

## EXTENSIONS OF REMARKS

January 24, 1979

for the President, the Vice President, and Members of Congress, and to establish a 10-year term of office for Federal judges; to the Committee on the Judiciary.

By Mr. RANGEL:

H.J. Res. 161. Joint resolution designating the second Sunday in June of each year as "Children's Day"; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Alabama:

H. Con. Res. 30. Concurrent resolution relating to the authority of the Federal Trade Commission to prescribe rules preempting State and local laws; to the Committee on Interstate and Foreign Commerce.

By Mr. SIMON:

H. Con. Res. 31. Concurrent resolution expressing the sense of the Congress with respect to establishing diplomatic relations with the People's Republic of China and continuing the ties of friendship between the United States and Taiwan; to the Committee on International Relations.

By Mr. YOUNG of Florida:

H. Con. Res. 32. Concurrent resolution expressing the sense of Congress that each Federal agency should periodically review and revise all its lists of persons to whom printed materials are mailed by such agency for the purpose of insuring that such lists contain only the names of persons who are still interested in receiving such materials; to the Committee on Government Operations.

H. Con. Res. 33. Concurrent resolution calling for full freedom and independence for the Baltic States; to the Committee on International Relations.

By Mr. CONTE:

H. Res. 64. Resolution to amend rule XI of the Rules of the House of Representatives to eliminate proxy voting in committees; to the Committee on Rules.

By Mr. EDWARDS of Alabama:

H. Res. 65. Resolution providing for the establishment of a Select Committee on Narcotics Abuse and Control; to the Committee on Rules.

By Mr. HAMMERSCHMIDT:

H. Res. 66. Resolution to amend the Rules

of the House of Representatives to establish the Committee on Internal Security, and for other purposes; to the Committee on Rules.

By Mr. SOLARZ (for himself and Mr. WAXMAN):

H. Res. 67. Resolution in recognition of the services of Haym Salomon; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Florida:

H. Res. 68. Resolution to amend the Rules of the House of Representatives to establish the Committee on Internal Security, and for

H. Res. 69. Resolution to create a select committee to audit accounts of committees, Members, and officers of the House of Representatives; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONTE:

H.R. 1482. A bill for the relief of Nicolae A. Popovici; to the Committee on the Judiciary.

H.R. 1483. A bill for the relief of Febe Antolin Rumingan; to the Committee on the Judiciary.

H.R. 1484. A bill for the relief of Guillermo O. Rumingam; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 1485. A bill for the relief of John H. Parker; to the Committee on the Judiciary.

By Mr. HUTTO:

H.R. 1486. A bill for the relief of Lamom Petersen and Dang Petersen; to the Committee on the Judiciary.

By Mr. ICHORD:

H.R. 1487. A bill for the relief of Luis Acosta, doctor of medicine, Nereida Acosta, Julie Acosta, and Juan Carlos Acosta; to the Committee on the Judiciary.

By Mr. MOORHEAD of California:

H.R. 1488. A bill for the relief of Vista Unlimited, Incorporated; to the Committee on Ways and Means.

By Mr. PEASE:

H.R. 1489. A bill for the relief of In Sun Pineiro; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 1490. A bill for the relief of Antoinette Slovik; to the Committee on the Judiciary.

By Mr. UDALL:

H.R. 1491. A bill for the relief of Josephine Graff; to the Committee on the Judiciary.

H.R. 1492. A bill for the relief of Roy A. Timpson; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.R. 1493. A bill to authorize the President to appoint Capt. John E. Tsavaris, U.S. Navy Reserves retired, to the grade of rear admiral on the Reserves retired list; to the Committee on Armed Services.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 30: Mr. RUDD.

H.R. 154: Mr. DANIELSON and Mr. LEWIS.

H.R. 596: Mr. ANDREWS of North Dakota, Mr. APPLEGATE, Mrs. BOUQUARD, Mr. CLINGER, Mr. COLLINS of Texas, Mr. DELLUMS, Mr. DUNCAN of Tennessee, Mr. EVANS of Georgia, Mr. FORSYTHE, Mr. GUDGER, Mr. GUYER, Mr. HILLIS, Mrs. HOLT, Mr. HOWARD, Mr. HUBBARD, Mr. HYDE, Mr. ICHORD, Mr. JOHNSON of California, Mr. KINDNESS, Mr. LAFALCE, Mr. LUNDINE, Mr. MADIGAN, Mr. MATHIS, Mr. McCORMACK, Mr. MILLER of Ohio, Mr. MINETA, Mr. NEDZI, Mr. NOWAK, Mr. PATTEN, Mr. ROBINSON, Mr. SIMON, Mr. SKELTON, Mrs. SPELLMAN, Mr. STANGELAND, Mr. STEED, Mr. STOCKMAN, Mr. STUDS, Mr. TAYLOR, Mr. VAN DEERLIN, Mr. WHITEHURST, Mr. WHITLEY, Mr. CHARLES WILSON of Texas, Mr. WYATT, Mr. YATRON, Mr. DAVIS of South Carolina, Mr. PERKINS, and Mr. EDGAR.

H.R. 829: Mr. ADDABBO, Mr. BEVILL, Mr. HOLLAND, Mr. WHITEHURST, Mr. MURPHY of Pennsylvania, Mr. WON PAT, Mr. WINN, Mr. HOLLOWBECK, Mr. PRICE, and Mr. LONG of Maryland.

## EXTENSIONS OF REMARKS

## THE WHY AND HOW OF OUR INFLATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1979

• Mr. McDONALD. Mr. Speaker, prompted by the budget message of the President that we received this week, I would commend to the attention of my colleagues a thoughtful and discerning article entitled "The Why and How of Our Inflation," by Percy L. Greaves, Jr. that appeared in the nationally distributed news magazine, the Review of the News on December 20, 1978.

Percy Greaves, a former financial editor of the U.S. News and respected member of the staffs of numerous congressional committees, is the author of "Understanding the Dollar Crisis" and the foremost expert on the monetary analysis of the great conservative economist, Prof. Ludwig von Mises.

In this article on our present financial crisis, Professor Greaves succinctly de-

fines inflation, identifies the cause, and tells how to stop it. If Professor Greaves is correct, and I believe him to be, this Congress can by following his recommendations put an end to inflation, and do it now. The article follows:

## THE WHY AND HOW OF OUR INFLATION

'Tis human for all people to want more than they have. We may want more for ourselves—for our better health, convenience, pleasure, or even to survive in our old age. We may also want more for our loved ones, for the more unfortunate, or even for a group or cause we should like to assist.

In fact, our every action is an attempt to improve the future from our personal point of view. Our entire life is an effort to select and carry out those actions which will, in our judgment and within our limited abilities, best provide the kind of tomorrows we prefer. If we cannot produce the things we want most, we strive to contribute to the marketplace those goods and services for which others will voluntarily pay us a good price.

