to remove its opposition to a decent minimum wage, to remove its opposition to the coverage of domestic workers and to remove its opposition to protecting the rights of younger workers. Hopefully, the conference report now before us will be seen for what it is, a modest attempt to provide basic equity to millions of American workers.

The bill increases the minimum wage from $1.60 per hour to $2 immediately, to $2.10 on January 1, 1975, and $2.30 per hour on January 1, 1976.

In addition, it provides greater protection for domestic employees and raises the level of payment for farmworkers as well. Unfortunately, the law still excludes the vast number of farmworkers from coverage.

Similarly, while this bill does provide major new benefits compared to existing law, it does not offer as adequate wage increases as I would have wished.

The minimum wage clearly should permit individuals to receive income sufficient to live decently. Yet, today, the Department of Labor estimates the annual poverty level income for a family of four at $4,540 in 1973. The $1.60 per hour minimum wage provides only $3,200 and even our initial increase to $2 per hour will only yield a $4,000 annual income. Only when the final $2.30 per hour goes into effect on January 1, 1976, will we have provided income beyond what is today considered the poverty line.

This bill is a major step forward and it should be supported and approved. But we must recognize at the same time that more still remains to be done.

Mr. BUCKLEY. Mr. President, I would like briefly to comment upon the conference report on S. 2747, Fair Labor Standards Amendments of 1974. I will not vote in favor of it because once again the Congress has failed to come to grips with the now well-documented impact of a rise in minimum wage levels on teenagers seeking to enter the labor market for the first time. Without a youth differential provision, the bill will make it still harder for young people, especially those from disadvantaged backgrounds, to find jobs.

It is ironic that the bill acknowledges today's very serious 15.6 percent unemployment rate of American youth by incorporating a provision that will authorize the payment of less than the applicable minimum wage for students who have been issued work certificates. Yet the bill ignores the dilemma of the hundreds of thousands of teenagers who have quit school and are frozen out of jobs because no exception is made in their case.

An explanation of this tragic effect is simple. The school "drop-outs" contain a high percentage of young people (especially non-whites who in turn have an unemployment rate close to 30 percent) who have not yet acquired the elementary skills and work habits that enable them to justify receipt of the minimum wage.

Not to belabor my point, I would simply like to once again state a simple, well-documented economic fact of life—employers pay workers according to their productivity. Most American workers are highly productive, and therefore earn considerably more than the minimum wage. But too many young people are not particularly skilled and are therefore only marginally productive. Therefore, they are the first to go when employers are forced to pay them more than their productivity will justify; and in the process they are deprived of the basic opportunity for learning the skills and habits that will justify higher wages; namely, through on the job experience.

Ironically, the conference report directs the Secretary of Labor to conduct a continuing study on the means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment (such as disadvantaged minorities youth, et cetera). Yet the simple act of raising the minimum wage without making special provison for the young is already known to be a root cause of displacing these people from their jobs.

The pious declarations of social concern that so often accompany and obscure minimum wage debates may be politically satisfying to some. But such declarations ignore the economic fact of life, and, as so often happens when we try to repeal the laws of economics by Federal decree, the intended beneficiary becomes the victim.

Mr. President, I will not vote for a bill that will have the predictable effect of making it still harder for our neediest young people to become self-supporting, self-confident citizens.

Mr. DOLE. Mr. President, I am pleased to support the conference report on the minimum wage bill, because I believe it represents a satisfactory and constructive resolution of a number of difficult and complex issues.

The minimum wage law has some of the broadest effects of any statute on the books. It primarily seeks to assure a decent living for the American workingman and woman. But through its application, it influences many aspects of our country's complex economy reaching beyond mere rates of pay and hours of labor. This law has a substantial impact on the decisions of business management, government, and private individuals. And thereby, it shapes the employment opportunities available to those in many age brackets and with varying degrees of training. Ultimately, of course, its effects are felt by the taxpayers and consumers at the end of the economic line.

As the history of this legislation demonstrates, this is a very difficult area, so the conferees are to be commended for their success in shaping an agreement which appears to have broad support.

The conference report embodies the traditional concern we have had in this country for the well-being of working people. A living wage for a fair day's work is a hallmark of the American economic philosophy. The bill also recognizes the special circumstances in the situations of students, police, and firefighting personnel, and certain household employees. And the adjustments in these areas should be broadly acceptable to all concerned.

I believe that the business community will find more at this bill acceptable—that it is responsive to the concerns and circumstances of many employers—particularly small enterprises.

And, most importantly, I feel the conference report is responsible in its overall economic impact which will affect not only workers and employers, but every taxpayer and consumer in the country.

Mr. JAVITS. Mr. President, I ask unanimous consent that Gene Mittelman and David Dunn may be granted the privilege of the floor during the consideration of the conference report.

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

Mr. JAVITS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. WILLIAMS. I yield back our time.

The PRESIDING OFFICER. The agreement provides for the vote to occur at 11:30 a.m. The unanimous-consent agreement could be changed by unanimous consent.

Mr. JAVITS. We yield back our time.

Mr. GRIFFIN. What is the change in the agreement?

Mr. JAVITS. No change. We merely want to yield back our time. We have no further speakers; unless we have a quorum call before the vote.

Mr. GRIFFIN. The Senator can suggest the absence of a quorum.

Mr. JAVITS. We have only 3 minutes.

Mr. GRIFFIN. We can call it off.

Mr. JAVITS. Mr. President, I do not yield back my time. 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. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Under the previous order, the hour of 11:30 having arrived, the vote on the conference report is now in order. 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 Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Minnesota (Mr. MONDALE), the Senator from Alaska (Mr. GRAVEL), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Wyoming (Mr. MCGEE), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Vermont (Mr. AIKEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), and the Senator from Maryland (Mr. BEALL) would each vote "yea."

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 71, nays 19, as follows:

[No. 91 Leg.]

YEAS—71

Abourezk	Gurney	Nelson
Allen	Hart	Nunn
Baker	Hartke	Packwood
Bayh	Haskell	Pearson
Bellmon	Hathaway	Pell
Bentsen	Hollings	Percy
Bible	Huddleston	Proxmire
Biden	Hughes	Randolph
Brooke	Humphrey	Ribicoff
Burdick	Inouye	Roth
Byrd, Robert C.	Jackson	Schweiker
Cannon	Javits	Scott, Hugh
Case	Johnston	Sparkman
Chiles	Kennedy	Stafford
Church	Long	Stevens
Clark	Magnuson	Stevenson
Cook	Mansfield	Symington
Cranston	McGovern	Taft
Dole	McIntyre	Talmadge
Domenici	Metcalf	Tunney
Dominick	Metzenbaum	Weicker
Eagleton	Montoya	Williams
Fong	Moss	Young
Griffin	Muskie	

NAYS—19

Bartlett	Curtis	Hruska
Bennett	Eastland	McClellan
Brock	Ervin	McClure
Buckley	Fannin	Scott, William L.
Byrd, Harry F., Jr.	Goldwater	Stennis
Cotton	Hansen	Tower
	Helms	

NOT VOTING—10

Aiken	Hatfield	Mondale
Beall	Mathias	Pastore
Fulbright	McGee	Thurmond
Gravel		

So the conference report was agreed to.

Mr. JAVITS. Mr. President, I move that the Senate reconsider the vote by which the conference report was agreed to.

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

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I congratulate the Senate on approval of the conference report on S. 2747, the minimum wage bill. The minimum wage of $1.60 an hour has not been increased since 1968. Since that time inflation has pushed the cost of living up 33 percent.

Today's vote is the third time in less than 2 years that the Senate has approved an increase in the measure of economic dignity for those working Americans at the bottom of the economic ladder. On one occasin the other body refused to go to conference and on the other, our efforts were vetoed by the President.

I strongly urge the President to sign this bill into law.

S. 2747 fully reflects the will of Congress and the public. Its provisions have been thoroughly examined in committee in both Houses. It has been debated many hours. Every controversial point has been tested by a vote in the Senate. The differences between the two bodies have been fairly compromised. It is a fine bill and should become law.

I also want to thank our chairman, Senator WILLIAMS, for his outstanding leadership and perseverance in bringing this difficult piece of legislation safely through once again. It is my strongest hope that this time we will see our efforts rewarded by becoming law.

UNANIMOUS-CONSENT AGREEMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the vote on the first Allen amendment there be a limitation of 1 hour on the Hathaway amendment, to be equally divided between the distinguished Senator from Maine (Mr. HATHAWAY) and the minority leader or whomever he may designate.

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

Mr. MANSFIELD. I ask unanimous consent that it be in order at this time to ask for the yeas and nays on that amendment.

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

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the second Allen amendment.

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

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the disposition of the second Allen amendment, the amendment to be offered by the distinguished Senator from Texas (Mr BENTSEN) may follow, and that there be a time limitation of 30 minutes on that amendment, the time to be equally divided.

Mr. GRIFFIN. Mr. President, reserving the right to object, I am not familiar with the Bentsen amendment.

Mr. COOK. Mr. President, I am familiar with the Allen amendments, but I am not familiar with the Bentsen amendment, either. I wonder if the majority leader would consider holding that one in abeyance.

Mr. MANSFIELD. Yes; I withdraw the request.

Mr. ALLEN. Mr. President, the Senator from Texas, in conversation with me, said that his amendment provided that no foreigner could contribute to election campaigns It is a recommendation, I believe, that the President made.

Mr. COOK. May I say to the Senator from Alabama, I would think an amendment of that nature could be adopted unanimously by a voice vote, and that it would not be necessary to have a rollcall or to have time for debate.

Mr. MANSFIELD. I will discuss that later.

Then I understand that following the disposition of the Bentsen amendment, the third Allen amendment for today will be offered.

Mr. ALLEN. That suits me.

Mr. MANSFIELD. If I may have the attention of the minority leader and the ranking member of the Rules Committee, the Senator from Alabama has indicated that he would be willing to consider a 30-minute limitation on the third amendment on the same basis as the other two. I understand that the amendment has to do with the positions of the Members of the 93d Congress who will be running for office this year.

Mr. ALLEN. Running for the Presidency?

Mr. COOK. I have no objection to that.

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

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, I remind the Senate that we have a vote on the extradition treaty with Denmark at 12 o'clock tomorrow. There is a rumor going around that that would be the only business tomorrow. However, it is the intention of the joint leadership to consider amendments to the pending business, and it is anticipated that there will be yea and nay votes in addition to the vote on the treaty of extradition.

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.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HUDDLESTON) laid before the Senate, messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Chair lays before the Senate the unfinished business, S. 3044, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment (No. 1109) of the Senator from Alabama (Mr. ALLEN), which the clerk will state.

The assistant legislative clerk proceeded to read the amendment.

Mr. ALLEN's amendment (No. 1109) is as follows:

On page 3, line 6, strike out "FEDERAL" and insert in lieu thereof "PRESIDENTIAL".

On page 4, line 6, strike out the comma and insert in lieu thereof a semicolon.

On page 4, beginning with line 7, strike out through line 12.

On page 4, line 13, strike out "(5)" and insert in lieu thereof "(4)".

On page 4, line 17, strike out "(6)" and insert in lieu thereof "(5)".

On page 5, line 6, strike out "any".

On page 5, line 21, immediately before "Federal", strike out "a".

On page 7, line 3, strike out "(1)".

On page 7, beginning with "that—" on line 5, strike out through 7 no page 8 and insert in lieu thereof "that he is seeking nomination for election to the office of President and he and his authorized committees have received contributions for his campaign throughout the United States in a total amount in excess of $250,000.".

On page 9, line 6, after the semicolon, insert "and".

On page 9, strike out lines 7 and 8 and insert in lieu thereof the following: "(2) no contribution from".

On page 9, beginning with "and" on line 13, strike out through line 19.

On page 10, beginning with "(1)—" on line 3, strike out through line 16 and insert in lieu thereof the following: "(1), no contribution from any person shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate for his primary election.".

On page 13, beginning with line 16, strike out through line 18 on page 14 and insert in lieu thereof the following:

"SEC. 504. (a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate may make expenditures in any State in which he is a candidate in a primary election in excess of the greater of—

"(A) 20 cents multiplied by the voting age population (as certified under subsection (g)) of the State in which such election is held, or

"(B) $250,000.".

On page 14, line 19, strike out "(B)" and insert in lieu thereof "(1)" and strike out "subparagraph" and insert in lieu thereof "paragraph".

On page 14, line 20, strike out "(A)" and insert in lieu thereof "(1)".

On page 15, line 8, beginning with "the greater of—", strike out through line 17 and insert in lieu thereof "15 cents multiplied by the voting age population (as certified under subsection (g)) of the United States.".

On page 18, beginning with line 10, strike out through line 20.

On page 26, lines 2 and 3, strike out "under section 504 of the Federal Election Campaign Act of 1971, or".

On page 71, beginning with line 20, strike out through line 2 on page 73 and insert in lieu thereof the following:

"(a) (1) Except to the extent that such amounts are changed under subsection (f) (2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary election campaign in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election for such nomination is held, or

"(B) (i) $125,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2) (A) No candidate for nomination for election to the office of President may make expenditures in any State in which he is a candidate in a primary election in excess of two times the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination for election to the office of Delegate in the case of the District of Columbia, the Virgin Islands, or Guam, or to the office of Resident Commissioner in the case of Puerto Rico) may expend in that State in connection with his primary election campaign.

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(b) Except to the extent that such amounts are changed under subsection (f) (2), no candidate may make expenditures in connection with his general election campaign in excess of the greater of—

"(1) 15 cents multiplied by the voting age population (as certified under subsection (g)) of the geographical area in which the election is held, or

"(2) (A) $175,000, if the Federal office sought is that of Senator, or Representative from a State which is entitled to only one Representative, or

"(B) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(c) No candidate who is unopposed in a primary or general election may make expenditures in connection with his primary or general election campaign in excess of 10 percent of the limitation in subsection (a) or (b).

"(d) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(e) (1) Expenditures made on behalf of any candidate are, for the purpose of this section, considered to be made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States are, for the purposes of this section, considered to be made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(A) an authorized committee or any other agent of the candidate for the purposes of making any expenditure, or

"(B) any person authorized or requested by the candidate, an authorized committee of the candidate or an agent of the candidate to make the expenditure.

"(4) For purposes of this section an expenditure made by the national committee of a political party, or by the State committee of a political party, in connection with the general election campaign of a candidate affiliated with that party which is not in excess of the limitations contained in subsection (i), is not considered to be an expenditure made on behalf of that candidate.

"(f) (1) For purposes of paragraph (2)—

"(A) 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and

"(B) 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1975), as necessary data become available from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under

subsections (a) and (b) shall be changed by such percentage difference. Each amount so changed shall be the amount in effect for such calendar year.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, eighteen years of age or older.

"(h) Upon receiving the certification of the Secretary of Commerce and of the Secretary of Labor, the Federal Election Commission shall publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, and for each State and congressional district under this section."

On page 73, line 3, strike out "(b)" and insert in lieu thereof "(i)".

On page 73, line 24, strike out "section 504" and insert in lieu thereof "subsection (g); and".

On page 74, strike out lines 1 and 2.

On page 74, line 6, strike out "that Act" and insert in lieu thereof "the Federal Election Campaign Act of 1971".

On page 74, line 8, strike out "(c)" and insert in lieu thereof "(j)".

On page 74, line 10, strike out "(a) (4)" and insert in lieu thereof "(e) (3)".

On page 75, line 6, strike out "(a) (5)" and insert in lieu thereof "(d)".

On page 75, line 11, strike out "(a) (4)" and insert in lieu thereof "(e) (3)".

The PRESIDING OFFICER. The time for debate on this amendment is limited to 30 minutes, to be equally divided between and controlled by the Senator from Alabama (Mr. ALLEN) and the Senator from Nevada (Mr. CANNON). Who yields time?

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

This amendment would merely take from under the bill the races for the House of Representatives and the Senate, both for the primary and the general elections.

Mr. President, I do not believe it is right for Members of Congress to provide that the taxpayers, through the public Treasury, should pay for their election campaigns. I do not believe it is right to present to a candidate for the Senate 15 cents per person of voting age in his State, to allow him to run for the Senate. This would involve astronomical amounts of money. In the State of California, the public subsidy to a candidate for the Senate in the general election would be $2,121,000. In the State of New York, it would be $1,900,000. I do not believe that the taxpayers of the country should be called on to finance elections of Senators and Representatives.

I might say also, Mr. President, that a strong public opinion in this country caused the Senate to vote against a recommendation of the President that the salaries of the Members of the House of Representatives and the Senate be increased by about $2,500. That was overwhelmingly vetoed here in the Senate.

What would public opinion be about presenting a check for more than $2 million to a candidate for the Senate in California, $1,900,000 in the State of New York, and lesser sums on down?

All this amendment would do would be strike the House and the Senate from the provisions of the bill. I do not believe that the House would accept the provision anyway, and I believe that the Senate should take the leadership and strike the primary and general elections of House and Senate Members from the bill.

For another thing, matching funds are provided in the primary for the House of Representatives and the Senate, and this would actually aid the incumbents, in that we would match the private collections of sums up to $100 of House and Senate Members. Naturally the House and Senate Members, being incumbents, and being better known, would be able to collect more funds from individual contributors, and then the Federal Government would match that amount, compounding the advantage that the incumbent would have.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I yield myself 1 more minute.

Mr. President, it is not in the public interest to require the taxpayers to pay for the primaries, or half of the primaries and all of the general election expense, of Senators and Representatives, and I hope that the Senate will approve the amendment.

Mr. President, I yield 3 minutes to the distinguished Senator from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. President, I thank the Senator from Alabama for yielding so that I could speak in support of the amendment.

It is no secret here in the Senate that I do not look favorably upon public financing of any campaigns, including Presidential campaigns. I think it would result in the distortive effect of contributions of large sums of private money giving way to the distortive effect of large contributions of public money, with the inevitable effect of a proliferation of Treasury rules and regulations and bureaucratic redtape that ultimately will pervade a system of public financing, no matter how we try to avoid it.

The election of officials to office at the Presidential and congressional levels, in my judgment, is the most intimate of all democratic processes. It was intentionally not structured into the Constitution, so that we would be entirely on our own, free of the dictates of the Government in deciding how we select our officials.

But there is a very real distinction between a Presidential campaign, with two major party nominees who command the attention of the national press corps and the national media including television coverage, and the campaign of a typical candidate for the House of Representatives or the Senate, who does not have similar coverage, especially those who are challengers of established incumbents.

I am an incumbent. Now, by the grace of God and the good will of the people of Tennessee, I have been here a little more than 7 years. But 7 years is not long enough to eradicate from my mind a recollection of how hard it is to run from obscurity, and how hard it is to be a challenger.

I think, Mr. President, that particularly in the cases of candidates for the House of Representatives or the Senate, public financing creates a distinct advantage on behalf of the incumbents, and diminishes the chance for new and aggressive, intelligent and worthwhile challengers.

It tends to cement the status quo of congressional affairs and is far more susceptible to unfavorable results than even the financing of a Presidential campaign from the public treasury, which I also oppose. On the scale of things, I must say that I oppose this more than I oppose that.

So I very much hope that the Senate will support the amendment of the distinguished Senator from Alabama to exempt ourselves from public financing. If the matter of the setting of our own salaries is a patent conflict of interest, the matter of providing for our own war chests to campaign with is an even greater conflict of interest.

I thank the distinguished Senator from Alabama for yielding me this time.

Mr. KENNEDY. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BAKER. I yield, if I have any more time.

Mr. CANNON. Mr. President, I yield the Senator from Massachusetts 5 minutes.

Mr. KENNEDY. Mr. President, I oppose the amendment offered by Senator ALLEN to strike the provisions of S. 3044 dealing with public financing of congressional general elections and congressional primaries, and I urge the Senate to reject the amendment.

At a very minimum, yesterday's overwhelming vote cements the existing law providing public financing for Presidential general elections. Obviously, Congress is not about to roll back the clock on the current dollar checkoff by repealing or deleting existing law.

By what logic, then, can Congress fail to see the need for public financing of its own elections?

The issue is the same under both amendments that Senator ALLEN plans to offer today—to strike public financing for all congressional elections, and to strike it for Presidential primaries.

The logic is compelling, and we escape it at our peril. If public financing is the answer to the problems of private money and political corruption in Presidential elections, then it is also the answer to the problems of private money and political corruption in other Federal elections, too. If public financing is good enough for the President, it is good enough for the House and Senate, too. If public financing is good enough for general elections, it is good enough for primaries, too.

For centuries, money and public service have been a corrosive combination in political life. And the more things change the more they remain the same. In "The Prince," Machiavelli put the problem clearly almost 500 years ago:

As a general rule those who wish to win favor with a prince offer him the things they most value and in which they see that he will take most pleasure; so it is often seen that rulers receive presents of horses, arms, piece of cloth of gold, precious stones, and similar ornaments worthy of their station.

The only real change today, when the favors available from the modern Congress and the modern Federal Government would boggle the mind of any medieval prince, is that the most valued presents are not horses and arms, but contributions to political campaigns.

Just as Watergate and private campaign contributions have mired the executive branch in its present quicksand of corruption, so, I am convinced, the present low estate of Congress is the result of the ingrained corruption and appearance of corruption that our system of private financing of congressional election has produced.

Today, in Congress, the problem has reached the epidemic level. For too long, we have tolerated a system of private financing that allows the wealthiest citizens and biggest special interest groups to infect our democracy by buying a preferred position in the deliberations of Congress.