This is the way of a free society. Barring force, fraud, or human error, everyone increases his or her satisfaction (i.e., profits) by every voluntary transaction. If we did not expect to gain from a transaction, we would not participate in it. We thus divide the

labors of production and then trade the results of our specialized contributions with the help of a medium of exchange called money.

If we were all perfect we would all operate in the marketplace in accordance with the Golden Rule. The more we contributed to our fellow men, through market processes, the more we would receive in return. The results would be easier, happier, and longer lives for all of us.

In real life, none of us is perfect. We all make mistakes. Many are innocent. Most of these are due to lack of knowledge or understanding of the consequences of our actions. Other mistakes are not so innocent. These are the occasions when people resort to force or fraud in their dealings with others. Such human deviations from moral behavior often lead to violence, with resulting injuries and even death for thousands, if not millions, of innocent people.

Mutually profitable transactions can only take place in a peaceful atmosphere in which everyone feels that both their person and property are safe from anti-social actions. Unfortunately, there are some who will resort to force and fraud. Consequently, we need some means to eliminate or minimize all human threats to our lives, limbs, and private property. Free men assign this duty to government.

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

In a free society, protection is the primary, if not the sole, function of government. Because we are not all perfect, governments are necessary for the maintenance of peace and the suppression of crimes against persons and property. It is only in such an atmosphere that markets can function in accordance with the Golden Rule, whereby all participants tend to be rewarded in accordance with highest values that others place on their contributions.

For the manning of government, we must select human beings who are no more perfect than the rest of us. Their contributions are very necessary for our welfare. However, their services cannot be controlled by competition or valued by the processes of the marketplace, whereby employers compete for employees by offering wages and salaries they hope to get back from the voluntary purchases of their customers. We certainly cannot pay policemen by the number they arrest, legislators by the length of the laws they pass, or judges by the number of criminals who voluntarily seek and accept their decisions. Accordingly, we must resort to the political selection of "public servants" and limit their salaries by budget figures and their actions by bureaucratic rules.

Politicians and bureaucrats, being human like the rest of us, also want more. However, they cannot seek their higher rewards in the marketplace. They must seek their "more" at the ballot box. When government is limited to equal justice for all and privileges for none, then all voters have an equal interest in the protection of their lives and property. Under those conditions, elections by majority vote can be very satisfactory.

However, when the functions of government are extended to helping some at the expense of others, the door is opened wide to favoritism and corruption. The politicians soon learn there is an easy way to attract majority votes. All they need do is to provide "handouts" and other political privileges to more and more groups, while reducing the direct or observable taxes on the majority. For a while they can "soak" the corporations and the minority rich. But this has its limits. Soon government expenditures exceed government revenues. The result is unbalanced budgets and increased government debts with ever-higher interest charges. Few politicians who vote to increase taxes or reduce political privileges or "transfer payments" are returned to office.

So each new Congress votes higher and higher expenditures and further complicates the tax structure so as to claim a tax reduction for new millions of voters. The debts and deficits mount. If government securities were sold only to private investors, interest rates would soar.

#### What to do?

Why, leave it to the Treasury and the Federal Reserve System to provide the dollars needed to pay for the expenditures over and above tax collections. In order to create an appearance of prosperity, the Federal Reserve is also authorized to manufacture more dollars which its member banks can and do lend to preferred borrowers, particularly those whose repayment is guaranteed by the government.

As a result of such policies, the Federal Reserve System has been increasing the quantity of dollars in ever-larger numbers for more than half a century. This is inflation. Most of these dollars are allocated in a manner which those in political power believe will best keep them in office. Every new dollar that is created competes in the marketplace with, and reduces the purchasing power of, every earned or previously saved dollar. These newly created dollars (this inflation) not only raise prices and the "cost of living" but they also discombobulate our private production system.

Producers of goods and services cannot tell

## EXTENSIONS OF REMARKS

the politically created dollars from those that people have earned or saved from previous earnings. One dollar is as good as another. Sellers seek sales and they do not ask their customers the source of the dollars they spend. So, as more and more unearned dollars are spent, more of our productive forces are directed toward satisfying the wants of the spenders of the newly created dollars and less toward satisfying those who are spending dollars received for their contributions to the marketplace.

Thus, when our government expanded its basic powers beyond the protection of the lives, limbs, and property of our inhabitants into playing Santa Claus for large segments of the electorate, it paved the way for ever-larger government debts and deficits. These could only be met by the political creation of more dollars—hence inflation. The creation of these dollars might well be called an open secret. Few people know about it, yet the process has been made perfectly legal. The methods used are a matter of public record, as are the amounts created. Yet probably fewer than one-tenth of one percent of our voters know how it is done. And probably less than one percent of this small number has any realistic understanding of the damage it does to our economy and our civilization. We can safely say the process and the degree of harm it does are pretty much of a secret.

The little-understood processes are actually very simple. There are three basic methods the Federal Reserve System uses to create this inflation. They are: 1. Reduction In Reserve Requirements. 2. Loans To Banks. 3. Open Market Operations.

1. Reduction In Reserve Requirements. Our Federal Reserve banking system operates on a fractional reserve basis. Our banks keep in their reserves only a fraction of the amounts their depositors are entitled to withdraw. The Federal Reserve Board, within the limits fixed by Congress, sets the minimum fraction that must be kept in reserves. By reducing the "required reserve" fraction, the quantity of spendable dollars is increased.

This is how it works. Suppose the "required reserve" is 20 percent. Then, for every \$1,000 a bank had in its reserves, it could have \$5,000 of deposits on its books. So, if new deposits of \$1,000 were added to its reserves, it could create, by loans to depositors, up to \$4,000 in new deposits. If the "required reserves" were then reduced from 20 percent to 10 percent, a member bank, for that same \$1,000 in reserves, could further increase its deposits to \$10,000 by lending another \$5,000. This total of \$10,000 of deposits would be backed by the original deposit of \$1,000 in cash and I.O.U.s for the \$9,000 lent to borrowers by crediting their accounts with the bank.

Most borrowers draw on these accounts by writing checks. Such checks do not reduce the number of dollars in the economy. They merely shift the dollars from one bank account to another within the banking system. So every reduction in the "required reserves" increases the number of dollars available for spending in the marketplace. That is, it inflates the money supply.

In the beginning, some of the reserves had to be in gold. This requirement was first reduced during World War II and later eliminated. That made it easier for banks to increase their reserves and thereby their loans and deposits.

The legal "required reserves" were highest in 1937. They ranged at that time from 26 percent of checking accounts (demand deposits) in member banks in our largest cities to 14 percent for checking accounts (demand deposits) in small country banks, and only 6 percent for all savings accounts (time deposits) in commercial banks. Over the years the percentages required have fluctuated somewhat, but the trend has been steadily

and definitely downward. Currently the "required reserves" for checking accounts are:

A Bank's Deposits (in millions)	Required Reserves for Checking Accounts (Demand Deposits)
First \$2	7.0%
\$2 to \$10	10.5%
\$10 to \$100	11.75%
\$100 to \$400	12.75%
Over \$400	16.25%

For savings accounts (time deposits), which are actually withdrawable on demand, the "required reserves" are now only 3 percent. This great reduction in the "required reserves" has been one of the methods whereby the quantity of spendable dollars, largely in the form of bank checks, has been greatly expanded (inflated) over the last 40 years.

2. Loans To Banks. The Federal Reserve System, we are told, was created primarily to prevent money panics and depressions. It was thought that if banks were provided a means for turning their sound loans into instant cash, this would end frantic runs on banks by depositors, who were worried about the safety or availability of their deposits when they needed them. So the 1913 Federal Reserve Act provided that member banks in need of cash could discount their sound loans for Federal Reserve Notes at their Federal Reserve Banks. As this was meant as a safety measure to be available only in time of emergencies, the original discount rates were penalty rates, set higher than the interest rates the member banks received on their loans to depositors. The banks that discounted their loans thus lost money on the transaction.

Then, to help finance World War I, the discount rates were reduced below the prevailing market interest rates. Member banks could then profit by lending money, largely to buyers of Liberty Bonds, at higher interest rates than they could borrow funds from their Federal Reserve Banks. This method of encouraging bank loans was an important factor in the creation of dollars (inflation) to finance World War I. It also played a role in the Federal Reserve policies that led to the 1929 depression. However, this process of creating dollars has been discouraged in recent years. Federal Reserve Bank loans to their member banks were less than a billion dollars as of August 31, 1978.

3. Open Market Operations.—This has been the prime method of dollar creation (inflation) for financing World War II and the government deficits since then. It has also been the base for the great expansion of bank loans to private borrowers, particularly those for which the federal government has guaranteed repayment should the borrower default.

The process is really very simple. The Federal Reserve Banks just issue checks to buy United States Treasury obligations on the open market. When these checks are deposited in a member bank, the amount of the check is added to that bank's reserves. Then, in accordance with the fractional reserve principle, that bank can expand its loans to depositors until the amount of the Federal Reserve Bank's check represents only the "required reserve." This could mean a six-fold or more expansion of the number of dollars Federal Reserve Banks create to buy Treasury obligations. In the case of member banks' savings accounts (time deposits, actually payable on demand), the increase could be 33 times the amount of the Federal Reserve Bank's check.

On occasion, the Federal Reserve Banks also sell Treasury securities. When they do, it has the opposite effect. The member bank, whose depositor buys the security with a check, has its reserves reduced. It must then immediately contract its outstanding loans and deposits. However, over the years the trend has been for the Federal Reserve Banks

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to buy more and more Treasury securities. This is a process of turning the federal government's expanding debt securities into money or, as it is often phrased, monetizing the debt. It is inflation.

Open market operations provide a ready market for the government's ever-expanding debt securities and permit the banks to lend newly created dollars not only to the federal government, but also to private borrowers. All of these newly created dollars (inflation)

compete in the marketplace for available goods and services. The result is higher prices and fewer goods and services for those who participated in the creation of those goods and services.

The table on the next page tells the story of this inflation.

Now you know the why and how of our inflation. You also know what must be done to stop inflation. We must simply end the

legal authority which permits the Federal Reserve System to manufacture dollars against the debts and deficits of the federal government. Of course, this would necessitate a return to a sound economy and a severe restriction of costly political privileges and unearned "transfer payments." It would also mean a federal government largely limited to protecting the lives and property of the peaceful participants in the marketplace.

*How the quantity of our money has grown*

[All figures in billions]

Date	Gross Federal debt	Ownership of Federal debt by Federal Reserve banks	Quantity of money (M2) *	Date	Gross Federal debt	Ownership of Federal debt by Federal Reserve banks	Quantity of money (M2) *
<b>December:</b>							
1940 -----	\$50.9	\$2.2	\$58.0	1974 -----	\$492.7	\$80.5	\$617.5
1945 -----	278.7	24.3	132.5	1975 -----	576.6	84.7	670.0
1950 -----	255.5	20.8	155.6	1976 -----	653.5	94.4	745.8
1955 -----	279.1	24.8	188.2	1977 -----	718.9	102.5	814.9
1960 -----	287.7	27.4	220.0	June 1978-----	749.0	110.1	842.0
1965 -----	317.2	40.8	305.4	Increase during latest 12 months available			
1970 -----	388.3	62.1	428.1	Nov. 22, 1978-----	\$780.1		\$870.2
1971 -----	423.3	70.2	476.4	Year earlier-----	702.4		806.1
1972 -----	448.5	69.9	530.3	Increase ----- 77.2			
1973 -----	469.1	78.5	576.5				64.1

\* M2 includes currency (bills and coins outside of banks) plus checking accounts (demand deposits) and savings accounts (time deposits) of commercial banks, except for large (\$100,000 or more) negotiable Certificates of Deposit (C.D.s). ●

## FOREIGN POLICY FOR SOUTHERN AND AMERICAN AGRICULTURE

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 1979

• Mr. JONES of Tennessee. Mr. Speaker, on November 14, 1978, Mr. C. G. Scruggs, vice president and editor of Progressive Farmer, addressed the Yale Club on the topic of a "Foreign Policy for Southern and American Agriculture."

He explains the importance of agriculture to the American economy and especially emphasis on the role of agricultural exports. Finally, he offers 10 suggestions which would result in a healthy domestic economy and a more realistic approach to foreign trade.

I urge each of my colleagues to read and consider Mr. Scruggs' remarks and keep them in mind as we accept the challenges which will face us in the 96th Congress.

## A FOREIGN POLICY FOR SOUTHERN AND AMERICAN AGRICULTURE

American agriculture is still the major economic force in U.S. and the world economy.

Decisions made for and by American farmers will be a major force in the future stability or instability of the world.

Consider this:

Agriculture is the largest single industry in the U.S.—employing some 17-20 million American workers both directly and indirectly.

Agricultural production and the direct agri-support industries accounted for one quarter of the country's gross national product in 1976.

U.S. agricultural assets total approximately 700 billion dollars—equal to 75 percent of

the capital assets of all manufacturing corporations in America and ten times that of the U.S. auto industry, for example.

U.S. Agricultural sales exceed 100 billion dollars. Remember that agricultural products are renewable and basic. As this 100 billion moves through the economy its multiplier effects is estimated at 6 to 1—thus we have economic activity in the magnitude of 600 billions—approximately the size of the annual Federal budget.

Exports of American agriculture commodities—in 1978—will bring to this country some \$27 billion dollars. Only 10 years ago exports amounted to only 6 billion.

Without these gigantic foreign exchange earnings the U.S. dollar may have already completely collapsed—instead of the present serious sag.

Exports of U.S. farm products account for the production of one out of every three U.S. cropland acres.

One-half of all wheat U.S. farmers grow must be shipped overseas—1 billion bushels.