It is no accident that Congress so often fails to act promptly or effectively on issues of absolutely vital importance to all the people of the Nation—issues like inflation, the energy crisis, tax reform, and national health insurance, to name but four subjects where the ineffective action of Congress, sometimes over many years, appears to bear a direct and obvious correlation to the massive campaign contributions by special interest groups. It is no secret to any citizen that such interest groups have a stake at least in the status quo, and often a stake in something worse, in flagrant disregard of where the public interest really lies.

Not until we root out all the corrosive aspects of the present system will we be able to cure this worsening infection of our Government, and bring our democracy back to health.

To make the case for public financing of congressional elections, we need look no farther than the figures released today by Common Cause. Beyond any reasonable doubt, these figures demonstrate that special interest groups have a stranglehold on Congress, and that the stranglehold can only be broken by public financing.

The figures tell a dismal story of how Congress is bought in each election year.

Special interest groups	Contributions to Congress, 1972	Cash on hand, 1974
Total	$14,000,000	$14,200,000
Business professional	3,400,000	5,900,000
All labor	3,800,000	5,000,000
AFL-CIO	847,000	309,000
BIPAC (NAM)	410,000	231,000
AMA	844,000	335,000
Dairy	$1,089,000	$2,018,000
Oil	37,000	NA

One of the most distressing aspects of these figures is the proof that Watergate has not even made a dent in the special interest war chests now being accumulated for the 1974 elections. Already, with the 1974 primary campaigns hardly even underway, the special interest groups have collected more cash on hand for political contributions in 1974 than they contributed in all of 1972.

An equally distressing aspect is that these figures vastly understate the real amount of special interest giving, since they are compiled only from reports filed by registered political committees. Because of limits on current capability for analyzing the published reports, the figures are forced to ignore contributions by individuals. Yet, we know that individuals with a special interest in legislation before Congress contributed immense amounts to 1972 campaigns, and they are obviously tooling up to do the same in 1974.

It is a hollow joke, a very hollow joke whose butt is the people of America, to read that oil committees gave only $37,000 for congressional elections in 1972, when we know from other estimates that oil executives contributed millions to both the Presidential and the congressional elections in 1972.

In sum, Congress owes America a better legislation record on the issues, and the way to start is by cleaning the stables of our own campaigns, by reforming the way we finance our own elections. Only when we have public financing of our elections will we in Congress truly represent the public.

Mr. President, I wonder whether the Senator from Alabama and the Senator from Tennessee are familiar with the figures released by Common Cause this morning, which show the sizable contributions made by the special interest groups to Members of Congress in the 1972 elections, and the sizable warchests they have accumulated for 1974. I wonder what kind of reaction the Senators have to these disclosures.

We already have public financing for Presidential elections. Why do we think in the House and the Senate that we are "holier than thou" and that it is not necessary to have public financing for Members of Congress? Most specifically, what is the reaction of the Senator from Tennessee to the analysis by Common Cause, which shows that over $14 million in special interest money has already been collected for the Senate and House elections this fall? How does he respond on that issue to the amendment before the Senate?

Mr. BAKER. I thank the Senator from Alabama for giving me, again, enough time so that we can have this colloquy with the Senator from Massachusetts.

My response is, I do not think we should have any contributions from anyone except qualified voters. I do not think the Treasury of the United States, or the treasury of the State of Tennessee, or that any corporation, or association or co-op, or whatever, should make contributions or give financial support to any campaign. Rather, I think that the support should come only from individual human beings who can vote. Corporations cannot vote. Common Cause cannot vote. Chambers of Commerce cannot vote. Why should they contribute? I proposed, and there is at the desk, an amendment to the bill which I will call up later, that says that no one except a qualified voter can contribute.

That is my reply.

Mr. KENNEDY. Mr. President, so long as we have private contributions, the special interests will find a way to give their money and make their influence felt.

As I indicated earlier, the Common Cause figures are only the tip of the iceberg, because they reflect only the contributions reported or collected by organized political committees. They do not reflect contributions by individuals. Yet we know, as in the case of oil money, that vast amounts of special interest money come rolling in, each election year, in the form of individual contributions.

We know why these special interest groups are building up their warchests for 1974. To take but one example, it is clear that this Congress is now well into a major debate on national health insurance. Possibly, a comprehensive bill to establish a program of national health insurance may pass the Senate and the House before the end of the present session. Or, the debate may well carry over into the 94th Congress that convenes in January 1975, after the congressional elections this fall. Obviously, health reform and national health insurance are issues that are now coming into the forefront of the agenda of Congress.

And what do we see when we look at the Common Cause figures, published today, showing the warchests that special interest groups have already accumulated for the purpose of making contributions to the 1974 elections? We find that one of the special interest groups with the fattest warchests is none other than the American Medical Association and its affiliated political action committees in the various States.

Mr. President, I ask at this point that an excerpt from the Common Cause materials showing the breakdown by State of the AMA warchest, may be printed in the RECORD.

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

1974 CAMPAIGN WAR CHEST OF AMERICAN MEDICAL ASSOCIATION AND ITS AFFILIATED POLITICAL ACTION COMMITTEES

Closing date	Organization (branches of American Medical Association)	Committee name	Amount
Mar. 7, 1974	National	American Medical PAC	$60,520
Dec. 31, 1973	District of Columbia Executive.	Physcns Com For Good Govt—D.C	8,482
Feb. 28, 1974	Alabama	Alabama Medical PAC	15,029
Jan. 31, 1974	Alaska	Alaska Medical PAC	1,375
Mar. 10, 1974	Arizona	Arizona Medical PAC	13,392
Feb. 28, 1974	Arkansas	Arkansas PAC	4,411
Dec. 31, 1973	California	California Medical PAC	178,517
Mar. 10, 1974	do	Committee for Govt Improvement	168
Dec. 10, 1973	do	L.A. Cnty Physicians Comm	14,002
Mar. 7, 1974	do	Professional Comm for Good Govt	156
Feb. 28, 1974	Colorado	Colorado Medical PAC	1,670
Mar. 10, 1974	Connecticut	Connecticut Medical PAC	4,156
Feb. 28, 1974	District of Columbia	District of Columbia PAC	1,367
Feb. 31, 1973	Florida	Florida Medical PAC	22,943
Feb. 28, 1974	Georgia	Georgia Medical PAC	34,232
Feb. 28, 1974	Hawaii	Hawaii Medical PAC	2,629
Dec. 31, 1973	Idaho	Idaho Medical PAC	981
Mar. 7, 1974	Illinois	Illinois Medical PAC	18,594
Feb. 28, 1974	Indiana	Indiana Medical PAC	47,909
Do	Iowa	Iowa Medical PAC	22,652
Do	Kansas	Kansas Medical PAC	6,383
Feb. 31, 1973	Louisiana	Louisiana Medical PAC	16,986
Feb. 28, 1974	Maryland	Maryland Medical PAC	27,294
Dec. 31, 1973	Massachusetts	Bay State Physicians PAC	1,022
Feb. 28, 1974	Michigan	Michigan Doctors PAC	25,320
Do	Minnesota	Minnesota Med PAC	$17,584
Do	Mississippi	Mississippi PAC	15,884
Do	Missouri	Missouri Med PAC	26,380
Oct. 2, 1973	Montana	Montana PAC	2,372
Feb. 28, 1974	Nebraska	Nebraska Med PAC	7,999
Do	New Jersey	N.J. Med Political Action	8,899
Dec. 31, 1973	New Mexico	N.M. Med PAC	3,221
Mar. 10, 1974	North Carolina	North Carolina Med Pol Educ & Action Comm.	20,699
Feb. 28, 1974	North Dakota	N.D. Comm on Med Pol Act	1,243
Do	Ohio	Ohio Med PAC	53,123
Dec. 31, 1973	Oklahoma	Oklahoma Med PAC	8,299
Feb. 28, 1974	New York	Empire Medical PAC	1,803
Do	Oregon	Oregon Med PAC	16,121
Do	Pennsylvania	Pennsylvania Med PAC	50,874
Do	Rhode Island	Rhode Island Med PAC	1,160
Do	South Carolina	South Carolina PAC	6,405
Dec. 31, 1973	South Dakota	South Dakota PAC	1,435
Feb. 28, 1974	Tennessee	Independent Medicine's PAC	19,673
Do	Texas	Texas Med PAC	59,160
Dec. 31, 1973	Utah	Utah Med PAC	1,661
Do	Virginia	Virginia Med PAC	6,840
Feb. 28, 1974	Washington	AMPAC—State of Washington	10,084
Do	Wisconsin	Wisc Physician's PAC	16,085
Do	Wyoming	Wyoming PAC	1,894
Total			889,088

Mr. KENNEDY. We see from these figures that the AMA and its affiliates have already collected the massive sum of $889,000 in available contributions for the fall congressional elections. We also know the position of the AMA on health reform, which is a position of total opposition to the sort of national health insurance program that many of us believe is essential if the Nation is to have decent health care.

Clearly, the AMA position will be well represented in the next Congress. Money speaks, and $889,000 in campaign contributions speaks with a very loud voice indeed.

But who speaks for the average citizen? Who speaks for the mother trying to get a doctor because her child is sick. Who speaks for the family driven into financial ruin because of the high cost of serious illness? Who speaks for all the people fed up with a health care system that suits the doctors and the insurance companies very well, but that fails to meet the people's basic need for decent health care at a price they can afford to pay?

That is the nature of the problem we face. There are probably only a handful of Members of this body who have not received at least some contribution from one or another of these various interest groups. I think that public financing is the only realistic answer to eliminate the corrupting influence of the special interest contributions on our Senate and House elections.

We see the picture. The special interest groups are waiting with their checkbooks to make their influence felt. If this amendment passes, the effect will be to say that we in Congress are glad to get that money, that we welcome their campaign contributions in 1974 and on into the future.

I oppose the amendment, and I hope that the Senate will reject it.

Mr. BAKER. Mr. President, I do not know what the parliamentary situation is at the moment. The Senator from Massachusetts asked me to yield, but on whose time, I do not know. We have been having this colloquy. If I still have the floor, I should like to have 1 minute more to speak.

Mr. ALLEN. I yield the Senator from Tennessee 1 more minute.

Mr. KENNEDY. Whatever time remains to me I will gladly yield to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 1 minute.

Mr. BAKER. Mr. President, I am really most distressed by the concept embodied in the remarks just made by the Senator from Massachusetts, which I read to mean that we can trust ourselves so little to cure the ills spotlighted by the Watergate case that we have got to throw the baby out with the bath water. I really am concerned that we do not consider ourselves to be good enough legal draftsmen or legislative scholars to be able to draft a way to prevent the special interests from having an effect on the elective process.

I know half a dozen ways to do that without tearing down the destiny and the political system of this country.

We could hand out $2 million in California or $365,000 in Nevada, or whatever, and pretty soon we will have a little booklet coming out that says "Federal Rules and Guidelines for Qualifying for the Expenditure of Funds"—and pretty soon the Federal Government will be supervising how campaigns are going to be run. Thus, we will have created political incest.

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

Mr. KENNEDY. If I have any time remaining, I should like to have 2 minutes——

Mr. CANNON. I yield 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KENNEDY. Mr. President, the thing the American public should understand is that they are paying for the system now. We hear the statements about the raid on the Federal Treasury. The Senator from Tennessee understands who is paying for what now.

And one of the most obvious the people are forced to pay is through tax loopholes. The Internal Revenue Code is riddled with tax loopholes. The American public is paying for those loopholes. Vast amounts of tax welfare are being paid through the tax laws to big contributors and special interest groups. And we know who makes up the difference. The working man and woman, the middle income and the lower income groups are the ones who pay higher taxes to make up for the various tax loopholes.

We know how those various tax loopholes have been obtained. As the Senator from Tennessee and every other Member of the Senate knows, it is through the work of the highly paid lobbyists and the special interest groups down here in the conference rooms and in the committee rooms and in the halls of Congress. They make sure that the loopholes are written in and stay in and they are always around when campaign contributions are to be made.

So, make no mistake about it, Mr. and Mrs. Public, you are paying for the system, and you are paying for it in hidden billions of dollars every year.

All it takes to change the system and put it on an honest footing is to make sure that the public pays the bill for elections to public office. We are talking about a cost of $360 million over a 4-year period, to make Members of Congress and the Senate, and the President of the United States accountable to the people and not to the special interests. That is a bargain by any standard, a price we cannot afford not to pay.

Several Senators addressed the Chair.

Mr. ALLEN. Mr. President, I yield 2 minutes to the Senator from Colorado (Mr. DOMINICK).

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. DOMINICK. Mr. President, I thank the Senator from Alabama.

Mr. President, I have not participated very much in this debate so far and I do not serve on the Committee on Rules and

Administration, but I think I have just heard the most illogical argument from the Senator from Massachusetts that I have heard in my whole life in the 12 years I have served in this body, and my 2 years of service in the House.

Every single tax thing, including what he calls the tax loopholes, were originally put in for a social reason of one kind or another, like the tax loophole which gives an extra deduction, for example, to one who is blind or over the age of 65. There is a whole group of things like that, which he lumps into so-called tax loopholes. It does not have a single thing to do with the bill which is designed to put Members of the Senate and Members of the House in the public trough.

Mr. KENNEDY. Mr. President, will the Senator from Colorado yield for a question?

Mr. DOMINICK. I yield.

Mr. KENNEDY. Would the Senator support a bill to eliminate all the tax loopholes, say, by the end of this year, over a 2- or 3-year period, then rebuild them back into the Revenue Code, if they really serve a social purpose? I believe that many of those loopholes are directly related to campaign contributions by the people who enjoy the benefits of the loopholes. Would the Senator be willing to test the social purpose of the loopholes by re-enacting them or is he simply prepared to continue——

Mr. DOMINICK. Is the Senator asking me a question?

I wonder whether the Senator from Alabama would yield me another minute to answer the Senator from Massachusetts.

Mr. ALLEN. Yes.

Mr. DOMINICK. I thank the Senator.

The answer to the Senator from Massachusetts is, "no," I would not support such a bill.

A great many social projects are of extraordinary impact in this country. One of the things I hope to do is to get a tax credit for higher education. We have passed it in the Senate twice, and I have no intention of saying that the Senator from Colorado would simply eliminate these social practices which we try to accomplish in a tax bill. Besides, that comes out of the Ways and Means Committee, not out of the Rules Committee, and has nothing to do with the public trough bill that is before the Senate now.

I have been adamantly against public financing from the very beginning. I am against it for any kind of race—Presidential, Republican, senatorial, or anything else—because all I can see is a continuing effort to get more and more money as expenses go on, increasing the amount of money we are going to be spending on public campaigns for election one way or another. As one who is running this year, it would be helpful to me, of course, if we had public financing. But I cannot think of anything worse for the taxpayers of my State, for the taxpayers of the country, and for the country's government as a whole—its welfare, its honor, and its integrity. To have campaigns run on public financing is the worst thing I can think of.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield 2 minutes to the distinguished Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. I thank the Senator from Alabama.

Mr. President, last year the Senate passed a good bill. I could not be here to participate in that bill, but I have been so concerned about elections, about what has been happening, that I have gone into this matter rather thoroughly; and I cannot support the principle of using taxpayers' dollars to pay for the campaigns, especially our own elections, especially for the election of Members of the House of Representatives, who have only 2-year terms.

As a practical matter, I know of no scandal connected with senatorial races or with races of Members of the House, either—the actual races for election or reelection. I have been here a good while. We have had some matters come up about funds collected and appreciation dinners, whatever one wants to call it. But that was after the election was over. Some of that money, we decided—in one case especially—was misused. But I do not think Congress has any record of scandal or any kind of fraud or anything fixed up. There is a selfish angle, too.

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

Mr. ALLEN. I yield the Senator 1 additional minute.

Mr. STENNIS. I feel that to get into our races and to let the taxpayers pay for them takes the people out of it, so to speak. The taxpayer pays his taxes because he has to, and he should, of course. But the idea of taking his money and putting it to this use is contrary to what many people believe in. Worse than that, it takes the people out of the race, so to speak, because they feel that what they can do will not count. We have to get these elections back closer to the people, closer to their voluntary actions, to their enthusiasm, to their willingness to be active citizens, to become involved. We need more people actively involved in these elections, particularly congressional elections.

The PRESIDING OFFICER. Who yields time?

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

Mr. CANNON. I yield 2 minutes to the Senator.

Mr. COOK. Mr. President, it is my intention to vote against the proposal of the Senator from Alabama, but I would be remiss if I did not say that one of the reasons why I intend to do so is that I think the people of the United States have an opportunity to try what we have proposed for some time.

I must say, in all fairness, that I am surprised at the extreme length of the indictment of Democratically controlled Congresses that I have just listened to as to the Internal Revenue Code as it now exists, with what are called complete and absolute loopholes.

I think that the average taxpayer who files his form 1040 seems to think of everybody who has a loophole as not being an average taxpayer. I am thinking about the fellow who owns a gas station, the fellow who deducts for the utilization of his truck, which he also drives home at night because it is his vehicle, and that is a loophole.

I am thinking of literally hundreds and hundreds of things that give a little individual who is a small, independent businessman, not the giant businessman, an opportunity and an incentive to be a businessman, an incentive to make a living.

I hope that during the course of this debate we will not take into consideration such broad, sweeping statements that we are going to have an amendment that takes away all loopholes. What does "all loopholes" really mean? What are we really saying to the Internal Revenue Service? What are we really saying to every little individual who pays his taxes on a quarterly basis, not once a year?

I hope we will look at this situation from the standpoint that we now have an opportunity to try a process that is not totally untried in the world of politics, and I think we all know that. I know how individuals on this floor feel, but if the Senator feels that he is going to try, he should try it at all levels of elective government.

I know that the next amendment is going to swing around and say that we will do it for this group and not that group.

I agree with the Senator from Massachusetts that we have had many misuses, and I think we have a tendency to overkill in the United States. Many times, legislative bodies certainly do. But I believe this issue has been debated enough so that it is no longer the issue of overkill, that it is now the issue that this is a process that may indeed work and can work; and if it does not work, obviously the system can be changed.

To the extent that we in the Rules Committee, under the leadership of our distinguished chairman, have tried to work this matter out to the best of our ability, this amendment would do a great injustice to the work we did in the hearings on the bill. We feel that if we are going to make this experimental attempt to change the methods of campaign operations in the United States, it has to be done at the legislative level and must be done at the Presidential level.

Mr. CANNON. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes remaining. The Senator from Alabama has 1 minute remaining.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, Congress already acted once on this matter and determined last year that the matter should be referred to the Committee on Rules and Administration and that we should come back with a proposition for the financing of campaigns out of Federal funds. That is exactly what we have done.

We do not provide in this law that every candidate must go to the Federal funding source. We leave it up to his option. If he sees a great danger in it and wants to go the private sector he may do that within the limits of the bill. Of course, we provide a limit on the amount. We will not see another situation, if this bill is passed, where Clement Stone and people like that can make tremendous contributions, or a committee, like the milk fund or a like organization makes tremendous contributions, because we have a limit. It means that a person who is unknown and wants to try, if he can demonstrate initially that he has a certain amount of appeal, can find the funds without going to private interest groups to finance a portion of his campaign, provided the funds are there.

The law now provides for the checkoff provision. In this bill we increase that and double the amount of the checkoff and increase the amount of the tax credit or the tax deduction that may be taken. They can use those to provide funds to the candidate.

I simply say the Committee on Rules and Administration is trying to comply with the instructions given it last year by the Senate in reporting a bill on this subject and we think we have done the best job we could do after holding hearings and listening to the testimony of witnesses who appeared before us.

Mr. President, I hope the amendment of the Senator from Alabama is rejected.

Mr. ALLEN. Mr. President, yes, the Committee on Rules and Administration did discharge its commitment in reporting the bill, but there is no obligation on us to take the bill. It is just a vehicle for the Senate to express its will with regard to public financing.

I do not believe that the people of this country, having rejected the thought of Congress raising its salary by some $2,500, will look with favor on Congress voting itself funds in the primary; up to some $2 million in California and lesser amounts down through other States for Members of the Senate to run their campaigns. I do not believe they want to see Members of Congress have their campaigns subsidized.

This amendment will take House and Senate races, both primary and general elections, out from under subsidy provisions of the bill. I hope it is approved by the Senate.

Mr. HOLLINGS. Mr. President, I rise in support of the amendment No. 1109 proposed by my friend from Alabama (Mr. ALLEN).

The bill as it is currently written would establish public financing for all Federal political campaigns. I am opposed to this because I oppose public financing except in the case of Presidential and Vice-Presidential races. The huge amounts of money spent in the 1972 Presidential campaign—$60 million for President Nixon and $35 million for Senator McGOVERN combined with the Watergate revelations indicate the need to change the method of funding Presidental campaigns.

I support, and voted for, legislation sponsored by Senator RUSSELL LONG, of Louisiana, some years ago, to try the checkoff system on our income tax returns. By this system taxpayers can indicate on their tax forms whether or not they want $1 of their tax money to go to the financing of Presidential level campaigns. I believe that this measure, plus a proposed $15,000 ceiling on contributions, would stimulate a healthier atmosphere for Presidential campaigns. The huge sums required to mount a Presidential campaign force the candidate to seek out the big contributor—to whom he then feels some obligation. We should provide this candidate with an alternative—and public financing is such an alternative.

However, I am opposed to establishing public financing for the congressional and senatorial races. This onslaught on the public treasury to pick up the tabs for campaigning and "politicking" all across America would create chaos. It would entice every Tom, Dick, and Harry to jump into the political arena and take his money, and hence take advantage of the public financing. It is nothing more than a subsidy program for all would be politicians.