Two billion bushels of corn must be exported— $\frac{1}{3}$  of total U.S. production.

700-800 million bushels of soybeans sail from U.S. harbors out of 1.8 billion annual U.S. production.

All the foregoing suggests this:

The continued productivity—and profitability of U.S. agriculture will greatly affect the health of the American economy.

The profitability of U.S. agriculture depends on exports! Thus suddenly you must conclude that what happens overseas is equally as important to U.S. farmers as what occurs in the U.S.

Even in face of an inevitable flow of farm products overseas—U.S. farm prices are barely at a break even point.

Thus, if most of our export markets for U.S. farm products were to collapse or be closed off; American agriculture as we know it today would fall into utter chaos and would threaten seriously the economic and political stability of the U.S.

Thus, as goes U.S. agricultural exports; so goes American agriculture.

Yet, American economic and agricultural

leaders focus almost entirely on domestic agricultural policy.

It's therefore apparent that there must be forged a foreign policy for American agriculture and that every American farmer and agribusinessman must become vitally concerned and involved as an international trade observer.

What happens in the Kremlin or Peking or Tokyo is perhaps more important to an individual Southern farmer's price than what happens at the local elevator or auction sale!

What are some of the basic elements of a U.S. foreign policy for America agriculture?

First. The understanding in all levels in U.S. that the keystone of the recent U.S. American agriculture is exports.

Without exports; one-half of the American farm production system would have to be shut down. Economic Chaos would follow.

Second. U.S. agriculture and agricultural authorities should have a preeminent role in the U.S. Department of State and American food and fiber production abundance should be the central feature of all U.S. foreign policy.

Today, U.S. agriculture is given little or no consideration in the evolution of U.S. foreign policy. American agri-power is more potent than petro-power—if wisely conceived, understood and used. However, it's important to point out that food power cannot and should not be used in an OPEC way.

Third. American food productivity is the major strategic force in the world power struggles. Remember, no potential aggressor moves without ample food supplies—or conversely they must move in desperation to acquire food supplies.

Fourth. American agricultural exports policy should begin to concentrate on shipping processed products—using American technology and know how and resulting economic activity—instead of generally exporting only rough grains.

For example, we should ship beef instead of corn; food products in place of rough soybeans. See Progressive Farmer editorial suggesting this in 1977.

Raw agricultural products will begin to find their way back to U.S. as ham, processed meats, ala Polish ham, dairy products, cotton goods from Hong Kong—unless we plan ahead to prevent such.

Fifth. Stability of supply is the solid base on which export markets must be built. Domestic agricultural policy also demands this.

Sixth. Conversely the export market is also extremely volatile—subject to highly erratic swings in price and volume. Trade agreements tend to reduce extremes.

Seventh. Developing nations of world offer great possibilities for export markets.

For example, to just supply Red China with a pound of meat per capita—annually—would take several million head of cattle.

Eighth. Export study and activities of all U.S. farm and commodity groups should be doubled. The success of record soybean exports is mainly a result of aggressive action by the American Soybean Association.

Ninth. More and more U.S. farmers should travel overseas and trace their products from dock to consumer.

Tenth. Trade barriers to U.S. farm products must be surmounted through negotiation. ●

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After 4 years of waiting frustration and government harassment, Alexander, his wife and grandmother joined his parents in Israel this past New Year's Day.

Today Alexander and his family are experiencing freedom and a fresh start in life in their new home. I am sure, however, that the Silnitsky family will not forget those they left behind and of their pride and love for their Ukrainian homeland.

Our efforts here today in dedicating the 61st anniversary of Ukrainian Independence Day must equal the spirit and determination shown by the Silnitskys in the successful reunification of their family.

Sixty-one years ago a democratic Ukrainian government and its people proclaimed their land a "free and sovereign" republic. While the Ukraine does not exist today as a politically sovereign nation, the freedom-loving traditions of its people continues. We who have freedom also have the responsibility to assist those whose human, political, and national rights are oppressed. I would like to urge my colleagues to join with me in this continuous effort. ●

### UKRAINIAN INDEPENDENCE DAY

#### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. FLORIO. Mr. Speaker, I would urge my colleagues to join with me in commemorating January 22 as Ukrainian Independence Day. This day, celebrated annually by the peoples and descendants of the Ukrainian nation, marks the spirited determination of a proud nation to be once again free.

The determination of Ukrainians to be free is evidenced throughout their history. Repeated encroachments by foreign governments, devastation by war, and oppressive Soviet political domination has not removed Ukrainian pride for his native culture, his faith, and his unending struggle for national independence.

Soviet dissident trials this past year brought to the world's attention the hypocrisy that exists under Soviet "justice." Sadly those who suffer most severely from this travesty are the national non-Russian dissidents; Ukrainians, Lithuanians, Georgians, and others. Their "crimes" of conscience are more quickly brought to review and sentences more harshly handed out.

The barbarism of Soviet law was clearly brought to my attention during the last 6 months as I assisted a Ukrainian family to emigrate to Israel. Alexander Silnitsky, his wife Tamare, and his grandmother, Ilena Zilberman, citizens of the Ukrainian city of Kharkov, have tried since 1975 to join Alexander's parents in Israel.

Through these intervening years Alexander was expelled from school for renouncing his Soviet citizenship, and served 2 years in a Siberian prison camp for refusing to serve in the Russian Red Army. Upon release from prison, emigration visas for Alexander and his family were approved to only be annulled again and again because of unbending "Catch 22" Soviet emigration policies.

Prominent among Mr. Towell's achievements is his widely known concept of "areas of agreement" on controversial issues. Meeting with representatives of forest industry, government agencies and citizen conservation organizations, Towell's patience, persistence and tact have been chiefly responsible for the remarkable success of this activity.

Mr. Towell has established a reputation with congressional committees and with individual Members of the Congress as a reliable source of practical, impartial views on proposed legislation.

He has made a name for American forestry in international forestry and has wide knowledge of accomplishments of foresters in other countries.

Under Towell's chairmanship the Natural Resources Council of America, a 30-year old federation of 47 national conservation societies, has gained stature and progress in working toward national conservation objectives.

Under Mr. Towell's leadership the American Forestry Association's board of directors was converted from a group narrowly representative of resource conservation to one with a wide range of interests, experience and skills to include water, wildlife, recreation and other aspects of resource conservation.

The Trail Riders of the Wilderness program has been substantially furthered by Towell who suggested such improvements as the addition of canoe trips and backpack treks.

Mr. Towell's intimate knowledge of possible candidates for awards for distinguished service, fire heroism and other awards has been invaluable not only to the board of directors of AFA but to other conservation organizations as well.

When the American Forestry Association quarters became too crowded for expanded activities it was Towell who hunted up favorable offers to sell the old building at a profit, found new quarters and planned and supervised renovation of the new building.

Towell has persistently sought opportunities to advance the cause of natural resource conservation through writing and speaking.

In recognition of his professional achievements Mr. Towell has received many awards, the most recent one being the infrequently given Sir William Schlich Memorial Award of the Society of American Foresters, the highest honor to which American foresters may aspire.

Still a relatively young man, Mr. Towell has agreed to serve the American Forestry Association and other resource conservation organizations on special assignments. I am glad to report that we can look forward to benefiting from Mr. Towell's exceptional abilities. ●

### CANADA-FRANCE-HAWAII TELESCOPE PROJECT

#### HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

Mr. AKAKA. Mr. Speaker, in 1974, expansion of astronomical facilities at

Mauna Kea, Hawaii's highest mountain, began. The Canada-France-Hawaii Telescope project has since been involved in the construction of a new 150-inch telescope designed to be used for general astronomical observation. Legislation providing duty-free entry for those parts necessary for the completion of this project was approved by the Congress in 1974. Today, I have introduced legislation that would extend the duty-free period from June 30, 1980 to June 30, 1982.

This bill is akin in legislative spirit to Public Law 89-651, which implemented the so-called Florence agreement, providing for the duty-free exchange of cultural, scientific, and educational material. However, due to the extended nature of this project, the petitioning procedures outlined under Public Law 89-61 would be most difficult without separate legislation.

The New York Times has called this project "one of the world's most important observation sites." Mr. Speaker, I urge the adoption of this legislation, which will greatly facilitate the completion of this important observatory.●

#### EXTENSIONS OF SBA LOW-INTEREST LOANS

#### HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. RAHALL. Mr. Speaker, today I am introducing legislation to extend the period for SBA disaster low interest loans from October 1, 1978 to October 1, 1979.

During the 95th Congress, I introduced legislation which reduced the interest rates for SBA disaster loans to 3 percent or less. Public Law 95-89 included provisions to do just this, however, it was only applicable to loans for disasters occurring after July 1, 1976 and prior to October 1, 1978. This change which I propose will extend the termination date on these low-interest loans to October 1, 1979.

In December of 1978, southern West Virginia and eastern Kentucky were once again severely flooded. The residents of this area were once again faced with the task of rebuilding their homes and surroundings, however, because of the termination date of October 1, 1978, low-interest loans were not available. As April approaches the residents of the Tug Valley face the threat of more flooding, while long-term flood relief remains as a victim of the cost/benefit ratio.

This legislation will merely extend the termination date on these low-interest loans and show these individuals that the Federal Government is willing to help them rebuild. It is important to recognize that these funds are not grants, but rather low-interest loans which are to be repaid along with any other loans which were outstanding when the disaster struck. This measure insures equity for disaster victims by insuring that low-interest loans will be available to help them get back on their feet living a productive life.●

#### EXTENSIONS OF REMARKS

#### ALLEVIATING THE REAL PROPERTY TAX BURDEN: THE NEED FOR A PROPERTY TAX TASK FORCE

#### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. GILMAN. Mr. Speaker, in both the 94th and 95th Congresses, I introduced legislation proposing the creation of a task force on the taxation of real property by State and local governments, to study and evaluate ways to help State and local governments reduce their dependence on real property taxation and to find alternative revenues to support schools, social service programs, public works projects, fire and police protection, and other costly governmental programs required by the public. Indeed, in the 95th Congress approximately 70 of my colleagues joined me in cosponsoring this measure. Because high property taxes still plague us, this measure remains as timely as ever. Thus, I am reintroducing this legislation and urge my colleagues to support action to secure its passage during this session of Congress.

Mr. Speaker, the message is clear and urgent. Our Nation's taxpayers have reached the limits of their ability to absorb astronomical real estate taxes, runaway welfare expenditures, the costs of escalating social service programs, soaring utility bills, growing Federal and State income taxes, and substantial State and municipal sales taxes. They are being crushed by the high costs of living in an economy already strained by the high rate of inflation and unemployment.

The proposition 13 fever which swept our Nation last year sent this message to public officials at all levels of government. Coupled with the momentum this movement has generated should be the well-reasoned forward-looking recommendations that a panel of individuals, expert in the area of real property tax, could produce.

New York State has consistently ranked near the top in property tax burdens. Indeed, figures released by the Census Bureau last year reveal that, among various cities and counties across the Nation, property taxes in Rockland County, in my congressional district, experienced one of the largest increases—49.1 percent between 1970-71 and 1975-76. Other regions have experienced property tax increases which, too, cause concern as our economy weathers an alarmingly troubled period.

Under my proposal, a 24-member task force appointed by the President and the congressional leadership, composed of Federal, State, and local governmental officials, members of the academic community and groups concerned with real property taxation would study and evaluate, but not be limited to, the following critical areas:

Waiver of the Federal Government's immunity to State and local taxation;

Federal grant-in-aid and loan programs to State and local governments;

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Utilization of alternative forms of revenues;

Redistribution of State and local government taxation;

Consolidation of political subdivisions and other taxing districts in order to more equitably distribute the tax burdens;

The tax burdens of persons and organizations with regard to the income produced by their real property; and

Reduction of real property taxes through Federal tax relief, real property tax exemptions, and the taxation of property owned by tax-exempt persons and organizations.

The Real Property Task Force would be required to submit its report, findings, and recommendations within 1 year after appointment to the President and to the Congress.

Accordingly, I urge my colleagues to support this measure reducing the onerous tax burden on our homeowners and minimizing the dependence of State and local governments on real property taxation. I request that the full text of this measure be inserted at this point in the RECORD:

H.R. —

A bill to establish a task force to study and evaluate the taxation of real property by State and local governments, the effects of such taxation on certain taxpayers, and the feasibility of Federal taxation and other policies designed to reduce the dependence of State and local governments on such taxation

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### TASK FORCE ON THE TAXATION OF REAL PROPERTY BY STATE AND LOCAL GOVERNMENTS

SECTION 1. (a) There is established a Task Force on the Taxation of Real Property by State and Local Governments (hereinafter in this Act referred to as the "Task Force") which shall consist of twenty-four members who shall be appointed in accordance with this section.

(b) (1) The President shall appoint as members of the Task Force four individuals who are officials of the executive branch of the Federal Government.

(2) The majority leader of the Senate, after consultation with the minority leader of the Senate, shall appoint four Senators as members of the Task Force. No more than two of such four Senators shall be affiliated with the same political party.

(3) The Speaker of the House of Representatives, after consultation with the minority leader of the House of Representatives, shall appoint four Representatives as members of the Task Force. No more than two of such four Representatives shall be affiliated with the same political party.

(c) (1) The President, the majority leader of the Senate, and the Speaker of the House of Representatives, after consultation among themselves, shall each appoint as members of the Task Force four individuals not officers or employees of the United States who, because of their knowledge, expertise, diversity of experience, and distinguished service in their professions, are particularly qualified for service on the Task Force.