I do favor control on Senate and House races in order to keep down spending and disclose all facts concerning contributions and expenditures. One way to do this is to limit campaign expenditures to 10 and 15 cents per voter. Since this would put a ceiling on the total expenditures of a candidate, it would encourage him to go after smaller individual contributions instead of having to seek out big contributors to pay for an unlimited, and hence, expensive campaign. I feel that by limiting campaign spending, the candidates will be drawn to public financing in the true sense of the word—the solicitation of funds from individual citizens. And I also favor a prohibition on receiving contributions from any source other than an individual contributor. No more milk fund shenanigans for example. The last Senator elected in South Carolina spent $660,000. With a voting age population in South Carolina of 1,775,000 and with a limit of 10 cents per voter on campaign financing, future candidates would be limited to spending $177,500 in their campaign. This would be a big improvement.

I also support limiting the amount that an individual can contribute to a campaign, and while I personally favor a $1,000 ceiling, I would agree on a compromise that would set $15,000 as the maximum contribution in Presidential races and $3,000 in Senate and House races.

We must do away with the corrupting influence of big money—far more money than is necessary to present a candidate's views to the people. I think the steps I have outlined here can do the deed. At the same time, they will avoid the pandemonium that public financing and more government meddling are bound to create.

Mr. ROBERT C. BYRD. Mr. President, I have said on numerous occasions that the most important task now before us is to restore the confidence of the people in their Government. Public feeling toward elected officials is at an extremely low point. In fact, this Congress—despite its fine record—could muster a favorable rating from only 21 percent of the people interviewed in a recent Lou Harris survey.

It appears to me, then, that this is the worst possible time for Congress to enact legislation that would provide for the use of tax dollars to finance congressional campaigns. I have grave doubts that public financing of House and Senate races would ever be advisable, but I have no doubts as to this being the wrong time, of all times, to provide for Federal financing of House and Senate races.

The bill now before us would allow every candidate in every primary for every House seat in the country to collect $45,000 from the U.S. Treasury. Those who survive the primaries could be rewarded with a $90,000 campaign chest from the Treasury.

Not only is the principle of using tax dollars to finance Senate and House campaigns highly questionable, but the amounts involved here seem way out of line with what would be considered realistic limits.

In the 1972 House races, for instance, 74 percent of all the candidates recorded expenditures of less than $50,000. Instead of setting the limit at that level, the bill would set a $90,000 maximum. In other words, rather than moving to decrease the high amounts spent in a minority of the congressional races, the bill would actually encourage increased spending in the majority of such races.

The amounts available for Senate races, although varying according to the particular States, are also high. In West Virginia, for example, the voting age population is listed at 1,228,000. That means that $122,800 would be available for primary campaigns, based on 10 cents per voting age citizen; and $184,200 would be available for the general election, based on a 15-cent ceiling.

If one of the objects of campaign reform is to limit expenditures—and that certainly should be a main objective—then public financing of congressional campaigns is not going to accomplish it. Actually, public financing of Senate and House races threatens to increase expenditures, not only by setting higher-than-needed limits, but also by opening a crack in the Treasury for this kind of spending. No one can say that the 10-cent and 15-cent limits contained in this bill will not be increased to 25-cent or 50-cent limits in the future. The public became enraged recently when there was talk of dollar-a-gallon gasoline. Imagine how enraged the same taxpayers will become when there is talk of dollar-a-vote Federal expenditures for congressional campaigns.

The way to bring about reform is not through the use of taxpayers' dollars for Senate and House candidates, but rather by setting limits—reasonable but strict limits—on what congressional candidates can spend; limiting the amounts that single contributors can give to campaigns; strict disclosure of contributors; and stricter enforcement of the laws against violations.

With all the problems facing the tax-

payers of this country today, we should be trying to find more ways to save their tax dollars—not new ways to spend them.

Therefore, I support the amendment to delete public financing of congressional campaigns from this bill.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Alabama. 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 Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from Wyoming (Mr. MCGEE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

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

On this vote, the Senator from Vermont (Mr. AIKEN) is paired with the Senator from Minnesota (Mr. MONDALE). If present and voting, the Senator from Vermont would vote "yea" and the Senator from Minnesota would vote "nay."

The result was announced—yeas 39, nays 51, as follows:

[No. 92 Leg.]

YEAS—39

Allen	Dominick	Magnuson
Baker	Eastland	McClellan
Bartlett	Ervin	McClure
Bellmon	Fannin	Nunn
Bennett	Fong	Roth
Brock	Goldwater	Scott, William L.
Buckley	Griffin	Sparkman
Byrd, Harry F., Jr.	Gurney	Stennis
Byrd, Robert C.	Hansen	Talmadge
Church	Helms	Thurmond
Cotton	Hollings	Tower
Curtis	Hruska	Weicker
Dole	Johnston	
	Long	

NAYS—51

Abourezk	Haskell	Nelson
Bayh	Hathaway	Packwood
Bentsen	Huddleston	Pearson
Bible	Hughes	Pell
Biden	Humphrey	Percy
Brooke	Inouye	Proxmire
Burdick	Jackson	Randolph
Cannon	Javits	Ribicoff
Case	Kennedy	Scott, Hugh
Chiles	Mansfield	Stafford
Clark	McGovern	Stevens
Cook	McIntyre	Stevenson
Cranston	Metcalf	Symington
Domenici	Metzenbaum	Taft
Eagleton	Montoya	Tunney
Hart	Moss	Williams
Hartke	Muskie	Young

NOT VOTING—10

Aiken	Hatfield	Mondale
Beall	Mathias	Pastore
Fulbright	McGee	Schweiker
Gravel		

So Mr. ALLEN's amendment (No. 1109) was rejected.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1082

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the amendment by the Senator from Maine (Mr. HATHAWAY), No. 1082. The amendment will be stated.

The legislative clerk read as follows:

On page 75, line 19, redesignate subsection "(a)" as subsection "(a)(1)".

On page 75, line 19, strike the word "person" and substitute the word "individual".

On page 75, line 22, strike the word "person" and substitute the word "individual".

On page 75, following line 23, add the following new subsection:

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000."

On page 75, line 25, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the period and add the following: ", or from any person (other than an individual) which, when added, to the sum of all other contributions received from that person for that campaign, exceeds $6,000.".

Mr. HATHAWAY. Mr. President, I spoke the other day at some length in support of the amendment. I am not going to burden Senators by repeating everything I said the other day, but I should like to make a few points in support of the amendment.

The purpose of the amendment is to differentiate between individuals and organizations with respect to the contributions limitation. The amendment allows organizations to contribute $6,000 per candidate rather than $3,000, which is the limitation now in the bill. The $3,000 limitation will still apply with respect to individuals.

It seems to me that it is inequitable to equate one wealthy individual with an organization whose membership runs to hundreds or thousands. Large citizen groups, whether they be liberal or conservative, or single-issue groups, such as conservation groups, perform a valuable function by serving as funneling organizations to give modest contributors a voice and an impact in the election.

By giving to the political committees that reflect their philosophy or views, more people get interested and stay interested in the electoral process.

In areas where it is difficult to raise funds for a statewide campaign, either because the area simply does not have the funds to provide, or because the candidate is not very well known, these groups provide a means of channeling funds into the area while preventing any outside influence.

Most liberal organizations, trade associations, or business groups already have State, local, or regional affiliates as existing networks to support candidates, and each of them may contribute large sums to each candidate. But citizen groups are usually national. They raise funds by mailings to the general public and would not have the means to multiply their committees and set them up in separate States. So the $3,000 limitation which is at present in the bill for contributions is not enough for broad-based citizen groups or nationwide organizations.

An organization representing 80,000 or more people, such as the National Committee for an Effective Congress, or 70,000, such as the American Conservative Union, should be allowed to contribute as much as a man and wife contribute, under the bill, that amounts to $6,000.

It has been said that it would be preferable to have no group contributions at all; that only individual citizens could make contributions. I agree that it would be nice to have so many individuals interested in our electoral process that we could rely solely on individual contributions. Ultimately, that should be our goal.

But at present, organizations that pool contributions from groups of citizens who share a view or an ideology perform a valuable function in our system, and I feel that they are being treated unfairly as individuals in the committee bill.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time for the quorum call be charged to this side.

The PRESIDING OFFICER. Without objection, it is so ordered. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. 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. HARRY F. BYRD, JR. I ask unanimous consent that during the consideration of the pending legislation, Mr. Philip Reberg of my staff be granted the privilege of the floor.

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

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HARRY F. BYRD, JR., On the same time that ran before I called off the quorum call.

Mr. GRIFFIN. Mr. President, will the Senator withhold that?

Mr. HARRY F. BYRD, JR. I withdraw it.

Mr. GRIFFIN. Mr. President, I yield myself such time as I may require.

The pending amendment would make a change that in my view is wrong in principle.

As the bill is now written, special interest groups—organizations that collect and distribute campaign money for business, labor, farm and other special interest groups—including the infamous milk funds—would be limited to $3,000 in the contributions made to the campaign of any candidate. The amendment proposed would increase that limit to $6,000.

In my humble opinion it would be well if we could wipe out contributions of any size from special interest groups to a candidate's campaign. I considered offering just such a counter-amendment which would eliminate even the $3,000 contribution. I recognize, however, that there would be little chance that such an amendment could prevail.

I shall not argue the constitutional issue—even though I recognize that it does exist. But whether the limit is $3,000 or $6,000 does not really change the constitutional arguments.

The question, so far as I am concerned, essentially is one of direction and principle. It is my view that to increase the limit from $3,000 to $6,000, as the Senator from Maine would do by his amendment, would be to go in the wrong direction; it would be going away from campaign finance reform—which is supposed to be the purpose of the bill.

As the distinguished Senator from Tennessee (Mr. BAKER) said earlier today in a colloquy, special interest groups do not vote; people vote. And it seems to me that we should be endeavoring, in this reform legislation, to focus on more direct participation by individual citizens rather than to encourage the channel of campaign support through special interest groups.

When an individual contributes to a special interest group—whatever its ideology, philosophy or legislative purpose—and then allows the directors of that organization to determine which candidates should be supported or opposed with his money, that individual is thereby delegating an important element of his own citizenship responsibility. I just do not think it is in the national interest to encourage that practice.

This amendment, in my view, would erode and weaken the strength that is in the bill now. It should be voted down.

I realize that in many campaigns—in some Senate campaigns and certainly in Presidential campaigns—the enlargement from a $3,000 limit to a $6,000 limit could be considered relatively insignificant. But the amendment would not be so insignificant, I suggest, in many races for seats in the House of Representatives.

At the present time, many candidates who run for House seats conduct their entire campaigns on total amounts of $12,000, $15,000, or $20,000. Certainly, in those situations, a $6,000 contribution coming from a special interest group would be a large portion of the total amount spent in the campaign.

It would be much better, it seems to me, if all contributions made to a campaign were to come directly from individual citizens and if there were complete and full disclosure concerning all such contributions.

The amendment leaves open the possibility, at least, that campaign funds can be "laundered" through the conduit of a special interest group.

Whatever may have been possible in the past in that regard, it seems that this practice should be eliminated. The people want clean elections; they want full disclosure.

To allow contributions to be channeled through special interest groups could be a method of concealing and covering up financial support, rather than disclosing it.

So, for those reasons, I urge my colleagues to vote down the amendment.

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

Mr. HATHAWAY. Mr. President, I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, I rise to speak for the amendment. I have listened but have not had the opportunity to be exposed to all the arguments on both sides. I realize the point the Senator from Michigan is making, that this permits the enlargement of the laundering fund, but with all this legislation we have to weigh the good and the bad. My own view is that the organizations that would be most affected by the $3,000 limitation would be organizations whose contributions were basically small and that they should be permitted to contribute, because they are organizations that would be representing large groups of people.

The $3,000 figure is an arbitrary figure. The $6,000 figure proposed in the amendment of the Senator from Maine is also an arbitrary figure. Perhaps the $6,000 figure more nearly meets the needs of the situation.

It is for these reasons that I would respectfully disagree with the Senator from Michigan and support the Senator from Maine.

Mr. HATHAWAY. Mr. President, I yield myself such time as I may require.

I want to answer a few points raised by the Senator from Michigan. He pointed out that we would be allowing organizations such as milk co-ops to double the contribution which they can now make under the bill. To be sure, those co-ops have come under some surveillance in the recent past, and some suspicions have been cast on those particular organizations, but the same thing is true of some individuals. A husband and wife can give $6,000, and I suppose there are husbands and wives that might come under some suspicion as to what motivated them to make such a contribution.

Certainly, in this bill, we cannot pretend to examine every potential contributor and say that only those who do not come under suspicion may make contributions and those who are under suspicion may not do so. That is a matter for the individual candidate to judge for himself when he chooses to accept such a contribution.

Also, I should like to mention that the amount involved is not the point at issue there. The reason for the amendment is to do equity and justice to organizations. Under the terms of the bill itself, an individual can give $3,000 and a husband and wife can give $6,000, even though all the money is coming from the husband.

This simply puts large organizations which have many members—and I have already cited two such organizations—the Committee for an Effective Congress and the Americans for Conservative Action, which have 80,000 and 70,000 members respectively—on the same basis for making contributions as a husband and wife.

Many people throughout this Nation have a propensity to participate in politics. They make contributions to various candidates. Many people throughout the country, from Maine to Hawaii, are interested in knowing the composition of the House of Representatives and the composition of the Senate. They are not necessarily interested only in the candidates who are running in their respective States. Organizations serve as the vehicle for these people to make contributions to those candidates throughout the country who represent their ideology or philosophy. Individuals who may be able to contribute only $5 to $100 each, and who do not have access to information about all the candidates running for office are justified, I think, in relying on the organizations which give them leadership and direction about where to make their contributions.

The point was made by the Senator from Michigan that the people do not necessarily know where their contributions are going. Certainly they know the purpose of the organizations to which they are making contributions. I do not know of any organization that deceives its supporters into believing the contribution will be used otherwise than in a way that will be consistent with what the organization holds itself out to be.

In conclusion, let me say that the amendment merely puts an organization on a more equitable basis than the basis on which it will be if the bill passes in its present state.

Mr. President, I urge Senators to support this amendment.

I reserve the remainder of my time.

Mr. GRIFFIN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER (Mr. HUDDLESTON). Fifteen minutes remain.

Mr. GRIFFIN. I thank the Chair.

Mr. President, of course, I respect the views of the distinguished Senator from Maine. I realize there are some points to what he says, but I do not find his argument weighty enough to convince me that I should support his amendment.

I take issue, particularly, with the thrust of that part of his argument which appeared to condone the delegation by individuals to special interest groups of their citizenship responsibilities.

Of course, there is an infinite number of special interest groups—many of them are interested in only one particular issue. For example, I think of the Right to Work Organization, which is interested in nothing except the one issue of so-

called right-to-work legislation. The organization collects funds and provides support for candidates needless to say, it hopes—or expects—that those candidates will vote right on their particular issue.

I do not wish to criticize the right-to-work organization. It is no different than hundreds of other one-issue special interest groups.

I do not believe it serves the national interest when candidates are elected to Congress because of funds supplied by special-interest, pressure groups. Such groups are not interested in the complete record of the candidate. The one-issue special-interest group cares only about the position of the candidate on its issue.

Such an organization will support or work to defeat a candidate solely on the basis of the candidate's views on that one issue.

If the limit on such support were increased as proposed by this amendment, the influence of such groups would be doubled as compared with the pending bill.

I urge the defeat of this amendment.

Mr. HATHAWAY. Mr. President, I yield such time as he may need to the Senator from South Dakota (Mr. ABOUREZK).

Mr. ABOUREZK. Mr. President, we must work to create an electoral system where Americans by the tens of millions can and will actively participate. This ultimately is the greatest safeguard of our constitutional freedoms.

In recent years, organizations ranging from the conservative Americans for Constitutional Action to the liberal National Committee for an Effective Congress and the League of Conservation Voters have been working vigorously to achieve more active participation in politics. Many of these organizations have been in the forefront of the fight for meaningful reform of the electoral process. At the same time they have actively solicited tens of thousands of donations from citizens to be pooled together and contributed to congressional candidates.

As the Federal Elections Campaign Act is now written, these groups will be severely limited. Their pooled contributions will be treated the same as individual contributions. The Council for a Liveable World, for example, might get contributions from 500 citizens average $20 for a total of $10,000. The Council might want to give that money to one progressive candidate but it would be allowed to give only $3,000. However, Mr. and Mrs. Clement Stone, if they wanted to, and I imagine they would want to, could give $6,000 to a special-interest opponent. And all the little Stones could each give $3,000 as well.

The New York Times looked at this situation earlier this month and editorialized that:

> Surely such organizations, whatever their political complexion, can be allowed to contribute three or four times the amount of a single person without distorting the will of the electorate.

Senator HATHAWAY in his amendment asks that such organizations be allowed to contribute only twice that of an individual.

I support Senator HATHAWAY's amendment. It is a reasonable compromise. It is a compromise that will be unpalatable to the large corporate interests, each of whom would like to give their $3,000 contributions in splendid isolation. But it is a compromise that will work to expand and broaden the political process, not to narrow it.

I thank the Senator for yielding.

Mr. COOK. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. There is no time on the bill.

Mr. GRIFFIN. I yield the Senator 5 minutes.

Mr. COOK. First of all, Mr. President, we are talking about a matter of semantics, and I hope it does not get down to an argument between whether C. Clement Stone and his wife give $6,000 or the Committee for an Effective Congress can give only $3,000. We are debating the whole issue that we really picked a figure with no study as to how we got to that figure. Therefore, any place we go from that particular figure to another particular figure is just a matter of making a determination as to whether we agree or do not agree.

Another point I should like to make is that we discussed this business of whether it is or is not a means by which we can launder funds. Obviously, one can launder funds at $3,000 contributions as well as at $6,000 contributions. But this bill depends on the people of the United States to have a basic concept of what the law is and whether they are willing to live by the law or whether they are willing to break the law.

I suggest to the Senator from Michigan that under this act, if we pass it relatively in the form it is in, we provide that one cannot do what the Senator has suggested. I read to him from page 76, paragraph (c):

> (c)(1) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit 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.

So the only point we have to raise here, if we believe that in the operation of the political process it is our intention to abide by the law, is that if one wishes to give $3,000 and say, "Will you please give it to the Senator from Maine, and that is whom I want it to go for," under the law, the organization that receives the $3,000, and is a conduit to get it to the Senator from Maine, has to report where it came from, and that it was instructed to pass it on.

The point I really think we are getting down to is not a point between C. Clement Stone and the Committee for an Effective Congress, but an honest-to-goodness point. I think the only point that has merit is whether a husband and wife who have substantial assets can give to one candidate $6,000 and someone who has substantial assets and gives a facility or a lobbying group such as the Committee for an Effective Congress, the Committee for a Federal World, or the Committee for a Cleaner Environment, can give only $3,000 because they cannot marry another committee.

I think that is the issue before us, and that is the issue on which we have to make a determination when we vote.

The PRESIDING OFFICER (Mr. ABOUREZK). Who yields time?

Mr. GRIFFIN. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. GRIFFIN. Mr. President, I do not take issue with the Senator from Kentucky.

Mr. COOK. I thank the Senator for the time.

Mr. GRIFFIN. I am pleased that the language to which he refers is in the bill, and it will be helpful. It is an important step in the right direction.

However, I still believe that the basic question is the one I raised at the outset of my presentation—that is whether the citizenship responsibility should be delegated by individual citizens to special interest groups.

I find it interesting and somewhat ironic that some of the organizations that are the loudest in their calls for reform, including ceilings on contributions and expenditures, are in the forefront of support for weakening amendments such as the one pending now. The New York Times, which frequently calls for election reform, is unrealistic when it contends that special interest groups could give 3 or 4 times as much as the bill provides without influencing or affecting elections. That is absolutely absurd as it would apply to House races. If the limit were to be three or four times what it is in the bill, then a special interest group could, in effect, provide the major portion of the funds on which a candidate would run for the House of Representatives.

Mr. President, the arguments have been presented; and so far as I am concerned, I am willing to yield back the remainder of my time.

Mr. HATHAWAY. Mr. President, I yield 5 minutes to the junior Senator from Kentucky.

Mr GRIFFIN. I reserve the remainder of my time.

Mr. HUDDLESTON. I thank the distinguished Senator for yielding.

Mr. President, I have a couple of points to make in support of this amendment.

It has been a long accepted concept in this country—and indeed a tradition—that citizens are able to join other citizens of like philosophy, of like purposes or objectives, so that their combined force may have a combined impact greater than the individual would have himself.

I would think that a person who has only a few dollars to contribute to a candidate of his choice must feel somewhat helpless as he considers what impact his contribution might make or what influence he may have, when he considers that other individuals can contribute $3,000 or, in the case of a married couple, $6,000.

What we are doing here, it seems to me, is to give individuals who are willing to join because they have a like interest or like philosophy or a like objective, and

provide some impact, if they have $50,000, $100,000, or whatever, comparable to a couple. It is reasonable to assume that the interest of two individuals will be somewhat more narrow in relation to the interest of the general public and the interest of some 50,000 or 60,000 people who join together. So it does not seem unreasonable that this kind of organization would receive the same treatment as a couple who happen to be married, which would represent the interests of only two individuals.

I support the amendment. I believe with the restrictions it would be subject to very little abuse. It would be a contribution to those who like to participate and like to know their views are being felt by joining an organization, knowing that the organization might have some impact, at least as much as a couple, on the outcome of a race in which they are interested because they support a candidate.

Mr. GRIFFIN. Mr. President, it should be recognized that a $3,000 contribution for some individuals means no more than a $5 contribution for other individuals.