(2) In making appointments under this subsection, the President, majority leader of the Senate, and the Speaker of the House of Representatives shall take care that the following interested parties are adequately represented by the members so appointed:

(A) State and local governments.

(B) Members of the academic community concerned with the taxation of real property.

(C) Citizens groups and associations concerned with the taxation of real property.

(3) Appointments shall be made pursuant to this subsection without regard to political affiliation.

(d) The members of the Task Force—  
(1) shall be appointed within ninety days after the date of enactment of this Act; and  
(2) shall be appointed for the life of the Task Force.

(e) One of the individuals appointed to the Task Force by the President shall be designated by the President as Chairperson of the Task Force. Such individual shall serve as Chairperson for the life of the Task Force.

(f) A vacancy on the Task Force shall be filled in the manner in which the original appointment was made.

(g) Thirteen members of the Task Force shall constitute a quorum, but a lesser number may hold hearings.

(h) The Task Force shall meet at the call of the Chairperson or whenever thirteen members present a petition to the Chairperson asking for a meeting of the Task Force.

#### DUTIES OF THE TASK FORCE

SEC. 2. (a) The Task Force shall study and evaluate—

(1) the taxation of real property by State and local governments;

(2) the effects of such taxation on middle income and fixed income taxpayers; and

(3) the feasibility of Federal taxation and other policies designed to reduce the dependence of State and local governments on such taxation.

(b) The study and evaluation described in subsection (a) shall include, but not be limited to, the following:

(1) An examination of means which would allow State and local governments to reduce real property taxes—

(A) through the waiver by the United States of the immunity of Federal instrumentalities to such taxes;

(B) through Federal grants-in-aid and loans to State and local governments to assist such governments in providing services which otherwise would be supported by real property taxes;

(C) through the utilization of other forms of taxation in place of real property taxation;

(D) through an analysis by State and local governments of their overall taxation policies and of ways to redistribute tax burdens; and

(E) through the consolidation of local political subdivisions and other taxing districts so that tax burdens may be equitably distributed.

(2) An analysis of the tax burdens of persons and organizations with respect to income produced by the real property owned by such person or organization.

(3) An examination of means to reduce the real property taxes of fixed and middle income taxpayers and other individuals subject to heavy real property tax burdens—

(A) through the granting of Federal tax relief to such taxpayers;

(B) through the granting of exemptions from real property taxes to such taxpayers; and

(C) through the taxation of real property owned by persons and organizations presently exempt from such taxation, including State and local governments and charitable, nonprofit, educational, religious, humanitarian, and philanthropic organizations.

#### POWERS OF THE TASK FORCE

SEC. 3. (a) The Task Force, or, on the authorization of the Task Force, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, issue such subpoenas requiring the attendance and testimony of witnesses, hold

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such hearings, take such testimony, receive such evidence, take such oaths, and sit and act at such times and places as the Task Force may deem appropriate and may administer oaths or affirmations to witnesses appearing before the Task Force or any subcommittee or members thereof.

(b) Subject to such rules and regulations as may be adopted by the Task Force, the Chairperson shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional personnel as he deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the executive director may not receive pay in excess of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of such title and any additional personnel may not receive pay in excess of the maximum annual rate of basic pay in effect for grade GS-15 of such General Schedule, and

(2) obtain temporary and intermittent services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(c) The Task Force is authorized to negotiate and enter into contracts with organizations, institutions, and individuals to carry out such studies, surveys, or research and prepare such reports as the Task Force determines are necessary in order to carry out its duties.

#### COOPERATION OF OTHER FEDERAL AGENCIES

SEC. 4. (a) Each department, agency, and instrumentality of the Federal Government is authorized and directed to furnish to the Task Force, upon request made by the Chairperson, and to the extent permitted by law, such data, reports, and other information as the Task Force deems necessary to carry out its functions under this Act. All such requests shall be made by the Chairperson of the Task Force.

(b) The head of each department or agency of the Federal Government is authorized to provide to the Task Force such services as the Task Force requests on such basis, reimbursable and otherwise, as may be agreed between the department or agency and the Chairperson of the Task Force.

(c) The Task Force may accept, use, and dispose of any gift or donation of services or property.

(d) The Task Force may use the United States mails in the same manner and upon the same conditions as any other Federal agency.

(e) The Administrator of General Services shall provide to the Task Force on a reimbursable basis such administrative support services as the Task Force may request.

#### PAY AND TRAVEL EXPENSES

SEC. 5. (a) Except as provided in subsection (b), members of the Task Force shall serve without pay.

(b) While away from their homes or regular places of business in the performance of services for the Task Force, members of the Task Force shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under subchapter I of chapter 57 of title 5, United States Code.

#### FINAL REPORT

SEC. 6. The Task Force shall transmit to the President and the Congress not later than the date one year after the first day on which all members of the Task Force have been appointed, a final report containing a detailed statement of the findings and conclusions of the Task Force, together with

such recommendations as it deems advisable (including recommendations for legislation).

#### TERMINATION

SEC. 7. On the ninetieth day after the date of submission of its final report to the President, the Task Force shall cease to exist. •

## INFLATION: QUESTIONS AND ANSWERS

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

• Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for January 24, 1979, into the CONGRESSIONAL RECORD:

#### INFLATION: QUESTIONS AND ANSWERS

These are some questions that Ninth District residents are asking about inflation:

What causes the inflation we are having today? There are several causes. Some of the present-day inflation can be traced to the 1960s when we failed to tax ourselves sufficiently to finance both the Vietnam War and the Great Society. Our "guns and butter" policy pushed unemployment down and set off a chain reaction of wage and price increases which we have never successfully controlled. Also important are the external economic shocks of the early 1970s. Steep rises in the price of foreign oil, heavy demand for raw materials in the industrialized nations, and poor crops in many regions of the world served to destabilize our economy even further. A more recent cause of inflation is the depreciation of the dollar, a direct effect of our huge trade deficit. Cheap dollars are inflationary because it takes more of them to purchase goods from abroad. Other factors behind inflation are government tax and regulatory policies which burden workers and businesses alike. An increase in the social security tax has held down the pay of workers while a minimum wage hike, large budget deficits, and many environmental regulations have added to the cost of doing business. Yet another recent contributor to inflation is the tight market for skilled labor. Wages are rising as firms bid for workers who have special abilities. Finally, the widespread assumption that inflation will continue is a self-fulfilling prophecy. Faced with the prospect of shrinking pay and profits, workers and businesses try to protect themselves with big wage demands and price increases. The result is more inflation.

Who is to blame for inflation? Most of us are persuaded that someone else is to blame for inflation. We tend to believe that inflation would disappear if others would exercise restraint. Businessmen say that inflation is due to labor and government; labor leaders think that the culprits are government and business; government officials criticize the actions of business and labor. In fact, each is about two-thirds right. The real villains are all of us and the nature of the society we live in. We want full employment with real increases in our incomes each year and a constantly improving standard of living. Inevitably, total demand for goods and services adds up to more than productivity and growth in the economy can provide. Inflation has become embedded in the tissue of the economy as a consequence of too many demands by too many people on too limited an amount of national wealth.