But more important, I believe, is the fact no automatic implication is attached to individual's contribution under normal circumstances.

On the other hand, when a special interest group, organized to promote particular issues, makes a contribution, there is no question as to what the motive and purpose of that special interest group. No one would doubt what the purpose or motive is when a milk fund, for example, makes its contributions.

I think the American people understand this distinction very well. They do not want the Congress to go in the direction of this amendment. They expect more from this Congress in terms of campaign financing reform.

Mr. HATHAWAY. Mr. President, how much time is remaining to both sides?

The PRESIDING OFFICER. The Senator from Michigan has 1 minute remaining and the Senator from Maine has 14 minutes remaining.

Mr. HATHAWAY. Mr. President, I just want to point out in conclusion that as far as the amount involved is concerned, the President advocated a $15,000 limitation, at least with respect to Presidential campaigns. It seems to me the $3,000 for individuals and $6,000 for a group limitation, being considerably below the amount recommended by the President, is realistic. I do not believe that the distinction which was being made by the distinguished Senator from Michigan with respect to special interest groups can be made between the groups and a married couple. A married couple that is able to contribute $6,000 to a candidate is just as apt to have a special interest as a special interest group.

I do not think we can make a legislative decision about whether a special interest group, couple, or individual should or should not make a contribution.

The Senator from Michigan mentioned earlier in his remarks that there are constitutional problems involved. Certainly, we do not want to inhibit any person or group in making a contribution; whether an individual is interested in all legislation before Congress or only in one piece of legislation, he or a group to which he belongs should be able to make a contribution. And as I have said, a group should be able to make the same contribution as a married couple.

Mr. President, I know of no reason not to yield back the remainder of my time.

Mr. GRIFFIN. I yield back the time on this side.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Maine. 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 Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 46, nays 42, as follows:

[No. 93 Leg.]

YEAS—46

Abourezk	Hartke	Moss
Bayh	Haskell	Muskie
Bentsen	Hathaway	Nunn
Bible	Huddleston	Pell
Brooke	Hughes	Randolph
Byrd, Robert C.	Humphrey	Ribicoff
Cannon	Inouye	Sparkman
Case	Jackson	Stafford
Church	Javits	Stennis
Clark	Johnston	Stevens
Cook	Magnuson	Stevenson
Cranston	Mansfield	Symington
Dole	McGovern	Tunney
Eagleton	Metcalf	Young
Eastland	Metzenbaum	
Hart	Montoya	

NAYS—42

Allen	Ervin	Nelson
Bartlett	Fannin	Packwood
Bellmon	Fong	Pearson
Bennett	Goldwater	Percy
Biden	Griffin	Proxmire
Brock	Gurney	Roth
Buckley	Hansen	Scott, Hugh
Burdick	Helms	Scott, William L.
Byrd, Harry F., Jr.	Hollings	Taft
Chiles	Hruska	Talmadge
Cotton	Kennedy	Thurmond
Curtis	Long	Tower
Domenici	McClellan	Weicker
Dominick	McClure	
	McIntyre	

NOT VOTING—12

Aiken	Gravel	Mondale
Baker	Hatfield	Pastore
Beall	Mathias	Schweiker
Fulbright	McGee	Williams

So Mr. HATHAWAY's amendment (No. 1082) was agreed to.

Mr. HUDDLESTON. Mr. President, I move that the Senate reconsider the vote by which the amendment was areed to.

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

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, before the Senator from Alabama is recognized, I should like to make a request. I ask unanimous consent that following the disposition of the amendment to be offered by the Senator from Alabama there be a 30-minute limitation on the Bentsen amendment, which is next in order, the time to be equally divided between the Senator from Texas (Mr. BENTSEN) and the manager of the bill (Mr. CANNON); and that in addition there be a 10-minute limitation on an amendment to be offered to the amendment, to be divided between the sponsor of the amendment, the distinguished Senator from Texas (Mr. BENTSEN), and the acting Republican leader, the distinguished Senator from Michigan (Mr. GRIFFIN).

The PRESIDING OFFICER. Is this an amendment to the amendment?

Mr. MANSFIELD. Thirty minutes and 10 minutes, the 10 minutes to be on the amendment to the amendment.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on the amendment.

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

Mr. MANSFIELD. Mr. President, I now ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, while a large number of Senators are in the Chamber, would the distinguished majority leader allow me to ask unanimous consent that it be in order to ask for the yeas and nays on my amendment to the amendment, with the understanding that if the amendment is accepted, the

order for the yeas and nays will be withdrawn?

Mr. MANSFIELD. Certainly.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that it be in order for me to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is the Senator asking that it be in order to ask for the yeas and nays at this time?

Mr. KENNEDY. Mr. President, will the Senator describe his amendment? Or is his request merely to ask for the yeas and nays.

The PRESIDING OFFICER. That it be in order to order the yeas and nays at this time. Is there objection to the request of the Senator from Michigan?

Without objection, it is so ordered.

Mr. GRIFFIN. I now ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

AMENDMENT NO. 1110

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized to call up his amendment No. 1110, which will be stated.

The assistant legislative clerk read as follows:

On page 4, line 21, immediately after "(C)", insert "and".

On page 4, line 24, beginning with "and (D)", strike out through line 2 on page 5 and insert in lieu thereof a semicolon.

On page 7, line 9, immediately after the semicolon, insert "or".

On page 7, line 17, strike out the semicolon and "or" and insert in lieu thereof a period.

On page 8, beginning with line 3, strike out through line 7.

On page 9, line 7, strike out "for nomination for".

On page 9, line 8, immediately after the comma, insert "the candidate and his authorized committees must have received contributions for his general election campaign in a total amount of more than $250,000 and".

On page 9, line 12, strike out "primary" and insert in lieu thereof "general".

On page 9, line 24, immediately after "candidate", insert "other than a Presidential candidate".

On page 10, beginning with line 3, strike out through line 10.

On page 10, strike out lines 11 and 12 and insert in lieu thereof "(2) For the purposes of paragraph (1), no contribution from".

On page 13, line 16, strike out "(1)".

On page 13, line 17, strike out "(f)" and insert in lieu thereof "(e)".

On page 13, line 24, strike out "(g)" and insert in lieu thereof "(f)".

On page 14, beginning with line 9, strike out through line 3 on page 15.

On page 15, line 5, strike out "(f)" and insert in lieu thereof "(e)".

On page 15, line 10, strike out "(g)" and insert in lieu thereof "(f)".

On page 15, beginning with line 22, strike out through line 3 on page 16.

On page 16, line 4, strike out "(e)" and insert in lieu thereof "(d)".

On page 17, line 4, strike out "(f)" and insert in lieu thereof "(e)".

On page 17, line 21, strike out "(g)" and insert in lieu thereof "(f)".

On page 18, line 4, strike out "(h)" and insert in lieu thereof "(g)".

On page 72, between lines 3 and 4, insert the following:

"(2) (A) Except to the extent such amounts are changed under section 504(e)(2) of the Federal Election Campaign Act of 1971, no candidate for nomination for election to the office of President may make expenditures in connection with his primary election campaign in any State in which he is a candidate in such an election in excess of the greater of—

"(i) 20 cents multiplied by the voting age population (as certified under section 504(f) of the Federal Election Campaign Act of 1971) of that State, or

"(ii) $250,000,

"(B) Notwithstanding the provisions of subparagraph (A), no such candidate may make expenditures throughout the United States in connection with his campaign for that nomination in excess of an amount equal to 10 cents multiplied by the voting age population of the United States. For purposes of this subparagraph, the term 'United States' means the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, and the Virgin Islands and any area from which a delegate to the national nominating convention of a political party is selected.

"(C) The Commission shall prescribe regulations under which any expenditure by a candidate for nomination for election to the office of President for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State under subparagraph (A) based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.".

On page 72, line 4, strike out "(2)" and insert in lieu thereof "(3)".

On page 72, line 7, strike out "(3)" and insert in lieu thereof "(4)".

On page 72, line 12, strike out "(4)" and insert in lieu thereof "(5)".

On page 72, line 21, strike out "(5)" and insert in lieu thereof "(6)".

Mr. MANSFIELD. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the third Allen amendment, on which there is a limitation of 30 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I now ask for the yeas and nays on the third Allen amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, this amendment removes from the bill, and therefore from the Federal subsidy, the Presidential nomination contest. It would leave the House and Senate primaries and general elections, and the general election for the Presidency, but would take out from under the bill the contest for the nominations for President and Vice President of the two major parties. The bill as it now stands would provide for matching campaign contributions of up to $250, for up to a total of some $7.5 million for every candidate for the nomination of the two major parties who was able to raise $250,000.

I do not believe that the taxpayers of the Nation want to subsidize the campaign, not for the Presidential election, which is already provided for in the checkoff and provided for in other portions of the bill, but to give every candidate for the nomination of the Republican Party and every candidate for the nomination of the Democratic Party up to $7.5 million toward his campaign. I thought the idea was to reduce the amount of expenditures in primaries and in general elections.

But far from doing that, I would think $7.5 million is as much as a person could raise in a race for the Presidential nomination. Then this measure would provide for the Government, the taxpayers, putting in icing of $7.5 million on the amount that the candidate raises. So this amendment would simply take out from under the bill the Presidential nomination contests.

I do not think it is right to make available to Governor Rockefeller, for example, $7.5 million, to Governor Reagan $7.5 million, to Governor Connally $7.5 million, or, to bring it a little closer to home, to the distinguished Senator from Illinois (Mr. PERCY) or the distinguished Senator from Massachusetts (Mr. KENNEDY) or the distinguished Senator from Texas (Mr. BENTSEN). I do not feel that the taxpayers should pay $7.5 million to the Presidential candidacies of these various individuals who want to run for President.

Let them run for President; that is fine. I wish them all well. Though they all cannot be nominated, I wish them well; but I do not think the taxpayers should have to foot the bill for half of their expenditures. I think there are a great many more causes that should have priority over subsidizing the races of candidates for the Presidential nomination.

For another thing, Mr. President, this bill does not set any limit on the Presidential race for which matching is made available. If a fellow said, "I do not want to run in 1976, but I do want to run in 1980, or 1984, or 1988," well, he could be getting Uncle Sam to finance his campaign all through that period.

Also, looking backward, there is no starting point, no cutoff time, back of which matching contributions may not be made. So it appears, and the distinguished Senator from Rhode Island in a previous colloquy on this issue so stated, that there is no cutoff time back of which contributions could not be received. If a man has been running for the Presidency for several years, would those contributions be matchable? As I read the bill, all he would have to do is get his list of contributors, pick up a matching check, and go on his merry way soliciting contributions and having them matched by the Government.

I do not believe this is election reform, Mr. President. I think we ought to limit the amount that can be spent, but keep it in the private sector, demanding strict reporting, strict disclosure of contributions and expenditures, but not just handing the bill to the taxpayer.

That is what this amendment would

seek to do in taking from under the provisions of the bill the Presidential primary contests which we see every 4 years, attended with a lot of hoopla and various political goings on of that sort.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I yield myself 1 additional minute.

I do not believe it is in the public interest to make $7.5 million available to some 15 or 20 candidates for the Presidency, just to get out and waste the taxpayers' money in that fashion.

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

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself such time as I may require. This is just another attack on the whole concept of public financing. The Senate has voted against the distinguished Senator's proposal to eliminate public financing from the bill. Since that time, he has come up with another amendment that would have eliminated public financing for congressional races, and the Senate has decided against him on that issue. Now, this is the only remaining part of the elimination of public financing. If you vote to eliminate the Presidential race, you are simply voting piecemeal on the issues that are in the bill under the concept of public financing.

If Senators are for public financing, they should vote against this amendment. If they are not, then they should vote for the amendment, because that would strike out public financing on this portion of the bill.

The Senator has made the statement that a number of people could come in and, in effect, raid the Public Treasury for campaign funds. But the requirements in the bill are such that a person has to have demonstrated widespread public support before he is eligible. So it does not mean that everyone who wanted to run for President would be entitled to get matching funds out of the Treasury. They must have demonstrated support to the levels set forth in the bill before they would be eligible for the matching funds contribution, and I might say that they could only receive that money to the extent that the funds are available as provided in the bill in the separate fund, or unless Congress appropriated them. So it in no wise permits someone to come in and raid the Treasury.

But I say again in conclusion, Mr. President—and then I am prepared to yield back the remainder of my time—that the issue is very simple. The Senate voted on the issue last fall, and instructed us to come back with a proposal for public financing. This we did. There was a vote to strike out public financing. That was defeated. There was a vote to strike out public financing for candidates for Congress. That was defeated. The only other element in the bill is public financing for candidates for the Presidential nomination, and that is covered by this amendment. I urge the Senate to reject the amendment.

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

Mr. CANNON. I yield.

Mr. ALLEN. I am sure that the Senator understands that the amendment is not directed at the Presidential general election; it has to do only with the nominating process.

Mr. CANNON. I understand that the amendment relates only to the primary portion, which does have the triggering factor that the candidate must have demonstrated widespread support.

Mr. ALLEN. He could get that all in one State, could he not, under the provisions of the bill? So it would not have to be really very widespread.

Mr. CANNON. Well, I think he would have a very difficult time raising that kind of money in one State. That would be my own reaction, that he would have a difficult time meeting the triggering factor in only one State, though it might be possible.

Mr. ALLEN. But I guess one could expect that in California, for a candidate to get up to some $700,000 in one State, in $100 dollar contributions, or $250,000 in $250 contributions in Presidential nomination contests.

Mr. CANNON. Well, the triggering factor in the State of California provides a maximum limit as well as the minimum.

Mr. ALLEN. Yes, but he could get——

Mr. CANNON. The Senate candidates, if they triggered in California, would raise only $125,000.

Mr. ALLEN. Yes. But $700,000 would be available to him on a matching basis, would it not?

Mr. CANNON. That is correct, provided he met the triggering factor.

Mr. ALLEN. Yes, so if he could raise $700,000 in $100 contributions in one State, it would certainly seem likely that a Presidential candidate of not too much stature could raise $250,000 in $250 contributions in one State.

The point I was making was that I was taking mild exception to the Senator's statement that it required widespread support. But the support could come from one State or from the District of Columbia.

Mr. CANNON. The Senator is correct. It could come from one State, provided he raised that triggering amount from one State.

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

Mr. LONG. Mr. President, will the Senator from Alabama yield?

Mr. ALLEN. I yield.

Mr. LONG. How many States did the Senator wish a person to raise money in?

Mr. ALLEN. I rather imagine it will be adopted—I am not absolutely sure—because I have not had too much success with my amendments—but I have an amendment that would require that the $250,000 triggering amount would have to be raised with $2,500 contributions from at least 40 States to show widespread support.

Mr. LONG. It would seem to me that if a man had support in 10 States that should be enough.

Mr. ALLEN. Take a man like the head of Common Cause, Mr. Gardner, he could raise the $250,000 without too much trouble. He seems to be able to raise larger amounts than that. That would entitle him to start dipping into the Public Treasury, ostensibly to run for President, if he has the contributions. I do not feel that we should encourage everyone who has the ability to raise $250,000 from getting that matched and getting subsequent contributions matched on an equal basis out of the Federal Treasury up to a limit of $7.5 million in matching funds. I do not believe that is what we want to do with the taxpayers' money.

Mr. LONG. I find myself thinking along the same lines as the Senator, that any Senator from a large State, a personable Senator from a large State, say, who could raise a quarter of a million dollars easily—even an average size State—I think that the man potentially could raise that much money in his own State if the people thought he had the slightest chance. So that it would seem appropriate he should have to demonstrate that he could raise a substantial portion—maybe $100,000 or $150,000—to indicate that he was not purely a candidate of his own constituency.

Mr. ALLEN. I have an amendment to offer later on which would carry that into effect.

Mr. LONG. I thank the Senator from Alabama.

Mr. ALLEN. I thank the Senator from Louisiana.

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

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

The PRESIDING OFFICER (Mr. McCLURE). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Alabama (Mr. ALLEN) No. 1110.

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 North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Wyoming (Mr. McGEE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present

and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

On this vote, the Senator from Vermont (Mr. AIKEN) is paired with the Senator from Minnesota (Mr. MONDALE).

If present and voting, the Senator from Vermont would vote "yea" and the Senator from Minnesota would vote "nay."

The result was announced—yeas 35, nays 53, as follows:

[No. 94 Leg.]

YEAS—35

Allen	Eastland	Nunn
Bartlett	Fannin	Roth
Bellmon	Fong	Scott, William L.
Bennett	Goldwater	Sparkman
Brock	Griffin	Stennis
Buckley	Gurney	Taft
Byrd, Harry F., Jr.	Hansen	Talmadge
Byrd, Robert C.	Helms	Thurmond
Cotton	Hollings	Tower
Curtis	Hruska	Weicker
Dole	Johnston	
Dominick	McClellan	
	McClure	

NAYS—53

Abourezk	Haskell	Moss
Bayh	Hathaway	Muskie
Bentsen	Huddleston	Nelson
Bible	Hughes	Packwood
Biden	Humphrey	Pearson
Brooke	Inouye	Pell
Burdick	Jackson	Percy
Cannon	Javits	Proxmire
Case	Kennedy	Randolph
Chiles	Long	Ribicoff
Church	Magnuson	Scott, Hugh
Clark	Mansfield	Stafford
Cook	Mathias	Stevens
Cranston	McGovern	Stevenson
Domenici	McIntyre	Symington
Eagleton	Metcalf	Tunney
Hart	Metzenbaum	Young
Hartke	Montoya	

NOT VOTING—12

Aiken	Fulbright	Mondale
Baker	Gravel	Pastore
Beall	Hatfield	Schweiker
Ervin	McGee	Williams

So Mr. ALLEN's amendment (No. 1110) was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2174) to amend certain provisions of law defining widow and widower under the civil service retirement system, and for other purposes.

The Vice President subsequently signed the enrolled bill.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CHURCH. Mr. President, I ask unanimous consent that Ric Glaub, a member of my staff, be accorded the privilege of the floor during the debate on this measure.

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

Under the previous order, the pending business is the amendment of the Senator from Texas (Mr. BENTSEN), amendment No. 1083. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 76, between lines 2 and 3, insert the following:

"(2)(A) No candidate may knowingly solicit or accept a contribution for his campaign—

"(i) from a foreign national, or

"(ii) which is made in violation of section 613 of this title.

"(B) For purposes of this paragraph, the term 'foreign national' means—

"(i) a 'foreign principal' as that term is defined in section 611(b) of the Foreign Agents Registration Act of 1938, as amended, other than a person who is a citizen of the United States; or

"(ii) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act.".

On page 76, line 3, strike out "(2)" and insert in lieu thereof "(3)".

On page 76, line 6, immediately after "(1)", insert "or (2)".

Mr. BENTSEN. Mr. President, my amendment is very simple. The amendment would ban the contributions of foreign nationals to campaign funds in American political campaigns. The amendment specifically excludes resident immigrants living in this country. It in no way stops the contributions of American nationals living overseas who are U.S. citizens. They would be able to contribute to American political campaigns.

Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BENTSEN. Mr. President, all of us have heard the stories, I am sure, in recent months of the enormous amounts of money contributed in the last political campaign by foreign nationals. We have heard of the hundreds of thousands of dollars sloshing around from one country to another, going through foreign banks, being laundered through foreign banks; and we have heard allegations of concessions being made by the Government to foreign contributors. I do not know whether those allegations are true or not. I am not trying to prejudge them. That would be up to the courts to determine. I am saying that contributions by foreigners are wrong, and they have no place in the American political system. The law is ambiguous and confusing. The Department of Justice was asked to make an interpretation. Congress thought it had taken care of the matter long ago, but the Department of Justice said that the law, when it refers to foreign principals, applied only to those who had agents within this country. Therefore, this left a giant loophole for contributions to be made by foreign individuals. It allowed huge sums to flow into the coffers of American political candidates in 1972 and it is essential that we have legislation to clarify the situation.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from L. Fred Thompson, Director of the Office of Federal Elections at the General Accounting Office, addressed to me, wherein he indorses the enactment of clarifying legislation to ban contributions by foreign nations.

There being no objection, the letter was odered to be printed in the RECORD, as follows:

U.S. GENERAL ACCOUNTING OFFICE,
Washington, D.C., March 26, 1974.

Hon. LLOYD BENTSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BENTSEN: Through recent informal contacts with a member of your staff we have learned of your interest in offering a floor amendment to S. 3044, 93rd Congress, 2d Session, which would clarify Congress' intent regarding section 613 of Title 18, United States Code.

This provision prohibits political contributions by any agent of a foreign principal and also prohibits the solicitations, acceptance, or receipt of any such contribution from any agent of a foreign principal or from the foreign principal directly. The responsibility for enforcing 18 U.S.C. 613 rests with the Attorney General of the United States.

In the course of our administration of the Federal Election Campaign Act of 1971, as the supervisory officer responsible for presidential campaigns, we made several referrals of apparent instances of foreign contributions to the Attorney General. We have been advised by the Department of Justice that the term "foreign principal" as used in section 613 does not have the same meaning as "foreign national." The Department's view is that to be a foreign principal within the meaning of section 613 it is essential to have an agent acting or operating within the United States. Therefore, in the opinion of the Department, the mere acceptance of a political contribution from a "foreign national" without evidence to establish that such foreign national is a "foreign principal" having an agent within the United States would not constitute a violation of the statute.

In view of the statutory interpretation placed on the existing law by the Department of Justice, it is our opinion that to prohibit foreign contributions to U.S. political campaigns the statute should be amended to expressly bar a candidate, or an officer, employee, or agent of a political committee, or any person acting on behalf of any such candidate or political committee from knowingly soliciting, accepting, or receiving any contribution from any "foreign national." For this purpose the term "foreign national" should be defined to include:

(1) any person who is a "foreign principal" or an "agent of a foreign principal' 'as presently defined in 18 U.S.C. 613;

(2) any individual who is neither a citizen nor a permanent resident of the United States; and

(3) any partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

In testimony last June before the Senate Rules and Administration Committee, Phillip S. Hughes, who was then Director of the Office of Federal Elections, stated his view that restrictions should be placed on political contributions by foreign nationals and, at the very least, that Congress should clarify what it intended to prohibit when it enacted 18 U.S.C. 613. (See Hearings before the Senate Committee on Rules and Administration on S. 372 and other Federal election reform bills, 93rd Cong., 1st sess. 262–264.) I believe that Mr. Hughes' testimony at that time continues to represent the position of this office, as well as the Comptroller General, on the issue of political contributions by foreign nationals.

We endorse your efforts to have the Senate

consider an appropriate amendment to 18 U.S.C. 613 at the time it begins floor debate on S. 3044. We will be pleased to provide further information or assistance on this subject if you desire.

Sincerely yours,

L. FRED THOMPSON,
Director.

Mr. BENTSEN. Mr. President, I wish to point out that last June, in testimony before the Committee on Rules and Administration, Mr. Phillip Hughes, who was then Director of the Office of Federal Elections, stated his views that restrictions should be placed on political contributions by foreign nationals.

President Nixon as well in his recent message on campaign financing and the reform of campaign financing called for a ban on contributions by foreign nationals.

My amendment would accomplish that good by making clear that the present ban on contributions by foreign principals extends to foreign nationals as well; and without this ban American elections will continue to be influenced by contributions of foreign nationals.

I do not think foreign nationals have any business in our political campaigns. They cannot vote in our elections so why should we allow them to finance our elections? Their loyalties lie elsewhere; they lie with their own countries and their own governments.

Many in this country have expressed concern over the inroads of foreign investment in this country, over the attempts by foreigners to control U.S. business. Is it not even more important to try to stop some of these foreigners from trying to control our politics? I think this limitation would accomplish that purpose.

One additional point I should like to mention relates to foreign citizens living in the United States as resident immigrants. My amendment would exempt foreigners with resident immigrant status from the ban on contributions by foreigners. There are many resident immigrants in the United States who have lived here for years and who spend most of their adult lives in this country; they pay American taxes and for all intents and purposes are citizens of the United States except perhaps in the strictest legal sense of the word. These individuals should not be precluded from contributing to the candidate of their choice under the limitations of $3,000 in S. 3044 as well as S. 372 which passed the Senate last summer.

Let me say a word about implementation of the amendment. The responsibility will be placed on the candidate or the committee established on behalf of the candidate to refuse donations proferred by foreigners. Some will say that this places an unnecessary burden on the candidate or his committee. I would point out that present disclosure and reporting laws require the name of the donor, his mailing address, occupation and principal place of business on all contributions over $10. It will then be up to the committee or the candidate receiving a donation from abroad to refuse the contribution coming from a foreigner. Thus there is no additional recordkeeping requirement. Having to determine whether a contribution coming from abroad comes from a foreign national or from an American citizen living abroad may be an inconvenience but it is minor compared to the loophole it closes.

I know the amendment is not foolproof. There are ways to get around just about every campaign finance measure we bring about but my amendment goes a long way toward getting at the problem.

I repeat that the principle of my amendment has the support of President Nixon. It is my understanding that the Senate Watergate Committee is digging into contributions by foreign nationals and its final report will probably suggest reforms on the present status of the statutes pertaining to foreign contributions.

American political campaigns should be for Americans and a large loophole would be closed by my amendment. I urge the Senate to adopt the amendment.

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

Mr. COOK. Mr. President, will the Senator yield to me for 3 minutes?

Mr. BENTSEN. I am delighted to yield to the Senator from Kentucky.

Mr. COOK. Mr. President, first I would like to have the Senator from Texas give me the privilege of being a cosponsor of the amendment. I ask unanimous consent that I may be added as a cosponsor of the amendment.

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

Mr. COOK. Mr. President, I think the Senator from Texas raises an interesting point and we should look at it in reverse. Let us look at the mandate of Congress. Let us look at our creation of the special subcommittee in the Committee on Foreign Relations to investigate the significance of the corporate conglomerate on international affairs. Let us look at the influence that American corporations attempt to exert on other governments. Let us look at it from the standpoint that we in this country are absolutely rather chagrined, and sometimes horrified, at the extent of America's influence on foreign governments. There are attempts to change governments; there are attempts to bolster a particular candidate at a time the time of an election; and there is the situation we have seen in several situations in South America. Congress is investigating a matter under the leadership of the distinguished Senator from Idaho (Mr. (CHURCH) in regard to Chile.

I would say that the significance of all of this is that the United States and those influences in the United States that are of worldwide significance should frankly mind their own business when it comes to the political significance of other countries. In effect, we are saying that those people abroad should mind their own business when it comes to making contributions to political campaigns in the United States.

Am I correct in my basic philosophy?

Mr. BENTSEN. I agree wholeheartedly with the Senator from Kentucky.

Mr. COOK. May I ask the Senator a question? I think this is important. In no way is the Senator from Texas excluding an American national who finds himself by reason of his corporate employment living in Japan, Australia, or anywhere else in the world. Is he excluding that individual from writing his individual check and sending it to a political organization of his choice in the United States in any election?

Mr. BENTSEN. In no way is he precluded from that. He is an American citizen living overseas and he can participate. The American political process should be left to American nationals.

Mr. COOK. I do not think the public knows, and it should be in the RECORD, that in the vicinity of 2 million Americans, who by reason of employment, study, and many, many other situations existing in the commercial world, are located overseas and live there for long periods of time. They are American citizens; their children are American citizens. They maintain voting facilities. The Voting Rights Act of 1965 broadened that ability for American nationals who live overseas to vote.

In no way is the Senator from Texas saying that these people are in any way impeded in making a contribution to the political process in their country.

Mr. BENTSEN. The Senator from Kentucky is absolutely right.

Mr. COOK. I thank the Senator from Texas.

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

The PRESIDING OFFICER. The Senator is recognized.

Mr. CANNON. I have no quarrel with the basic purpose of this amendment, which is directed toward contributions from abroad to influence political campaigns, but I think it should properly be pointed out that last year in this country there were, as aliens lawfully here, 4,643,457 people. That is a pretty substantial number of people who were here properly in this country, and we permit them to come here for many things other than to come here to be residents.

So I want to be sure the Senator knows exactly what he is doing, because a substantial number of those people are in his own State of Texas, who are lawfully in this country, who are not here as permanent residents, and the only people who would be excluded from this provision are people who are here as permanent residents.

I may say the Immigration people themselves say there is some question in their minds as to the propriety of the language in this particular case. I have no particular brief with it, but I know last year there were 4,633,457 registered aliens in this country. Those people were here in this country lawfully, but by this amendment the Senator is going to preclude many of those people from participating in the elective process by making contributions, and he is also going to impose on the candidate the question of whether he knew or ought to have known that those people were not properly admitted here for permanent residence at the time they made contributions to his campaign. I would venture to say that a mailing campaign that

was put out would result in that person's mail going to hundreds of people in his own State, including the great State of Texas, who would not be eligible to make contributions under this particular amendment, if it is adopted.

I simply want to point that out so Senators will know what they are doing.

As one of my distinguished colleagues pointed out a few minutes ago, we have to get money from somewhere for these campaigns. I remember an old song from a few years ago that was titled "Pennies From Heaven." I am sure we realize that money does not come from heaven to carry out political campaigns.

So, by the Senator's excluding contributions from people who are lawfully in this country, but who are not here as permanent residents, he is creating an undue and an unnecessary burden on the persons who are running for office as well as the persons who are here in this country, and properly so, who would be affected by the amendment.

As I said initially, I support the thrust or the purpose for which the amendment was originally drawn and intended, but I think, frankly, that it goes further than would be intended by Members of this body if they were here to hear the discussion on it. I am sure it would impose some undue burdens on any person who might run for political office, as well as for certain people who are properly here.

If the Senator were to restrict the amendment to money coming from abroad, from foreign nationals abroad, or foreign nationals living abroad, or foreign contributions of any sort, I would completely agree with him, because I think that is not correct.

Mr. BENTSEN. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, this amendment was carefully drawn to try to exclude certain people who might be legally in this country passing through here as tourists. I do not think they have any legitimate role to play in the political process of this country, nor do illegal aliens in this country. That privilege to contribute ought to be limited to U.S. citizens and to those who have indicated their intention to live here, are here legally, and are permanent residents. Those people would be and should be allowed to make political contributions in this country.

I think one statement ought to be made in response to the comment made by the Senator from Nevada. It has been stated that no candidate may knowingly solicit or accept such contributions, so he must knowingly have done it in order to be in violation.

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

Mr. BENTSEN. I cannot yield with the limited time I have.

Mr. GOLDWATER. Can I have 2 minutes for a question?

Mr. CANNON. I yield 2 minutes.

Mr. GOLDWATER. How would this affect a person living in Mexico who is an American, working there, who votes by absentee ballot, who has an account in a Mexican bank, with no checking account in an American bank?

Mr. BENTSEN. This amendment does not affect that. If he is an American national living overseas in any foreign country he is allowed to contribute.

Mr. GOLDWATER. Even if the draft is made on a foreign bank?

Mr. BENTSEN. Yes, the distinguished Senator from Michigan has something on that. My amendment does not affect it.

Mr. COOK. Mr. President, if the Senator will yield, may I say to the Senator from Arizona that we will face the very situation he is talking about with the submission of the amendment by the Senator from Michigan. This is not a matter which involves the present amendment in its present form.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, may I suggest to the Senator from Texas that, if he is through with the basic debate on his amendment, he yield back his time——

Mr. BENTSEN. Mr. President, if the Senator from Nevada is prepared to yield back his time, I am prepared to yield back my time.

Mr. GRIFFIN. Mr. President, will the Senator from Texas accept a suggestion? It appears there may be more controversy to my amendment to the Senator's amendment than anticipated. We had only 5 minutes on a side. Perhaps we could make it 10 minutes on a side and use it from the time left on his amendment.

Mr. BENTSEN. Mr. President, if the Senator from Nevada is prepared to yield back his time for that purpose, I am.

Mr. CANNON. Mr. President, I ask unanimous consent that we yield back the time on this amendment and that whatever time is left be added to the 5 minutes to a side on the amendment of the Senator from Michigan.

The PRESIDING OFFICER. There are exactly 11 minutes remaining on this amendment.

Without objection, it is so ordered.

The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I send an amendment to the desk in the nature of a substitute, which is a modified version of my printed amendment No. 1087.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

The amendment to the amendment is as follows:

In lieu of the language proposed to be inserted by amdt. No. 1083 insert the following:

"PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY FOREIGN INDIVIDUALS

"SEC. 304. Section 613 of title 18, United States Code, is amended—

"(a) by adding to the section caption the following: 'or drawn on foreign banks';

"(b) by inserting immediately before 'Whoever' at the beginning of the first paragraph the following: '(a)'; and

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

"'(b) No person may make a contribution in the form of a written instrument drawn on a foreign bank. Violation of the provision of this subsection is punishable by a fine not to exceed $5,000, imprisonment not to exceed five years, or both.'."

On page 71, line 16, strike out "304." and insert in lieu thereof "305.".

On page 76, between lines 2 and 2, insert the following new paragraph:

"(2) No candidate may knowingly solicit or accept a contribution for his campaign—

"(A) from any person who—

"(i) is not a citizen of the United States, and

"(ii) is not lawfully admitted for permanent residence, as defined in section 101 (a) (20) of the Immigration and Nationality Act; or

"(B) which is made in violation of section 613 of this title.".

On page 76, line 3, strike out "(2)" and insert in lieu thereof "(3)".

On page 76, line 6, immediately after "(1)", insert "or (2)".

On page 78, line 19, immediately after "611,", insert "613,".

On page 78, line 87, strike out "by adding at the end" and insert in lieu thereof "by striking out the item relating to section 613 and inserting in lieu".

On page 78, below line 22, immediately above the item relating to section 614, insert the following:

"613. Contributions by agents of foreign principals or drawn on foreign banks.".

Mr. GRIFFIN. Mr. President, at the outset, I want to say that I strongly support the amendment offered by the Senator from Texas (Mr. BENTSEN). It is almost identical to a portion of my amendment 1087, which I had submitted for printing. I checked with the Parliamentarian as to the best way to present my version, and he suggested that the best way would be in the form of a substitute.

The major portion of my amendment is identical in purpose to the amendment of the Senator from Texas in that it prohibits contributions to campaigns by foreigners and by aliens who have not been admitted for permanent residence in the United States.

I agree with him that, by and large, our political process should be in the hands of those who are citizens and have the right to vote. Actually, our amendment does not really close it up that much. It acknowledges and permits contributions by those who have been admitted for permanent residence. So even though they do not have the right to vote in that instance, they would have the right to make financial contributions.

But my amendment goes further. It also prohibits a contribution in the form of a check written on a foreign bank. The distinguished Senator from Texas, in his argument for his amendment, referred to foreign banks. I would agree with the concern that he expressed by that reference. However, the amendment as he has presented it does not touch the matter of foreign banks.

I realize that some persons will make the argument that it is going to be inconvenient, particularly for American citizens who live abroad, if they cannot write their checks on foreign banks. However, I think that it is also important to underscore the fact that obviously U.S. law does not reach and cannot control foreign banks. We cannot, by the court process of the United States, investigate a foreign bank. We cannot examine its accounts. We cannot have access to its checks.

Some of the stories of abuse that we have been exposed to have involved

Mexican banks and other foreign banks. They have involved unnumbered accounts in Swiss banks.

It seems to me that if we really want to do something about this problem, we should take this additional step and also provide that a foreign bank cannot be used as a means of funneling money into a campaign in the United States. I know that all Americans who live overseas do not have checking accounts in U.S. banks, but I assume that most of them do. If they do not, they might in some other way establish an account in a U.S. bank. I think the matter of being able to investigate, outweighs the disadvantages which would accrue.

That is the argument pure and simple. I think this would be an improvement of the amendment of the Senator from Texas. Perhaps he might want to accept it. If he does, and there is no opposition, we could then go to a vote on his amendment as amended.

Mr. BENTSEN. Mr. President, I yield 3 minutes to the distinguished Senator from Kentucky.

Mr. COOK. Mr. President, I would hope that the Senator from Texas will not agree to take that language as an amendment to his amendment.

Last year I had occasion, while I was in Mexico—as a matter of fact, as a member of the Mexican-American Interparliamentary Meeting—to go to the University of Guadlajara, I spoke to a number of American students. I was amazed to learn that there is a retirement community of American citizens there. They have taken up residence there, having retired on social security. It has not been so long ago that all of us had occasion to view, on television, retirees in Spain and Ireland. Those people are living in those countries because it is cheaper to live there than in the United States. They do not have two checking accounts. They have bank accounts in the country in which they are now residing as American citizens. They do not have an account in the First National Bank of Dallas and also one in the Bank of Guadlajara. They cannot afford it. They have one account.

I agree with the Senator from Michigan that we do have a problem with major contributions. We do have problems with substantial checks. I am quite sure we will not receive a great many contributions from Americans who live throughout the world by reason of the advantages of their retirement situations. But it would be a terrible crime to deny them the opportunity if, in fact, they want it. It would be a terrible situation for an individual who is retired.

The Guadlajara community is largely a military retirement facility. It would be a shame, for those individuals who send in checks of $5, $10, or $15 as contributions to the political process in their country to be told that they were illegal contributions; to be told that if they wanted to make that kind of small contribution, they would have to open an account in an American bank. Obviously, they would not do that.

There are one or two instances where there have been large contributions that have come from foreign banks that were accepted. But I say that the way to resolve this problem is to be totally and completely open so that we will not deprive thousands of Americans of the right to vote.

Mr. CANNON. Mr. President, I have just been advised that the State Department estimates, from its consuls and other officers abroad, that 1,750,000 U.S. citizens are living abroad, not including the military and not including tourists.

Mr. COOK. Mr. President, if we are up to well over 2 million, we cannot say that all of those 2 million are going to write a check for $25 or $50 on, say, a Mexican bank. They may write checks for $5, $10, or $50. But we are really denying the biggest percentage of them of that right, and we cannot resolve a bad situation as it now presents itself.

If we pass this bill—and I say this to the distinguished Senator from Michigan—we will know one thing. If such a check came from an individual, if the candidate accepted it, and the amount of the check was in excess of $1,000, then we would know that the candidate was subject to the penalties of the bill if he accepted it.

It seems to me we should not go totally and completely overboard and destroy the incentive of 2 million Americans who live abroad and want to contribute to the electoral process, Therefore, I strongly oppose the amendment of the distinguished Senator from Michigan.

I thank the Senator from Texas for yielding me this time.

The PRESIDING OFFICER. The Senator from Michigan has 5 minutes remaining.

Mr. GRIFFIN. Mr. President, I shall respond to the argument of the Senator from Kentucky in this way: I recognize that there could be inconvenience for some. I point out, however, that the military personnel who live abroad on U.S. bases would have U.S. banking facilities. Also, in most cases, embassy personnel and diplomatic personnel would have such economic facilities at their disposal.

I am convinced in my own mind that a great many of those persons who live abroad would have access to banks in the United States. I suggest that in any campaign that I know anything about, the percentage of contributions that would come in to a campaign from Americans living abroad, who could draw their checks only on foreign banks, would be small.

It is a question of balance in the situation, and I realize that reasonable men can differ. And if there has been enough evidence of abuse, enough concern aroused so far as the American people are concerned, I believe that it would be a healthy thing to do to make sure that all of the institutions which are handling and accounting for the money are subject to the laws and the jurisdiction of the United States, where the elections are held.

Mr. COOK. Mr. President, will the Senator from Texas yield me 30 seconds?

Mr. BENTSEN. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. BENTSEN. I must say that the Senator from Kentucky has been so persuasive I will yield him 3 additional minutes.

Mr. COOK. I thank the Senator; I will not use nearly all that time.

Mr. President, I have no idea, and I really do not think the Senator from Michigan has any idea, either, how many people in the northern rural areas of our border States between the United States and Canada may find that a Canadian community is much closer to their residence, their farm, or wherever they live along that border line, so that they may well do business with a Canadian bank. There may conceivably be some families up there who have never done business with an American bank, because of its location.

Let us take the plains areas of North Dakota, or the areas of northern Michigan, the Senator's State.

Mr. GRIFFIN. I was going to suggest taking Michigan.

Mr. COOK. I am wondering, really, how many people who live along the common border of the United States and Canada do business and have done business for years and years with Canadian institutions. What we are really saying by this bill is, "If you want to do it, drive the 40 miles to an American bank, open an account, write out your check for $10, and then close your account, because you are not going to deal with that place because of its inconvenience, and go back to your own bank that you are now doing business with."

Mr. GRIFFIN. Mr. President, if I may respond most respectfully to a Senator who comes from a State within the very center of the United States, responding as a Senator who does live in a State which borders all along the Canadian line, my amendment does not bother me one bit whatsoever insofar as that concern expressed by the Senator from Kentucky. I concede there might be a few contributions that would not come into the campaign as a result of what I am doing, but I really do not think the mischief or inconvenience is all that great. I do not think there is a lot to be gained in terms of building confidence in our election process and in other respects generally called reform, in taking the step which I have suggested.

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

Mr. GRIFFIN. I yield.

Mr. BENTSEN. I can understand the concern of the Senator from Michigan with trying to stop this laundering of accounts through foreign banks, but if you are just trying to do that, and you have someone who is trying to move a large sum of money through a foreign bank, they will be able, as I understand it, to take that to their bank, buy a money order on a U.S. bank, if they wanted to, or buy an American Express check, if they wanted to, and circumvent what the Senator is trying to do very easily.

I think what the Senator's amendment would really do is make it inconvenient for 2 million Americans living overseas who might not want to take the time and trouble to overcome its restrictions by going to a U.S. bank, by trying to prevent

some person from trying to resort to skullduggery, when, Mr. President, it would not prevent it, and I maintain that the Senator's amendment would not accomplish what he intends.

Mr. COOK. Mr. President, I think, on the basis of one or two episodes which have occurred, we are trying to decide whether we should interfere with the balance of all international transactions, and say that as a result, this transaction by an American citizen must have the added restriction that it must be through an American institution.

We are saying that American banks cannot have international relations in their banking departments, which obviously every major bank in the United States has, and they make daily transfers of deposits back and forth. Yet we are saying that this individual who wants to contribute to the American political process as an American citizen will have this added problem that he must face. I must say I really think it is an onerous one, and I again hope that the amendment of the Senator from Michigan will be defeated.

Mr. GRIFFIN. Mr. President, is there time remaining?

The PRESIDING OFFICER. The Senator from Michigan has 2 minutes remaining. The Senator from Texas has 1 minute.

Mr. GRIFFIN. Mr. President, I wish to focus again on the major reason why this amendment should be accepted. That is that Mexican banks, Swiss banks with numbered accounts, and other foreign banks are not subject to the laws of the United States. It is not possible to investigate a campaign situation and require a foreign bank to reveal canceled checks or otherwise provide an accounting for what has happened in that bank. I think that the time has come when the American people expect Congress to provide for control by the laws of the United States over the facilities and institutions that are going to handle the funneling of campaign contributions. I hope the amendment will be agreed to.