Why doesn't the old law of supply and demand curb inflation? The problem is that the economy no longer functions as we think it ought to. Neither wages nor prices fall when demand for goods and services slack-

ens. The fear of unemployment does not seem to hold down wages, and the fear of lost sales appears to have little effect on prices. Wages are for the most part no longer determined by the pressures of supply and demand, but rather by bargaining between powerful interest groups. Prices, too, especially in the highly regulated industries, exhibit little sensitivity to the pressures of supply and demand. Moreover, wage increases are justified by price increases, and vice versa. Insistence on higher wages and prices is understandable, even reasonable. Everyone is playing the "catch-up" game.

Can't we make the fight against inflation completely fair? Probably not, though we must try. A worker once said to me, "I support the fight against inflation, but only if it is fair to all." His position was sound, but in a complex and competitive economy it may be next to impossible to devise an anti-inflation program with no inequities whatever. That same worker asked me why he was expected to show restraint without any assurance that others would follow his example. The logic of his argument is hard to refute, but if no one is willing to take the first step then inflation will go on unabated. We cannot sit idly by until someone comes up with a perfectly fair anti-inflation program.

How important is the fight against inflation? The control of inflation has become the overriding imperative of government today. It is not just a worthy initiative designed to aid one group or another. Our country will suffer severely if we do not cut inflation down. The unchecked upward spiral of wages and prices threatens to destroy nearly everything we seek: a higher standard of living, more opportunities for ourselves and our families, and a more just society for all. In 1978 the voter sent every candidate a message: "Control inflation." This message must not be ignored. Because the political and economic penalties of inflation grow more intolerable every day, power will flow to those leaders who are successful in the fight against inflation.

How long will it take to wring inflation out of the economy? Inflation was long in coming, so several years may be required to get rid of it. Careful fiscal and monetary policies, combined with unceasing efforts to reduce government inefficiency and encourage competition in the private sector, are absolutely indispensable. There is no "quick-fix" solution to the problem of inflation, and we should not hope for any dramatic improvement. However, small gains each year will add up over time. ●

**A BILL TO ENCOURAGE MEDICAL SCHOOLS TO TEACH SPECIALIZED TREATMENT OF THE RETARDED**

**HON. BENJAMIN A. GILMAN**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

• Mr. GILMAN. Mr. Speaker, I am introducing today legislation to amend the Health Manpower Act to include in the list of existing grants offered, a grant program to encourage medical schools to train personnel in the care of the mentally retarded. This is a specialty which is sorely lacking in our medical institutions and which, if developed, would allow the medical profession the freedom and capacity to treat the retarded and provide quality health care for the standard 6 million retarded citizens of our Nation.

**EXTENSIONS OF REMARKS**

Medical training institutions are producing a high caliber medical professional and there are substantial efforts to encourage our medical personnel to view medicine as a humanitarian venture, and to expose doctors to an interdisciplinary approach to treatment. The Health Manpower Act lists several fields which are important and timely, and in which medical schools should and can invest time and effort to insure that doctors are receiving a "well-rounded" approach to medical education. Several populations have been pointed out as needing special attention, and the list of available grants includes grants for the study of geriatric medicine, of medicine pertaining to women and minority groups. The addition of specialty training for the treatment of the retarded will enable physicians and other health personnel to become more sensitive to the needs and problems of the retarded of this Nation, the only disabilities group that cannot speak for themselves.

The President's committee on Mental Retardation, a standing committee created by Executive order 12 years ago, stated on several occasions that the retarded are underserved by the medical community, and recommendations have been made by that committee to encourage improved health care for the retarded. In its annual report entitled "MR 76: Mental Retardation Past and Present," the President's committee stated:

Persons with mental retardation must be served in all health care systems, both medical and dental, available to the general public. To reach all persons in need, a more equitable distribution of health manpower and resources must be developed. Medical, communication and transportation technologies must be more broadly exploited.

In another recommendation pertaining to education opportunities open to individuals working with the retarded, the President's committee states:

Education for health-related careers should include training in the following areas:

Consumer participation and social problems;

Interdisciplinary team collaboration in patient care;

Administration of multi-disciplinary service programs;

Preventive and public health aspects of all health specialties in relation to problems of mental retardation and developmental disabilities.

The retarded have the right to quality medical care and it is a sad commentary on the state of this Nation's medical care when the retarded are glanced over and are not afforded adequate care. Parents of the retarded have informed me that doctors willing to treat their children are few and far between; that doctors often times cannot communicate with the patients seeking help and that many times quality medical care is available only in private schools and institutions which are too expensive for most parents to afford. With the emphasis on deinstitutionalization, too, the retarded are being gradually "mainstreamed" into our society. Their rights are equal to those of others who are living in, and contributing to society.

The Congress has been receptive to the needs of our handicapped popula-

tion, but there are still many avenues which should and must be explored. I believe that if we provided incentives to medical schools, in the form of grants, many of them would meet the challenge that the retarded present and the quality of health care available to our retarded would increase.

Under this grant program, medical schools have the option of adjusting their curriculums to reflect the movement toward equalization among the retarded and other populations. Grants will allow the medical schools to directly include the treatment of the retarded in their medical course, or it will encourage the interdisciplinary approach to this field, by enabling medical schools to call in experts in the field of retardation midcourse, or modify their curriculums in such a way as to allow for greater communication between departments and disciplines. Many medical schools do not have the personnel or time to devote to the treatment of retardation. For those schools, grants will provide an incentive to pull together many of the diverse resources presently available.

Curriculums can be modified to include in the course of study information for the physician relating to the special problems of the retarded and developmentally disabled. For instance, in a course of basic biochemistry, health personnel could give special attention to hereditary chemical metabolic imbalances which directly relate to retardation and developmental disabilities, and during the study of neurological disorders, the problems of cerebral palsy might be emphasized. Dental students could learn how to treat the retarded patient who cannot communicate pain and who might not be able to care for his own dental needs. Ethical and legal approaches to the question of retardation and disability could be stressed during the course of study, and the management of developmental disabilities and retardation could be seen as an ongoing process which ties in many of the basic skills learned in medical schools. More emphasis must be placed on the community's role in serving the disabled, and through a medical course on community participation and medicine, students might learn how to deal productively with resources that exist within a given community which would improve the well-being of the disabled individual.

Attitudinal aspects of retardation and disability must be taught from the beginning of a student's career, and an emphasis should be placed on restructuring attitudes to reflect deep concern with the unique needs of the handicapped. Psychosocial aspects of retardation and disability may be taught in psychology courses, and through exposure to the retarded will certainly enhance any physician's approach to humanistic medicine.