Mr. BENTSEN. Mr. President, I would reluctantly oppose the substitute for my amendment proposed by the Senator from Michigan, despite the very noble objectives the Senator from Michigan has outlined. The Senator from Kentucky has convinced me that this would result in substantial inconvenience to a couple of million Americans living overseas, and yet would not accomplish the objective the Senator from Michigan is trying to accomplish in this regard. Therefore, I would urge the Senate to defeat the substitute amendment proposed by the Senator from Michigan.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan has 1 minute remaining.

Mr. GRIFFIN. I yield it back, Mr. President.

The PRESIDING OFFICER (Mr. McCLURE). All remaining time having been yielded back, the question is on agreeing to the substitute amendment of the Senator from Michigan. 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 Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE) and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Arizona (Mr. FANNIN) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 23, nays 66, as follows:

[No. 95 Leg.]

YEAS—23

Allen	Dole	Mansfield
Bartlett	Dominick	Packwood
Bayh	Griffin	Pearson
Bellmon	Gurney	Taft
Bennett	Hansen	Thurmond
Brock	Helms	Weicker
Cotton	Hollings	Young
Curtis	Hruska	

NAYS—66

Abourezk	Hart	Muskie
Bentsen	Hartke	Nelson
Bible	Haskell	Nunn
Biden	Hathaway	Pell
Brooke	Huddleston	Percy
Buckley	Hughes	Proxmire
Burdick	Humphrey	Randolph
Byrd, Harry F., Jr.	Inouye	Ribicoff
Byrd, Robert C.	Jackson	Roth
Cannon	Javits	Scott, Hugh
Case	Johnston	Scott, William L.
Chiles	Kennedy	Sparkman
Church	Long	Stafford
Clark	Magnuson	Stennis
Cook	Mathias	Stevens
Cranston	McClellan	Stevenson
Domenici	McClure	Symington
Eagleton	McGovern	Talmadge
Eastland	McIntyre	Tower
Ervin	Metcalf	Tunney
Fong	Metzenbaum	Williams
Goldwater	Montoya	
	Moss	

NOT VOTING—11

Aiken	Fulbright	Mondale
Baker	Gravel	Pastore
Beall	Hatfield	Schweiker
Fannin	McGee	

So Mr. GRIFFIN's amendment was rejected.

The PRESIDING OFFICER. The vote now occurs on the amendment of the Senator from Texas (Mr. BENTSEN). 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 Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. McGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Rhode Island (Mr. PASTORE) are necessarily absent.

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

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Arizona (Mr. FANNIN), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

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

The result was announced—yeas 89, nays 0, as follows:

[No. 96 Leg.]

YEAS—89

Abourezk	Fong	Moss
Allen	Goldwater	Muskie
Bartlett	Griffin	Nelson
Bayh	Gurney	Nunn
Bellmon	Hansen	Packwood
Bennett	Hart	Pearson
Bentsen	Hartke	Pell
Bible	Haskell	Percy
Biden	Hathaway	Proxmire
Brock	Helms	Randolph
Brooke	Hollings	Ribicoff
Buckley	Hruska	Roth
Burdick	Huddleston	Scott, Hugh
Byrd, Harry F., Jr.	Hughes	Scott, William L.
Byrd, Robert C.	Humphrey	Sparkman
Cannon	Inouye	Stafford
Case	Jackson	Stennis
Chiles	Javits	Stevens
Church	Johnston	Stevenson
Clark	Kennedy	Symington
Cook	Long	Taft
Cotton	Magnuson	Talmadge
Cranston	Mansfield	Thurmond
Curtis	Mathias	Tower
Dole	McClellan	Tunney
Domenici	McClure	Weicker
Dominick	McGovern	Williams
Eagleton	McIntyre	Young
Eastland	Metcalf	
Ervin	Metzenbaum	
	Montoya	

NAYS—0

NOT VOTING—11

Aiken	Fulbright	Mondale
Baker	Gravel	Pastore
Beall	Hatfield	Schweiker
Fannin	McGee	

So Mr. BENTSEN's amendment was agreed to.

LEAVE OF ABSENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that I may be excused from attendance on the Senate on Friday and Monday, to conduct hearing in Alaska.

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

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I yield 1 minute to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. CLARK. Mr. President, I ask unanimous consent that an amendment I am submitting to S. 3044 be considered as having met the requirements of rule XXII of the Standing Rules of the Senate.

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

Under the previous order the pending business is the amendment of the Senator from Alabama (Mr. ALLEN).

The amendment will be stated.

The legislative clerk read as follows:

On page 13, between lines 14 and 15, add a new subsection (d), as follows:

(d) No Member of the Ninety-third Congress or any committee of such Member shall be eligible to receive matching funds in connection with the candidacy of such Member for nomination for election to the office of President for the term beginning January 20, 1977.

Mr. ALLEN. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, I ask unanimous consent that I be given leave of absence for tomorrow, because of the fact that about a month ago I accepted two engagements to speak to Alabama audiences on tomorrow.

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

Mr. ALLEN. Mr. President, the pending amendment is very short, but it is important.

Mr. COTTON. Mr. President, may we have order? We cannot hear the Senator. May we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLEN. Mr. President, the amendment is very short and to the point. It says:

No Member of the Ninety-third Congress or any committee of such Member shall be eligible to receive matching funds in connection with the candidacy of such Member for nomination for election to the office of President for the term beginning January 20, 1977—

Which would be the term starting after the 1976 election.

We already have, under the checkoff provision, adequate machinery, and there will be adequate funds, to finance the general election campaign of 1976.

Under the checkoff provision there would be accumulated in this fund by the 1976 Presidential elections more than $50 million, and it is provided that some $21 million shall be available to each of the major parties for the conduct of the Presidential election of 1976.

Of course, a minor hitch in the law is that, in order to get that money, the political party would have to certify that it would not accept funds from the private sector, and the members of that party might think they could not run a Presidential campaign on $21 million. So unless they have the law amended, it is possible they will not come under that provision in 1976.

But it is quite obvious where much of the drive for further Federal campaign financing, public Treasury financing, is coming from. It is quite obvious that it is coming from those here in the Congress who have an ambition to serve as President of the United States.

This amendment would preclude any Member of the 93d Congress from receiving funds, not to run for his present position—that has already been decided by the Senate—but would preclude him from obtaining a subsidy from the taxpayers to conduct a campaign for the Presidential nomination of either party.

We frequently hear it said, "Well, it is not the money that is involved; it is the principle." Well, if the candidates for the Presidency who are in the Congress really believe that, and they believe that campaign financing by the taxpayer is a good thing, that the principle is right, they ought not to have any objection to a provision that would preclude them from profiting in running for the Presidency to the tune of up to $7.5 million.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. WILLIAM L. SCOTT. I note a section of the Constitution that my distinguished colleague is quite familiar with, article I, section 6:

No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States, which shall have been created, or the emoluments whereof shall have been increased during such time . . .

The Senator is speaking of principles. I wonder if there is not a correlation in principle between this section of the Constitution with regard to appointment to a civil office and creating a fund from which a campaign for the Presidency might be utilized. It seems to me there is a corollary between the two.

Mr. ALLEN. I thank the Senator for that suggestion. I doubt, however, if they would be analogous. That section of the Constitution applies to emoluments which would accrue to an individual as an office holder, whereas the present proposal provides for funds to help him get that office. I doubt if they would be analogous, but there occurs the principle of voting for a measure that would result in a person's receiving up to $7.5 million.

I am hopeful that the Senate and those who might possibly be beneficiaries of this provision will see fit to add this amendment to the bill, on the theory that the principle of public financing would still be there; but those who feel so strongly that this is a good principle, and if it is a principle that they are standing for, possibly would be willing to forego the receipt by them or their campaign committees of this subsidy of up to $7.5 million.

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

Mr. ALLEN. I yield.

Mr. MATHIAS. I understand the principles that underlie the amendment. I want to assure the Senator that, as far as I am concerned, I can approach this with a great deal of objectivity.

Mr. ALLEN. I am sorry to hear that, I will say to the Senator.

Mr. MATHIAS. But, on a more serious note, I wonder if in proposing this amendment the Senator has in mind that the President of the Senate is to be included as a Member of the 93d Congress.

Mr. ALLEN. If what?

Mr. MATHIAS. If the President of the Senate is to be included within the definition of Members of the 93d Congress.

Mr. ALLEN. Does the Senator think he would?

Mr. MATHIAS. Well, the distinguished Senator is the author of the amendment, and I was just probing for his intention.

Mr. ALLEN. No, I would not feel that he would be a Member of the 93d Congress. He presides over one branch of the 93d Congress, but he is not a Member of the Congress, quite obviously.

Mr. MATHIAS. I thank the Senator. I thought it was important to make that a matter of legislative history, to find out what was in the Senator's mind.

Mr. ALLEN. I do not know that that legislative history is necessary, because I doubt seriously if this amendment is going anywhere, I will say to the Senator.

Mr. MATHIAS. Well, I think it is useful. Of course, the President of the Senate is, for many administrative purposes, a Member of the Senate, and when he is called upon, under the provisions of the Constitution, to break a tie, he votes as a Senator votes. So I think if this amendment, or if the thought which underlies this amendment, should succeed either now or later, that would be an important point.

Mr. ALLEN. Is it the Senator's idea that the Vice President is a Member of the 93d Congress? I stated it was my idea it was not. What is the Senator's idea?

Mr. MATHIAS. Well, the Vice-Presidency, of course, has been defined in various ways in various periods of history, and sometimes most colorfully, by those who have occupied that lofty and elevated chair. I think we all remember the definition of the office that was given to it by Vice President John Nance Garner. But for some purposes the Vice President is a Member of the Senate. Let us suppose, just hypothetically, that the Senator's amendment would produce a tie and that the Vice President had to be called upon to break the tie.

Mr. ALLEN. He is not here.

Mr. MATHIAS. We are talking hypothetically. Suppose that.

Mr. ALLEN. I see.

Mr. MATHIAS. And then he voted. Certainly under those circumstances the principles of equity which the Senator has described as applying to everybody else would operate on the Vice-Presidency.

Mr. ALLEN. The chances are he would have a lot of company in that predicament, if he voted for the subsidy.

Mr. MATHIAS. I thank the Senator.

Mr. ALLEN. I thank the distinguished Senator.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I am prepared to yield back my time and am prepared to vote, if the Senate so desires.

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

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

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama (No. 1061). All time having been yielded back, and the yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Louisiana (Mr. LONG) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from Wyoming (Mr. MCGEE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Maryland (Mr. BEALL), the Senator from Arizona (Mr. FANNIN), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

I also announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

I further announce that, if present and voting the Senator from Oregon (Mr. HATFIELD), and the Senator from Pennsylvania (Mr. HUGH SCOTT) would each vote "nay."

The result was announced—yeas 36, nays 51, as follows:

[No. 97 Leg.]

YEAS—36

Allen	Curtis	McClellan
Bartlett	Dole	McClure
Bayh	Dominick	Nunn
Bellmon	Eastland	Pearson
Bennett	Ervin	Scott, William L.
Brock	Fong	Sparkman
Buckley	Goldwater	Stennis
Byrd, Harry F., Jr.	Griffin	Talmadge
Byrd, Robert C.	Gurney	Thurmond
Chiles	Hansen	Tower
Cook	Helms	Weicker
Cotton	Hollings	
	Hruska	

NAYS—51

Abourezk	Huddleston	Muskie
Bentsen	Hughes	Nelson
Bible	Humphrey	Packwood
Biden	Inouye	Pell
Brooke	Jackson	Percy
Burdick	Javits	Proxmire
Cannon	Johnston	Randolph
Case	Kennedy	Ribicoff
Church	Magnuson	Roth
Clark	Mansfield	Stafford
Cranston	Mathias	Stevens
Domenici	McGovern	Stevenson
Eagleton	McIntyre	Symington
Hart	Metcalf	Taft
Hartke	Metzenbaum	Tunney
Haskell	Montoya	Williams
Hathaway	Moss	Young

NOT VOTING—13

Aiken	Gravel	Pastore
Baker	Hatfield	Schweiker
Beall	Long	Scott, Hugh
Fannin	McGee	
Fulbright	Mondale	

So Mr. ALLEN's amendment (No. 1061) was rejected.

AMENDMENT NO. 1099

Mr. BROCK. Mr. President, I call up my amendment No. 1099.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BROCK's amendment is as follows:

On page 48, line 19, strike out "and 617" and insert in lieu thereof "617, and 618".

On page 49, line 17, strike out "and 617" and insert in lieu thereof "617, and 618."

On page 49, line 23, strike out "or 617" and insert in lieu thereof "617, and 618".

On page 78, line 16, strike the closing quotation marks and the second period.

On page 78, between lines 16 and 17, insert the following:

"§ 618. Voting fraud

"(a) No person shall—

"(1) cast, or attempt to cast, a ballot in the name of another person,

"(2) cast, or attempt to cast, a ballot if he is not qualified to vote,

"(3) forge or alter a ballot,

"(4) miscount votes,

"(5) tamper with a voting machine, or

"(6) commit any act (or fail to do anything required of him by law),

with the intent of causing an inaccurate count of lawfully cast votes in any election.

"(b) A violation of the provisions of subsection (a) is punishable by a fine of not to exceed $100,000, imprisonment for not more than ten years, or both.".

On page 78, line 19, strike out "and 617" and insert in lieu thereof "617, and 618".

On page 78, after line 22, in the item relating to section 617, strike out the closing quotation marks and the second period.

On page 78, after line 22, below the item relating to section 617, insert the following:

"618. Voting fraud.".

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

Mr. BROCK. I yield.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 30 minutes on the pending amendment, to be equally divided between the sponsor of the amendment, the distinguished Senator from Tennessee (Mr. BROCK), and the manager of the bill, the distinguished Senator from Nevada (Mr. CANNON).

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

Mr. BROCK. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I ask unanimous consent that during the consideration of S. 3044, a member of my staff, Mr. Gary Lieber, be accorded the privilege of the floor.

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

Mr. BROCK. Mr. President, I ask unanimous consent that during the further debate on this legislation, a member of my staff, Mr. Jim George, be permitted access to the floor.

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

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BROCK. Mr. President, this amendment attempts to deal with one notable inadequacy in the proposed legislation which relates specifically to the largest single area of campaign abuse, in my opinion, and that is voting fraud. There can be no greater violation of the civil rights of an individual than to have his ballot stolen by any device. My amendment would attempt to deal with just that particular problem. It says:

No person shall—

(1) cast, or attempt to cast, a ballot in the name of another person,

(2) cast, or attempt to cast, a ballot if he is not qualified to vote,

(3) forge or alter a ballot,

(4) miscount votes,

(5) tamper with a voting machine, or

(6) commit any act (or fail to do anything required of him by law).

with the intent of causing an inaccurate count of lawfully cast votes in any election.

Mr. President, I very much believe that this Congress must pass major and comprehensive campaign reform legislation. But I cannot believe that it is in the interests of the Congress, the elective process, or the American people to deal only with the financial problems of politics. It seems to me that something very essential is at stake in this particular debate, and that is assurance to the people of this country that their ballots will be cast and counted as they are cast. If we are to restore any faith in the elective process, that has to be a fundamental purpose of the bill.

I do not understand why there simply are not Federal laws in this area today. If there is a civil right in this country, it is the right to vote, for the future of ourselves and for our children. To the best of my knowledge, about the only access or the only recourse we have in the instance of ballot abuse would be to say that that would violate our civil rights, although that is probably the most difficult charge in the world to prove. But it is important that we spell out what we mean by vote fraud and what penalty should be established for that vote fraud. It is important, in view of the recent political scandal, that we not forget the tradition of fraud and abuse in this country, which is still ongoing in too many places, in too many communities, and in too many counties.

Each Senator will speak for his own State, of course, and I can speak only

for my own and say that Tennessee has made remarkable progress in reducing ballot abuse. But we are not perfect yet, and I am not sure that anyone else is either. It is important that people wherever they may live in this country should have the assurance that we intend to protect this most essential of their rights.

I cannot believe that we can pass comprehensive campaign reform legislation without dealing with this most fundamental reform as it relates to the ballot and the right to vote and the right to have that vote counted.

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

Mr. GOLDWATER. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. GOLDWATER. Does the Senator have any idea in how many States the process he outlined is now illegal?

Mr. BROCK. I would say to the Senator that probably, generally speaking, virtually all of them are. The problem, it seems to me, is more with the inadequate ability to deal with the problem. The States' law are either not adequately enforced or else they are poorly drawn so as to be unenforceable. Much of the time the State laws are enforced by the very people who are engaging in the abuse. This is the problem I am trying to deal with.

Mr. GOLDWATER. The Senator would make it a Federal crime for those who participate in the activities that he has outlined and illustrated today and that would apply to the Presidency, to the Senate, and to the House?

Mr. BROCK. That is correct.

Mr. GOLDWATER. Has the Senator suggested any penalty?

Mr. BROCK. Yes, I have a sizable penalty which would go, in the case of extreme abuse, to a $100,000 fine and 10 years in jail. We must have a severe penalty.

Mr. GOLDWATER. Would the Senator's amendment—this sounds funny, but it has happened in my city—would the Senator's amendment cover the use of names in graveyards?

Mr. BROCK. Absolutely.

Mr. GOLDWATER. I thank the Senator. I think his amendment is worthwhile and I shall support it.

Mr. TOWER. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. TOWER. If I understood the Senator correctly, one of the reasons he is offering this is that although virtually all the States have laws that define such abuses as crimes, the fact is that very often the beneficiaries of the rigged election are those responsible for administering the election laws of the State and, therefore, they are rarely ever brought to justice and justice is often not done.

Mr. BROCK. That is correct. There seems to be no recourse in some instances today and no protection against this kind of abuse. We have seen it on too many occasions, in elections that were stolen, where the enormity of the fraud actually changed the course of the election and the people who then were elected were in the postition to enforce or not to enforce the statute.

Mr. TOWER. Is it not true, in the instance of election fraud, in elections involving people running for Federal office, that almost inevitably those that have been brought to justice under any existing laws have been brought to justice under the aegis of a Federal investigation or a Federal prosecution rather than by the State?

Mr. BROCK. That is correct, to the best of my knowledge.

Mr. COOK. Mr. President, will the gentleman from Tennessee yield?

Mr. BROCK. I yield.

Mr. COOK. May I suggest to the Senator from Tennessee, relative to his response to the Senator from Arizona a few moments ago, that there is one thing in here that gives me a problem. I wish he would consider, although the title says "Intended to be proposed by Mr. BROCK * * *"—it goes on to say "* * * and general election campaigns for Federal elective office * * *" I would say to the Senator from Tennessee that in the body of his amendment as such, it shall be a part of the bill, but it does not say "for Federal elections." I am wondering, because at least in my State we do have off-year elections, where we have elections for members of the State legislature, the State senate, and for the governorship, I am concerned as to the overall constitutionality of this amendment, unless he would consider, on line 4, page 2, where it reads:

"(a) No person shall * * *"—

Then add, in elections held for the purpose of Federal officials such as the Senate, Congress, the President, and the Vice President.

I am wondering whether I could convince the Senator from Tennessee that that language should be in there, so that we do not have the problem of interfering with State election laws in those years when elections are held on a statewide basis and when no Federal elections are up.

Mr. BROCK. Of course that language should be in there. The Senator is absolutely right. I appreciate his suggestion. If I may, Mr. President, I ask unanimous consent to modify my amendment on page 2, line 4, to add after the word "shall" the words: "in a Federal election."

The PRESIDING OFFICER (Mr. HELMS). Will the Senator please send his proposed modification to the desk.

Mr. BROCK. If that language will suit the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection to the modification of the amendment of the Senator from Tennessee?

Without objection, the modification is so made.

Mr. COOK. Mr. President, I thank the Senator from Tennessee. I must say that that resolves the problem. Without that language in there, we were risking getting into a rather serious question in regard to State constitutionality and also with regard to the Constitution of the United States, by the way.

Mr. BROCK. I appreciate the Senator's diligence. I have no intention of interfering with any State process. We have a real responsibility to maintain the sanctity of the ballot box in Federal elections.

Mr. TOWER. Mr. President, do I correctly understand that the effect of the Senator's modification will be to narrow the effect of the proposed amendment to elections for Federal offices only?

Mr. BROCK. That is correct.

Mr. TOWER. It would not apply to any State, county, or local election then?

Mr. BROCK. That is right. That was the amendment's intention. The Senator has pointed it out correctly. We were not specific enough.

Mr. COOK. If I may enlarge on that a little, under the Constitution of the United States, we do not have the right to prescribe the rules and regulations for the conduct of State and local elections.

Mr. TOWER. That is correct. As an old States' Righter, I would concur with that.

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

Mr. COOK. Mr. President, does the Senator from Tennessee have any objection if he might withdraw the call for the yeas and nays and just have a voice vote?

Mr. BROCK. I would be delighted to withdraw the call for the yeas and nays.

Mr. President, I ask unanimous consent to withdraw the yeas and anys on my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The yeas and nays are vacated.

Mr. BROCK. Mr. President, I yield back the reminder of my time.

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

The PRESIDING OFFICER. All time on this amendment has been yielded back.

The question is on agreeing to amendment No. 1099, as modified, of the Senator from Tennessee (Mr. BROCK).

The amendment, as modified, was agreed to.

AMENDMENT NO. 1104

Mr. BROCK. Mr. President, I now call up my amendment No. 1104 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

ILLEGAL CONTRIBUTIONS AND UNEXPENDED FUNDS

SEC. 317. (a) Any contribution received by a candidate or political committee in connection with any election for Federal office in excess of the contribution limitations established by this Act shall be forfeited to the United States Treasury.

(b) Any political committee having unexpended funds in excess of the amount necessary to pay its campaign expenditures within thirty days after a general election shall deposit those funds in the United States Treasury or transfer them to a national committee.

Mr. BROCK. Mr. President, this amendment attempts to deal again with what I view as perhaps the inadvertent absence of existing law, dealing with leftover funds after a campaign. It may

be there are those who disagree, but it seems to me this bill is not putting sufficient emphasis on the political parties. I would like very much to see a provision made for any leftover funds after a campaign, where there is not sufficient challenge to use all the money raised. I would like to see that money either revert to the Federal Treasury, if that is the wish of the candidate, or revert to his national party.

It seems to me that would be a measure to strengthen the role of the parties and something we need to be concerned with in the process of this bill.

It does one other thing, and I should point it out, that is to say, that any contribution received in excess of the ceiling shall be automatically rebated to the Treasury because then, in effect, it is an illegal contribution. There is no provision in the existing language to deal with that particular situation. I would suggest that illegal or excess contributions of the statute limits should obviously be directed to the Federal Treasury.

I would hope that this amendment might receive the same warm support my previous one did.

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

Mr. CLARK. Mr. President, will the Senator from Tennessee yield for a question?

Mr. BROCK. I yield.

Mr. CLARK. If a candidate chooses not to use Federal money and he collects a certain amount of private money, and he has a hundred dollars left over after a campaign or $100,000 left over, all the money he raised personally would go back to the Federal treasury?

Mr. BROCK. Or to his national party. It would be at his option.

Mr. CLARK. So it would not just be the Federal money that was expended, but all the private money he raised that is left over as well.

Mr. BROCK, That is right. I raised the issue because we have had problems in the past. I think it would be in the interest of Members of the House and the Senate to have this safeguard, to afford them a justification for dealing logically with this excess fund.

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

Mr. BROCK. I yield.

Mr. COOK. I am a little concerned about the language on page 2. Obviously, if we have Federal financing of elections and he has held Federal funds, those must go back to the Treasury. There is no question about that.

Mr. BROCK. That is right.

Mr. COOK. But under the Senator's amendment, I am not sure that is what it says. I read from page 2 of the Senator's amendment:

> . . . shall deposit those funds in the United States Treasury or transfer them to a national committee.

What bothers me is that we cannot leave the assumption that funds that have been allocated under a Federal program to subsidize elections could be subject in any way to a choice of whether they would go back to the Treasury or to a national committee.

I am not really prepared to give any substitute language, although it does bother me because I think the Senator has an either/or with unexpended funds regardless of the source. That does bother me. I believe the chairman of the committee wants to raise that point, also.

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

Mr. BROCK. I yield.

Mr. HUDDLESTON. I have never been in a situation in which I have had to deal with a surplus of funds.

Mr. BROCK. Neither have I.

Mr. HUDDLESTON. I wonder whether it would not be well to have another option, whereby the candidate might be able to return, on a pro rata basis, his excess funds to those who had contributed, if such an arrangement were spelled out in his solicitation of the funds.

Mr. BROCK. Personally, I would like to see that. The problem is more mechanical than in principle. I think it is almost impossible to divide on a pro rata basis $500 among 10,000 people who contributed. I had 10,000 contributors in my campaign in 1970, and it was a matter of great pride to me that we were able to establish that broad a base.

In all honesty, I do not know how we could locate those people and return the 3 or 4 cents that some of them would get as a pro rata share, and that is why I did not include it in the amendment.

The Senator from Kentucky has raised a valid point. In light of that, I think it might be the better part of wisdom if I withdrew the amendment and consider that as a possible alternative.

Until I can rewrite it, Mr. President, I will withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

ANTIHIJACKING ACT OF 1974

Mr. CANNON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 39.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate the amendments of the House of Representatives to the bill (S. 39) to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes, which were to strike out all after the enacting clause and insert:

TITLE I—ANTIHIJACKING ACT OF 1974

SEC. 101. This title may be cited as the "Antihijacking Act of 1974".

SEC. 102. Section 101(32) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(32)), relating to the definition of the term "special aircraft jurisdiction of the United States", is amended to read as follows:

"(32) The term 'special aircraft jurisdiction of the United States' includes—

"(a) civil aircraft of the United States;

"(b) aircraft of the national defense forces of the United States;

"(c) any other aircraft within the United States;

"(d) any other aircraft outside the United States—

"(i) that has its next scheduled destination or last point of departure in the United States, if that aircraft next actually lands in the United States; or

"(ii) having 'an offense', as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft, committed aboard, if that aircraft lands in the United States with the alleged offender still aboard; and

"(e) other aircraft leased without crew to a lessee who has his principal place of business in the United States, or if none, who has his permanent residence in the United States;

while that aircraft is in flight, which is from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation or in the case of a forced landing, until the competent authorities take over the responsibility for the aircraft and for the persons and property aboard.".

SEC. 103. (a) Paragraph (2) of subsection (i) of section 902 of such Act (49 U.S.C. 1472), relating to the definition of the term "aircraft piracy", is amended by striking out "threat of force or violence and" inserting in lieu thereof "threat of force or violence, or by any other form of intimidation, and".

(b) Section 902 of such Act is further amended by redesignating subsections (n) and (o) as subsections (o) and (p), respectively, and by inserting immediately after subsection (m) the following new subsection:

"AIRCRAFT PIRACY OUTSIDE SPECIAL AIRCRAFT JURISDICTION OF THE UNITED STATES

"(n)(1) Whoever abroad an aircraft in flight outside the special aircraft jurisdiction of the United States commits 'an offense', as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft, and is afterward found in the United States shall be punished—

"(A) by imprisonment for not less than twenty years; or

"(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life.

"(2) A person commits 'an offense', as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft when, while aboard an aircraft in flight, he—

"(A) unlawfully, by force or threat thereof, or by any other form of intimidation, seizes, or exercises control of, that aircraft, or attempts to perform any such act; or

"(B) is an accomplice of a person who performs or attempts to perform any such act.

"(3) This subsection shall only be applicable if the place of takeoff or the place of actual landing of the aircraft on board which the offense, as defined in paragraph (2) of this subsection, is committed is situated outside the territory of the State of registration of that aircraft.

"(4) For purposes of this subsection an aircraft is considered to be in flight from the moment when all the external doors are closed following embarkation until the moment when one such door is opened for disembarkation, or in the case of a forced landing, until the competent authorities take over responsibility for the aircraft and for the persons and property aboard.".

(c) Subsection (o) of such section 902, as so redesignated by subsection (b) of this section, is amended by striking out "subsections (i) through (m)" and inserting in lieu thereof "subsections (i) through (n)".

SEC. 104. (a) Section 902(i)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1472(i)(1)) is amended to read as follows:

"(1) Whoever commits or attempts to commit aircraft piracy, as herein defined, shall be punished—

"(A) by imprisonment for not less than twenty years; or

"(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life.".

(b) Section 902(i) of such Act is further

amended by adding at the end thereof the following new paragraph:

"(3) An attempt to commit aircraft piracy shall be within the special aircraft jurisdiction of the United States even though the aircraft is not in flight at the time of such attempt if the aircraft would have been within the special aircraft jurisdiction of the United States had the offense of aircraft piracy been completed.".

SEC. 105. Section 903 of the Federal Aviation Act of 1958 (49 U.S.C. 1473), relating to venue and prosecution of offenses, is amended by adding at the end thereof the following new subsection:

"PROCEDURE IN RESPECT OF PENALTY FOR AIRCRAFT PIRACY

"(c)(1) A person shall be subjected to the penalty of death for any offense prohibited by section 902(i) or 902(n) of this Act only if a hearing is held in accordance with this subsection.

"(2) When a defendant is found guilty of or pleads guilty to an offense under section 902(i) or 902(n) of this Act for which one of the sentences provided is death, the judge who presided at the trial or before whom the guilty plea was entered shall conduct a separate sentencing hearing to determine the existence or nonexistence of the factors set forth in paragraphs (6) and (7), for the purpose of determining the sentence to be imposed. The hearing shall not be held if the Government stipulates that none of the aggravating factors set forth in paragraph (7) exists or that one or more of the mitigating factors set forth in paragraph (6) exists. The hearings shall be conducted—

"(A) before the jury which determined the defendant's guilt;

"(B) before a jury impaneled for the purpose of the hearing if—

"(i) the defendant was convicted upon a plea of guilty;

"(ii) the defendant was convicted after a trial before the court sitting without a jury; or

"(iii) the jury which determined the defendant's guilt has been discharged by the court for good cause; or

"(C) before the court alone, upon the motion of the defendant and with the approval of the court and of the Government.

"(3) In the sentencing hearing the court shall disclose to the defendant or his counsel all material contained in any presentence report, if one has been prepared, except such material as the court determines is required to be withheld for the protection of human life or for the protection of the national security. Any presentence information withheld from the defendant shall not be considered in determining the existence or the nonexistence of the factors set forth in paragraph (6) or (7). Any information relevant to any of the mitigating factors set forth in paragraph (6) may be presented by either the Government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials; but the admissibility of information relevant to any of the aggravating factors set forth in paragraph (7) shall be governed by the rules governing the admission of evidence at criminal trials. The Government and the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to establish the existence of any of the factors set forth in paragraph (6) or (7). The burden of establishing the existence of any of the factors set forth in paragraph (7) is on the Government. The burden of establishing the existence of any of the factors set forth in paragraph (6) is on the defendant.

"(4) The jury or, if there is no jury, the court shall return a special verdict setting forth its findings as to the existence or nonexistence of each of the factors set forth in paragraph (6) and as to the existence or nonexistence of each of the factors set forth in paragraph (7).

"(5) If the jury or, if there is no jury, the court finds by a preponderance of the information that one or more of the factors set forth in paragraph (7) exists and that none of the factors set forth in paragraph (6) exists, the court shall sentence the defendant to death. If the jury or, if there is no jury, the court finds that none of the aggravating factors set forth in paragraph (7) exists, or finds that one or more of the mitigating factors set forth in paragraph (6) exists, the court shall not sentence the defendant to death but shall impose any other sentence provided for the offense for which the defendant was convicted.

"(6) The court shall not impose the sentence of death on the defendant if the jury or, if there is no jury, the court finds by a special verdict as provided in paragraph (4) that at the time of the offense—

"(A) he was under the age of eighteen;

"(B) his capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to prosecution;

"(C) he was under unusual and substantial duress, although not such duress as to constitute a defense to prosecution;

"(D) he was a principal (as defined in section 2(a) of title 18 of the United States Code) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to prosecution; or

"(E) he could not reasonably have foreseen that his conduct in the course of the commission of the offense for which he was convicted would cause, or would create a grave risk of causing death to another person.

"(7) If no factor set forth in paragraph (6) is present, the court shall impose the sentence of death on the defendant if the jury or, if there is no jury, the court finds by a special verdict as provided in paragraph (4) that—

"(A) the death of another person resulted from the commission of the offense but after the defendant had seized or exercised control of the aircraft; or

"(B) the death of another person resulted from the commission or attempted commission of the offense, and—

"(i) the defendant has been convicted of another Federal or State offense (committed either before or at the time of the commission or attempted commission of the offense) for which a sentence of life imprisonment or death was imposable;

"(ii) the defendant has previously been convicted of two or more State or Federal offenses with a penalty of more than one year imprisonment (committed on different occasions before the time of the commission or attempted commission of the offense), involving the infliction of serious bodily injury upon another person;

"(iii) in the commission or attempted commission of the offense, the defendant knowingly created a grave risk of death to another person in addition to the victim of the offense or attempted offense; or

"(iv) the defendant committed or attempted to commit the offense in an especially heinous, cruel, or depraved manner.".

SEC. 106. Title XI of such Act (49 U.S.C. 1501–1513) is amended by adding at the end thereof the following new sections:

"SUSPENSION OF AIR SERVICES

"SEC. 1114. (a) Whenever the President determines that a foreign nation is acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft, or if he determines that a foreign nation permits the use of territory under its jurisdiction as a base of operations or training or as a sanctuary for, or in any way arms, aids, or abets, any terrorist organization which knowingly uses the illegal seizure of aircraft or the threat thereof as an instrument of policy, he may, without notice or hearing and for as long as he determines necessary to assure the security of aircraft against unlawful seizure, suspend (1) the right of any air carrier or foreign air carrier to engage in the foreign air transportation, and the right of any person to operate aircraft in foreign air commerce, to and from that foreign nation, and (2) the right of any foreign air carrier to engage in foreign air transportation, and the right of any foreign person to operate aircraft in foreign air commerce, between the United States and any foreign nation which maintains air service between itself and that foreign nation. Notwithstanding section 1102 of this Act, the President's authority to suspend rights under this section shall be deemed to be a condition to any certificate of public convenience and necessity or foreign air carrier or foreign aircraft permit issued by the Civil Aeronautics Board and any air carrier operating certificate or foreign air carrier operating specification issued by the Secretary of Transportation.

"(b) It shall be unlawful for any air carrier or foreign air carrier to engage in foreign air transportation, or for any person to operate aircraft in foreign air commerce, in violation of the suspension of rights by the President under this section.

"SECURITY STANDARDS IN FOREIGN AIR TRANSPORTATION

"SEC. 1115 (a) Not later than 30 days after the date of enactment of this section, the Secretary of State shall notify each nation with which the United States has a bilateral air transport agreement or, in the absence of such agreement, each nation whose airline or airlines hold a foreign air carrier permit or permits issued pursuant to section 402 of this Act, of the provisions of subsection (b) of this section.

"(b) In any case where the Secretary of Transportation, after consultation with the competent aeronautical authorities of a foreign nation with which the United States has a bilateral air transport agreement and in accordance with the provisions of that agreement or, in the absence of such agreement, of a nation whose airline or airlines hold a foreign air carrier permit or permits issued pursuant to section 402 of this Act, finds that such nation does not effectively maintain and administer security measures relating to transportation of persons or property or mail in foreign air transportation that are equal to or above the minimum standards which are established pursuant to the Convention on International Civil Aviation, he shall notify that nation of such finding and the steps considered necessary to bring the security measures of that nation to standards at least equal to the minimum standards of such convention. In the event of failure of that nation to take such steps, the Secretary of Transportation, with the approval of the Secretary of State, may withhold, revoke, or impose conditions on the operating authority of the airline or airlines of that nation.".

SEC. 107. The first sentence of section 901 (a)(1) of such Act (49 U.S.C. 1471(a)(1)), relating to civil penalties, is amended by inserting ", or of section 1114," immediately before "of this Act".

SEC. 108. Subsection (a) of section 1007 of such Act (49 U.S.C. 1487), relating to judicial enforcement, is amended by inserting "or, in the case of a violation of section 1114 of this Act, the Attorney General," immediately after "duly authorized agents,".

SEC. 109. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 902. Criminal penalties."

is amended by striking out—

"(n) Investigations by Federal Bureau of Investigation.

"(o) Interference with aircraft accident investigations."

and inserting in lieu thereof—

"(n) Aircraft piracy outside special aircraft jurisdiction of the United States.

"(o) Investigations by Federal Bureau of Investigation.

"(p) Interference with aircraft accident investigation.".

(b) That portion of such table of contents which appears under the side heading

"Sec. 903. Venue and prosecution of offenses."

is amended by adding at the end thereof the following new item:

"(c) Procedure in respect of penalty for aircraft piracy.".

(c) That portion of such table of contents which appears under the center heading "TITLE XI—MISCELLANEOUS" is amended by adding at the end thereof the following new items:

"Sec. 1114. Suspension of air services.

"Sec. 1115. Security standards in foreign air transportation.".

TITLE II—AIR TRANSPORTATION SECURITY ACT OF 1974

SEC. 201. This title may be cited as the "Air Transportation Security Act of 1974".

SEC. 202. Title III of the Federal Aviation Act of 1958 (49 U.S.C. 1341–1355), relating to organization of the Federal Aviation Administration and the powers and duties of the Administrator, is amended by adding at the end thereof the following new sections:

"SCREENING OF PASSENGERS

"PROCEDURES AND FACILITIES

"SEC. 315. (a) The Administrator shall prescribe or continue in effect reasonable regulations requiring that all passengers and all property intended to be carried in the aircraft cabin in air transportation or intrastate air transportation be screened by weapon-detecting procedures or facilities employed or operated by employees of the air carrier, intrastate air carriers, or foreign air carrier prior to boarding the aircraft for such transportation. Such regulations shall include such provisions as the Administrator may deem necessary to assure that persons traveling in air transportation or intrastate air transportation will receive courteous and efficient treatment in connection with the administration of any provision of this Act involving the screening of persons and property to assure safety in air transportation or intrastate air transportation. One year after the date of enactment of this section or after the effective date of such regulations, whichever is later, the Administrator may alter or amend such regulations, requiring a continuation of such screening only to the extent deemed necessary to assure security against acts of criminal violence and aircraft piracy in air transportation and intrastate air transportation. The Administrator shall submit semiannual reports to the Congress concerning the effectiveness of screening procedures under this subsection and shall advise the Congress of any regulations or amendments thereto to be prescribed pursuant to this subsection at least thirty days in advance of their effective date, unless he determines that an emergency exists which requires that such regulations or amendments take effect in less than thirty days and notifies the Congress of his determination. Notwithstanding any other provision of law, the memorandum of the Federal Aviation Administrator, dated March 29, 1973, regarding the use of X-ray systems in airport terminal areas, shall remain in full force and effect until modified, terminated, superseded, set aside, or repealed after the date of enactment of this section by the Administrator.

"EXEMPTION AUTHORITY

"(b) The Administrator may exempt, in whole or in part, air transportation operations, other than those scheduled passenger operations performed by air carriers engaging in interstate, overseas, or foreign air transportation under a certificate of public convenience and necessity issued by the Civil Aeronautics Board under section 401 of this Act, from the provisions of this section.

"AIR TRANSPORTATION SECURITY

"RULES AND REGULATIONS

"SEC. 316. (a) (1) The Administrator of the Federal Aviation Administration shall prescribe such reasonable rules and regulations requiring such practices, methods, and procedures, or governing the design, materials, and construction of aircraft, as he may deem necessary to protect persons and property aboard aircraft operating in air transportation or intrastate air transportation against acts of criminal violence and aircraft piracy.

"(2) In prescribing and amending rules and regulations under paragraph (1) of this subsection, the Administrator shall—

"(A) consult with the Secretary of Transportation, the Attorney General, and such other Federal, State, and local agencies as he may deem appropriate;

"(B) consider whether any proposed rule or regulation is consistent with protection of passengers in air transportation or intrastate air transportation against acts of criminal violence and aircraft piracy and the public interest in the promotion of air transportation and intrastate air transportation;

"(C) to the maximum extent practicable, require uniform procedures for the inspection, detention, and search of persons and property in air transportation and intrastate air transportation to assure their safety and to assure that they will receive courteous and efficient treatment, by air carriers, their agents and employees, and by Federal, State, and local law-enforcement personnel engaged in carrying out any air transportation security program established under this section; and

"(D) consider the extent to which any proposed rule or regulation will contribute to carrying out the purposes of this section.

"PERSONNEL

"(b) Regulations prescribed under subsection (a) of this section shall require operators of airports regularly serving air carriers certificated by the Civil Aeronautics Board to establish air transportation security programs providing a law enforcement presence and capability at such airports adequate to insure the safety of persons traveling in air transportation or intrastate air transportation from acts of criminal violence and aircraft piracy. Such regulations shall authorize such airport operators to utilize the services of qualified State, local, and private law-enforcement personnel whose services are made available by their employers on a cost reimbursable basis. In any case in which the Administrator determines, after receipt of notification from an airport operator in such form as the Administrator may prescribe, that qualified State, local, and private law-enforcement personnel are not available in sufficient numbers to carry out the provisions of subsection (a) of this section, the Administrator may, by order, authorize such airport operator to utilize, on a reimbursable basis, the services of—

"(1) personnel employed by any other Federal department or agency, with the consent of the head of such department or agency; and

"(2) personnel employed directly by the Administrator;

at the airport concerned in such numbers and for such period of time as the Administrator may deem necessary to supplement such State, local, and private law-enforcement personnel. In making the determinations referred to in the preceding sentence the Administrator shall take into consideration—

"(A) the number of passengers enplaned at such airport;

"(B) the extent of anticipated risk of criminal violence and aircraft piracy at such airport or to the air carrier aircraft operations at such airport; and

"(C) the availability at such airport of qualified State or local law enforcement personnel.

"TRAINING

"(c) The Administrator shall provide training for personnel employed by him to carry out any air transportation security program established under this section and for other personnel, including State, local, and private law enforcement personnel, whose services may be utilized in carrying out any such air transportation security program. The Administrator shall prescribe uniform standards with respect to training required to be provided personnel whose services are utilized to enforce any such air transportation security program, including State, local, and private law enforcement personnel, and uniform standards with respect to minimum qualifications for personnel eligible to receive such training.

"RESEARCH AND DEVELOPMENT; CONFIDENTIAL INFORMATION

"(d) (1) The Administrator shall conduct such research (including behavioral research) and development as he may deem appropriate to develop, modify, test, and evaluate systems, procedures, facilities, and devices to protect persons and property aboard aircraft in air transportation or intrastate air transportation against acts of criminal violence and aircraft piracy. Contracts may be entered into under this subsection without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5) or any other provision of law requiring advertising, and without regard to section 3643 of the Revised Statutes of the United States (31 U.S.C. 529), relating to advances of public money.

"(2) Notwithstanding section 552 of title 5, United States Code, relating to freedom of information, the Administrator shall prescribe such regulations as he may deem necessary to prohibit disclosure of any information obtained or developed in the conduct of research and development activities under this subsection if, in the opinion of the Administrator, the disclosure of such information—

"(A) would constitute an unwarranted invasion of personal privacy (including, but not limited to, information contained in any personnel, medical, or similar file);

"(B) would reveal trade secrets or privileged or confidential commercial or financial information obtained from any person; or

"(C) would be detrimental to the safety of persons traveling in air transportation.

Nothing in this subsection shall be construed to authorize the withholding of information from the duly authorized committees of the Congress.

"OVERALL FEDERAL RESPONSIBILITY

"(e) (1) Except as otherwise specifically provided by law, no power, function, or duty of the Administrator of the Federal Aviation Administration under this section shall be assigned or transferred to any other Federal department or agency.

"(2) Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration shall have exclusive responsibility for the direction of any law enforcement activity affecting the safety of persons aboard aircraft involved in the commission of an offense under section 901(i) or 902(n) of this Act. Other Federal departments and agencies shall, upon request by the Administrator, provide such assistance as may be necessary to carry out the purposes of this paragraph.

"DEFINITION

"(f) For the purposes of this section, the term 'law enforcement personnel' means individuals—

"(1) authorized to carry and use firearms,

"(2) vested with such police power of arrest as the Administrator deems necessary to carry out this section, and

"(3) identifiable by appropriate indicia of authority.".

SEC. 203. Section 1111 of the Federal Aviation Act of 1958 (49 U.S.C. 1511), relating to authority to refuse transportation, is amended to read as follows:

"AUTHORITY TO REFUSE TRANSPORTATION

"SEC. 1111. (a) The Administrator shall, by regulation, require any air carrier, intrastate air carrier, or foreign air carrier to refuse to transport—

"(1) any person who does not consent to a search of his person, as prescribed in section 315(a) of this Act, to determine whether he is unlawfully carrying a dangerous weapon, explosive, or other destructive substance, or

"(2) any property of any person who does not consent to a search or inspection of such property to determine whether it unlawfully contains a dangerous weapon, explosive, or other destructive substance.

Subject to reasonable rules and regulations prescribed by the Administrator, any such carrier may also refuse transportation of a passenger or property when, in the opinion of the carrier, such transportation would or might be inimical to safety of flight.

"(b) Any agreement for the carriage of persons or property in air transportation or intrastate air transportation by an air carrier, intrastate air carrier, or foreign air carrier, for compensation or hire shall be deemed to include an agreement that such carriage shall be refused when consent to search such persons or inspect such property for the purposes enumerated in subsection (a) of this section is not given.".

SEC. 204. Title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501–1513) is amended by adding at the end thereof the following new section:

"LIABILITY FOR CERTAIN PROPERTY

"SEC. 1116. The Civil Aeronautics Board shall issue such regulations or orders as may be necessary to require that any air carrier receiving for transportation as baggage any property of a person traveling in air transportation, which property cannot lawfully be carried by such person in the aircraft cabin by reason of section 902(l) of this Act, must make available to such person, at a reasonable charge, a policy of insurance conditioned to pay, within the amount of such insurance amounts for which such air carrier may become liable for the full actual loss or damage to such property caused by such air carrier.".

SEC. 205. Section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301), relating to definitions, is amended by redesignating paragraphs (22) through (36) as paragraphs (24) through (38), respectively, and by inserting immediately after paragraph (21) the following new paragraphs:

"(22) 'Intrastate air carrier' means any citizen of the United States who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage solely in intrastate air transportation.

"(23) 'Intrastate air transportation' means the carriage of persons or property as a common carrier for compensation or hire, by turbojet-powered aircraft capable of carrying thirty or more persons, wholly within the same State of the United States.".

SEC. 206. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading: "TITLE III—ORGANIZATION OF AGENCY AND POWERS AND DUTIES OF ADMINISTRATOR" is amended by adding at the end thereof the following new items:

"Sec. 315. Screening of passengers in air transportation.

"(a) Procedures and facilities.

"(b) Exemption authority.

"Sec. 316. Air transportation security.

"(a) Rules and regulations.

"(b) Personnel.

"(c) Training.

"(d) Research and development; confidential information.

"(e) Overall Federal responsibility.

"(f) Definition."

(b) That portion of such table of contents which appears under the center heading "TITLE XI—MISCELLANEOUS" is amended by adding at the end thereof the following new item:

"Sec. 1116. Liability for certain property.".

And amend the title so as to read: "An Act to amend the Federal Aviation Act of 1958 to implement the Convention for the Suppression of Unlawful Seizure of Aircraft; to provide a more effective program to prevent aircraft piracy; and for other purposes."

Mr. CANNON. Mr. President, I move that the Senate disagree to the amendment of the House on S. 39 and request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. CANNON, Mr. HARTKE, Mr. PEARSON, and Mr. COOK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 10(a), Public Law 93–179, the Speaker had appointed Mrs. BOGGS and Mr. BUTLER as members of the American Revolution Bicentennial Board, on the part of the House.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7724) to amend the Public Health Service Act to establish a national program of biomedical research fellowships, traineeships, and training to assure the continued excellence of biomedical research in the United States, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. DEVINE, and Mr. NELSEN were appointed managers on the part of the House at the conference.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The bill is open to further amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HASKELL. 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. HASKELL. Mr. President, I wish to address a question to the distinguished manager of the bill.

Mr. CANNON. Yes.

Mr. HASKELL. I would like to ask the floor manager of the bill as to his interpretation of the bill as applied to a particular situation. Assume that a multiple candidate committee engages in certain expenses in connection with the fund raising for a multitude of different candidates. The concern expressed is that possibly the bill would be interpreted to allocate as a contribution to any candidate raising funds from that committee a pro rata share of expenses incurred in raising those funds.

I would like to ask the Senator's interpretation and intention in that situation and whether the legislation would be so applied.

Mr. CANNON. Do I understand the Senator to mean a general committee that is widespread in scope and that is not a political campaign committee of the candidate?

Mr. HASKELL. That is correct.

Mr. CANNON. It is the intention as to that type committee in the solicitation of funds that the expense of solicitation could not be charged to the candidate because that committee may be contributing to many, many candidates and they are limited in the amount they could contribute to the candidate, but the candidate himself would have to include in his expense itemization the cost they expended in raising those particular funds.

On the other hand, if a candidate's own campaign committee that he designates is out raising money for him, obviously those expenses would be chargeable to the amount he can spend in his election.

Mr. HASKELL. I thank the distinguished Senator from Nevada. That is the way I interpret the legislation. There are Members who expressed some concern. I think this makes the record very clear.

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

Mr. MANSFIELD. Mr. President, will the Senator withhold that request?

Mr. HASKELL. I withhold my request.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

AMENDMENT NO. 1105

Mr. BROCK. Mr. President, I call up my amendment No. 1105.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was stated as follows:

On page 64, between lines 5 and 6, insert the following:

"SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

"SEC. 318. Notwithstanding any other provision of law, no Senator, Representative,

Resident Commissioner, or Delegate shall make any mass mailing of a newsletter or mailing with a simplified form of address under the frank under section 3210 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 64, line 7, strike out "318." and insert in lieu thereof "319.".

On page 64, line 14, strike out "319." and insert in lieu thereof "320.".

Mr. MANSFIELD. Mr. President, will the Senator from Tennessee yield?

Mr. BROCK. I yield.

Mr. MANSFIELD. Mr. President, would the Senator be amenable to a 20-minute time limitation on the amendment, the time to be divided in the usual fashion between the sponsor of the amendment and the manager of the bill?

Mr. BROCK. I am.

Mr. MANSFIELD. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, the time limit will be set accordingly.

Mr. BROCK. Mr. President, this amendment would simply extend the current limitation on franking from 28 days, which we passed in this body last December, which was a good first step, to 60 days, for mass mailing. We debated this matter last year in the campaign reform bill. I raise the question again because one of the most damning criticisms of this bill, and one that I share, is that it still largely remains an incumbent bill. One of the participants in a symposium at the Kennedy Center, in which I also participated, estimated that the incumbency is worth $600,000 over 2 years. That amount of money would have to be raised to equal the public relations assets that an incumbent has through mail, and the rest.

One distinct advantage to Members is the unlimited use of the frank, right up to the last month of the election. I believe it is important that we try as best we can to guarantee fairness in the political process.

I also believe that we should provide for people who challenge office holders, now and in the future, a reasonable opportunity to make that effort and to have some chance of success.

I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I find no great difficulty with this amendment. I just simply point out to my colleagues that it has been only a few months since we acted on this particular point and we limited it to 28 days prior to the election with reference to the sending out of newsletters under the frank. I would point out that the law prohibits now mailing that is related to political activities under the frank, in any event, so I see no particular harm in amending this to 60 days. The Senate has never been involved in mass mailing to boxholders, such as the House. This may be of difficulty in the other body, but I would have no objection to it if the Senator wants an increase in the period of 32 days over the action which we took a few months ago.

Mr. BROCK. I thank the Senator. He points out that the problem with the boxholder frank is with the House and not with the Senate, but I think it is important that we point out the potential for abuse here and, at least for this body, express our desire that every person should have access to the political process and should have, as much as we can guarantee it, full and free opportunity to seek his own election.

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

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

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

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum. There will be no further votes tonight, I will say for the information of Senators.

The PRESIDING OFFICER. The clerk will call the roll.

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. BROCK. Mr. President, I ask unanimous consent that two members of my staff, Mr. J. V. Crockett and Mr. Jim George, be given access to the floor during the course of debate on this bill.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. 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.

JOINT REFERRAL OF S. 3213 TO COMMITTEE ON FOREIGN RELATIONS AND COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. BROCK. Mr. President, I ask unanimous consent that S. 3213, which I introduced earlier this month, and which was referred to the Committee on Foreign Relations, be jointly referred to that committee and to the Banking, Housing and Urban Affairs Committee. I have discussed this with the acting chairman of the Foreign Relations Committee, who also happens to be chairman of the Banking, Housing and Urban Affairs Committee, and he has expressed his willingness.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, if the Senator will yield, what is the bill about?

Mr. BROCK. This bill would support the establishment of an international economic policy board to advise Congress on matters of international policy.

Mr. JAVITS. As a matter of efficiency, if the bill were referred to both committees, so that either could hold it up, would the Senator want to have it referred seriatim, or to both at the same time?

Mr. BROCK. The chairman of the Banking, Housing and Urban Affairs Committee has indicated that the chairman of the Foreign Relations Committee had no particular interest in this legislation, but he did not want to lose any jurisdictional right, which I fully understand and support.

So may I amend the request to ask that the bill be referred to the Banking, Housing and Urban Affairs Committee?

Mr. JAVITS. I would object to that, because I do not agree with the chairman, with all respect. I think one of our big failures, and other members of the committee are present, such as the Senator from Montana (Mr. MANSFIELD), has been the failure to realize the critical impact on foreign policy of economic policy. I would just as soon the Senator leave it as he has put it.

Mr. BROCK. Would referral seriatim be preferable?

Mr. JAVITS. No; leave it as it is. We have the explanation. Leave it as it is.

The PRESIDING OFFICER. Without objection, the bill will be so referred.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session.

There being no objection, the Senate proceeded to consider executive business.

Mr. MANSFIELD. Mr. President, I yield to the Senator from Kentucky (Mr. COOK).

U.S. COAST GUARD

Mr. COOK. Mr. President, I ask the Chair to have considered sundry nominations in the U.S. Coast Guard which were reported earlier today, and ask unanimous consent that they be considered en bloc.

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

The second assistant legislative clerk read the nomination of Rear Admiral William F. Rea III, to be commander, Atlantic area, and Rear Admiral Joseph J. McClelland, to be commander, Pacific area.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

The second assistant legislative clerk read the nominations of the following named officers for promotion to the grade of rear admiral: Rober I. Price, Winford W. Barrow, James P. Stewart, G. H. Patrick Bursley, Robert W. Durfey, and James S. Gracey.

The PRESIDING OFFICER. Without objection, the nominations will be considered and confirmed en bloc.

Mr. COOK. Mr. President, I request that the President of the United States be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. The President will be so notified.

LEGISLATIVE SESSION

Mr. COOK. Mr. President, I ask unanimous consent that the Senate revert to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. PASTORE is recognized on tomorrow under the order previously entered, the distinguished Senator from Kentucky (Mr. COOK) be recognized for not to exceed 15 minutes, after which the distinguished Senator from South Carolina (Mr. THURMOND) and the distinguished Senator from Arkansas (Mr. MCCLELLAN) each be recognized for not to exceed 15 minutes each.

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

ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS AND CALLING UP OF CERTAIN AMENDMENTS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the vote on the treaty tomorrow, for which an order has already been entered, the Senate resume consideration of the unfinished business, S. 3044; that the Senator from North Carolina (Mr. HELMS) be recognized to call up his amendment No. 1071, with a time limitation of 30 minutes thereon, to be equally divided in accordance with the usual form; that following disposition of that amendment, Mr. HUDDLESTON be recognized to call up his amendment, with a time limitation thereon of 30 minutes, to be equally divided in accordance with the usual form; that on disposition of the Huddleston amendment, Mr. DOMENICI be recognized to call up his amendment, with a time limitation thereon of 30 minutes to be equally divided in accordance with the usual form; at the conclusion of which Mr. WEICKER be recognized to call up his Amendment No. 1070.

The PRESIDING OFFICER. Without objection——

Mr. TOWER. Mr. President, reserving the right to object, the Senator is not asking for a time limitation on the Weicker amendment. Is that correct?

Mr. ROBERT C. BYRD. That is correct.

Mr. TOWER. So it will be the pending business after the others are disposed of, and may not be disposed of tomorrow. Is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR EXECUTIVE AND LEGISLATIVE SESSIONS TOMORROW

The PRESIDING OFFICER. Will the Senator make the request that the Senate go into legislative session after the vote on the treaty tomorrow?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 12 o'clock noon tomorrow the Senate go into executive session for the purpose of voting on the extradition treaty with Denmark, and after the vote on the treaty that the Senate revert to legislative session.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

ORDER FOR RECESS UNTIL 10:45 A.M. FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10:45 a.m. tomorrow.

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

LIMITATION OF DEBATE ON AMENDMENTS NOS. 1094 AND 1095

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the Senator from Oklahoma (Mr. BELLMON) calls up his two amendments, Nos. 1094 and 1095, there be a limitation on each amendment of 30 minutes, to be controlled and divided in accordance with the usual form.

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

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of the Senator from Arkansas (Mr. MCCLELLAN) tomorrow, I be recognized for the remainder of the time between the conclusion of Senator MCCLELLAN'S remarks and the hour of 12 noon, but in any event, not to exceed 15 minutes.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. PELL. Mr. President, I ask unanimous consent that Mr. Livingston L. Biddle, Jr., of my staff, have access to the floor of the Senate during the course of the debate on the campaign financing bill.

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

ORDER FOR ADJOURNMENT FROM FRIDAY TO MONDAY, APRIL 1

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

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

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, the able senior Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

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

A CONVENTION WITH RESPECT TO TAXES ON INCOME—REMOVAL OF INJUNCTION OF SECRECY

Mr. TOWER. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Convention between the Government of the United States of America and the Government of the Socialist Republic of Romania with Respect to Taxes on Income, signed at Washington on December 4, 1973 (Executive B, 93d Congress, 2d session), transmitted to the Senate today by the President of the United States, and that the convention with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

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

The message is as follows:

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of the Socialist Republic of Romania with Respect to Taxes on Income, signed at Washington on December 4, 1973.

The Convention was signed during the visit to the United States of the Romanian President, Nicolae Ceausescu. It is evidence of the continued improvement and expansion of United States-Romanian relations.

The primary purpose of this Convention is to promote economic and cultural relations between the two countries by removing many tax barriers. The convention follows generally the form and content of conventions recently concluded between this government and Western European countries.

I hope that the Senate will act favorably on this Convention at an early date.

RICHARD NIXON.

THE WHITE HOUSE, *March 28, 1974.*

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, March 28, 1974, he presented to the President of the United States the following enrolled bills:

S. 2174. An Act to amend certain provisions of law defining widow and widower under the civil service retirement system, and for other purposes; and

S. 2747. An Act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow morning at 10:45.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not more than 15 minutes, and in the order stated: The Senator from Rhode Island (Mr. PASTORE), the Senator from Kentucky (Mr. COOK), the Senator from South Carolina (Mr. THURMOND), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from West Virginia (Mr. ROBERT C. BYRD).

At the hour of 12 o'clock noon, the Senate will go into executive session to vote, the yeas and nays having already been ordered, on Calendar Order No. 1, Executive U, 93d Congress, 1st session, the Treaty on Extradition with Denmark.

Following the rollcall vote on the treaty, the Senate will resume the consideration of legislative business. The pending business will be the unfinished business, S. 3044, the Public Campaign Financing bill.

The question at that time will be on agreeing to the amendment which will be proposed by the Senator from North Carolina (Mr. HELMS), amendment No. 1071, on which there is a limitation of 30 minutes. A yea-and-nay vote will occur on that amendment.

Upon the disposition of that amendment, the Senator from Kentucky (Mr. HUDDLESTON) will call up an amendment on which there is a limitation of 30 minutes, and it is likely that a yea-and-nay vote will occur.

Upon the disposition of that amendment, Mr. DOMENICI will call up an amendment on which, I understand, the yeas and nays will be requested.

Upon the disposition of Mr. DOMENICI's amendment, it is likely that the Senate will proceed to consider amendment No. 1070, to be offered by the Senator from Connecticut (Mr. WEICKER). It is my understanding that that amendment may or may not be acted upon tomorrow. If it is not acted on tomorrow, it will be carried over until Monday next.

Mr. TOWER. Then the only amendment on which the yeas and nays have actually been ordered is the Helms amendment.

Mr. ROBERT C. BYRD. The yeas and nays have not been ordered on the Helms amendment.

I am reasonably sure that there will be three rollcall votes in addition to the treaty vote tomorrow. That will make a total of four yea-and-nay votes.

Mr. TOWER. I thank the Senator from West Virginia.

RECESS UNTIL 10:45 A.M. TOMORROW

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 recess until the hour of 10:45 a.m. tomorrow.

The motion was agreed to; and at 4:49 p.m. the Senate took a recess until tomorrow, Friday, March 29, 1974, at 10:45 a.m.

NOMINATIONS

Executive nominations received by the Senate on March 28, 1974:

DEPARTMENT OF DEFENSE

John M. Maury, of Virginia, to be an Assistant Secretary of Defense, vice John O. Marsh, resigned.

DEPARTMENT OF STATE

Webster B. Todd, Jr., of New Jersey, to be Inspector General, Foreign Assistance, vice Scott Heuer, Jr., resigned.

IN THE NAVY

Vice Adm. Frederick J. Harlfinger II, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 28, 1974:

IN THE U.S. COAST GUARD

The following rear admirals of the U.S. Coast Guard to be Commander, Atlantic Area, and Commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving:

Rear Adm. William F. Rea III, Commander, Atlantic Area.

Rear Adm. Joseph J. McClelland, Commander, Pacific Area.

The following named officers of the Coast Guard for promotion to the grade of rear admiral:

Robert I. Price
Winford W. Barrow
James P. Stewart
G. H. Patrick Bursley
Robert W. Durfey
James S. Gracey

EXTENSIONS OF REMARKS

THE WEEK OF THE YOUNG CHILD

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 28, 1974

Mr. BRADEMAS. Mr. Speaker, I rise to remind my colleagues that next week, the week of March 31, is dedicated to the young child of America. Under the leadership of the National Association for the Education of Young Children, citizen groups of all kinds will be working to awaken public interest in programs and services for young children from birth to age 9.

As House sponsor of the comprehensive child development bill of 1971, passed by bipartisan majorities in both houses, only to be vetoed by the President, I stress again the need for a national commitment from Congress to services for enriching the lives of children in our country.

That we, the wealthiest nation on Earth, rank 14th in the world in infant mortality rates, and provide only 700,000 licensed day care openings for the 7 million children under the age of 6 with working mothers, is discouraging evidence that we have not yet made good on our eloquent promises to the children of America.

Mr. Speaker, if we believe in children, we will take to heart the principles enunciated by the National Association for the Education of Young Children for the Week of the Young Child:

The young child has a right to protection from physical and psychological dangers.

The young child has a right to security provided by adults who care for him.

The young child has a right to support and nurturance from a stable home and other agencies of a concerned society.

Mr. Speaker, I insert at this point in the RECORD, the full text of a call for action this week from the National Association for the Education of Young Children:

THE WEEK OF THE YOUNG CHILD

WHAT IS THE WEEK OF THE YOUNG CHILD?

The Week of the Young Child is a time for emphasizing the rights, needs and well-being of all young children. During the Week, persons who work on behalf of young children join in a concerted effort to provide the public with information about the nature of and the need for quality services for children, and to enlist active support in efforts designed to improve the status of children.

WHAT ISSUE IS ADDRESSED DURING THE WEEK?

Young children are our future—the future parents, workers and decision makers of the world. Such an important resource for our future needs to be nurtured and preserved so that we can draw upon it when we need to. All adults share the responsibility for developing this resource. We far too frequently give priority to short-term goals and neglect the long-range educational and developmental needs of children. Think of what our future and theirs would be like if we put children first!

WHAT ARE THE YOUNG CHILD'S RIGHTS?

By birth, every child in this nation has a right to:

Protection from physical and psychological dangers.

Security provided by adults who care for him.

Support and nurturance from a stable home and other agencies of a concerned society.