Presently, many medical schools have the privilege of access to UAF's—University Affiliated Facilities. UAF's provide teamwork training on a practical level, and were created by Public Law 88-164 when the legislation called for the establishment of:

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Clinical facilities providing clinical training of physicians and other specialized personnel," and "a full range of inpatient and outpatient services for the mentally retarded" which would "aid in demonstrating provision of a specialized service for the diagnosis and treatment, education, training or care of the mentally retarded."

These UAF's encourage multidisciplinary approaches to health personnel in that they provide coordination between universities and the communities in which the UAF exists. This working relationship allows for an exchange of ideas through the inclusion of several aspects of the health field: Social work, clinical psychology, and field work. Yet, I have learned that not all of these 39 UAF's now in existence have any input into the medical school curricula, and that slightly more than half of the UAF's contribute resources in the teaching of developmental disabilities in the universities. Clearly more must be done.

Medical schools have come a long way since the past two decades during which educational facilities viewed retardation with disdain and hopelessness. The President's committee report points out that:

Textbooks in psychology dismissed it (retardation) with a few paragraphs under "Abnormal Psychology" describing the general gradations and the hopelessness of the condition. Pediatricians, in their training, learned that the defective are condemned to hopelessness and that the kindest treatment was to urge parents to place their child in institutional care, dismiss it from their lives, and turn to the future production of healthy children.

Last year, the Washington Post carried an article on the horrible situation in some New York State hospitals. Retarded patients have been overtranquilized, resulting in several deaths specifically linked to tranquilizers. The medical examiner from Rockland County, N.Y., stated that this tranquilization of the retarded has "contributed to countless deaths by deadening nervous reactions that would otherwise serve as a warning," and that "discussions with colleagues indicated that such deaths occur nationwide." This is shocking news; and yet, if the medical profession is allowed to remain in the dark about the treatment of the retarded and developmentally disabled, these instances will continue to occur.

Researchers are attempting to determine the causes of mental retardation, and are examining preventative measures in this regard. But there are many unanswered questions which require careful studies and which may take years to answer. Retardation, at present, is a fact of life, and it is wise to accept the fact that many of our citizens are retarded and that they require special attention. We cannot afford to ignore their needs. The legislation that I am introducing today addresses an issue which will improve the quality of life for all of our retarded.

Accordingly, I urge my colleagues to join with me in seeking to improve the medical care for our retarded.

Mr. Speaker, I am submitting at this point in the RECORD, for my colleagues' review, a copy of this legislation:

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### H.R. —

A bill to amend the Public Health Service Act to authorize financial assistance for projects and programs to train physicians and other health personnel to identify and deal with the special medical problems related to the mentally retarded and to improve the ability of such personnel to provide health care to the mentally retarded. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (d) of section 788 of the Public Health Service Act is amended (1) by striking out "and" at the end of paragraph (20), (2) by striking out the period at the end of paragraph (21) and inserting in lieu thereof ";" and, and (3) by adding after paragraph (21) the following:*

"(22) projects and programs to train physicians and other health personnel to identify and deal with the special medical problems related to the mentally retarded and to improve the ability of such personnel to provide health care to the mentally retarded.".

(b) Subsection (e)(1) of such section is amended by adding at the end the following: "For the fiscal year ending September 30, 1980, there are authorized to be appropriated such sums as may be necessary for grants and contracts under subsection (d) for projects and programs described in paragraph (22) of such subsection.".

### ATLANTIC COUNTY MIDDLE MANAGEMENT SEMINARS FOR EDUCATORS

#### HON. WILLIAM J. HUGHES

OF NEW JERSEY

#### IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

• Mr. HUGHES. Mr. Speaker, the educational community of Atlantic County, N.J., has undertaken an innovative program of great benefit to the public schools of New Jersey. I feel that this program merits wide attention.

Vincent P. Cantillion, the Atlantic County superintendent of schools, with the assistance of his dedicated staff and the guidance of an advisory committee, initiated the first middle management leadership seminar for public schools. Representatives from 87 schools in 25 school districts have already attended or will attend the seminars which began in September 1978 and will continue through May 1979.

The development of the management team concept is explored in an in-depth fashion through discussions of human relations, communications, management, finance, personnel administration, and the role of the high school principal in the school setting and the community at large.

The seminars are held at Stockton State College and have received wide support from educators in the tri-state area.

Many individuals played important roles in developing the basic format of the seminar series but it could not have been successfully arranged without the help of Dr. Robert G. Scanlon, executive director of research for Better Schools, Inc., and his associate, Dr. James I. Mason, the director of educational services. I would also like to bring to my colleagues' attention the

names of the following individuals who served on the program's project advisory committee. They are:

Vincent P. Cantillion, Judith A. Davis, Clark Donlin, Marjorie H. Jones, DeEdwin Hursey, Joseph P. Conroy, Jack Eisenstein, Arthur Rainear, James I. Mason, Hurley Hanley.

Joseph Cudemo, James A. Moran, Henry Miller, Emory Kless, Harold Bills, John Reed, James Field, Johnson Harmon, Ronald Lukas, David Lloyd.

Donald Marrandino, Sheila Perugini, Gerald Toscano, Louis Della Barca, Burton Newman, Ralph Schlavo, Ronald Bonner, Joseph Pino.

The organizers of the seminar series believe that changes are imperative in school procedures and their thoughts are shared by the New Jersey commissioner of education, Dr. Fred Burke, who has decided to repeat the seminars across the State.

In this era of growing complexity in all our public institutions, it is heartening that the middle management leadership seminars have been established to help New Jersey's educators keep up with changing times. In the end, both educators and students will benefit and I believe that this experiment will serve as a guide to educators across the country as they learn new ways of providing our youngsters with more meaningful learning experiences.●

#### TRIBUTE TO JOHN McLEOD

#### HON. DAVID E. BONIOR

OF MICHIGAN

#### IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

• Mr. BONIOR of Michigan. Mr. Speaker, I would like to take this opportunity to pay tribute to a man who has served his community, educating young people, for almost three decades.

John McLeod, principal of Carl Brablec High School in Roseville, Mich., will be retiring at the end of the month. He has served as principal at Brablec for the last 10 years and served in the Roseville community school system for a total of 29 years.

A community can place no greater faith in an individual than to entrust him with their children. John has upheld that faith, not only educating but caring for thousands of Roseville students over the years.

John's career in education has been one of notable achievement. Beginning in 1950 as an English and social studies teacher, he advanced to become an elementary school principal, superintendent, assistant principal and ultimately, principal at Brablec.

As a teacher and educator, John also knew what it was like to be a student. A graduate of Eastland High School in Roseville, John went on to complete a B.A. and M.A. and is still pursuing his education, working on an advanced degree.

Along the way, John served in the Army, worked in an automobile factory, tool and die shop, and operated a small business.

A family man with a wife and five daughters, John approached his community life with the same zeal that he brought to his educational responsibilities. As a member of the Roseville Rotary, Roseville Goodfellows, South Macomb YMCA Board, and the Erin Presbyterian Church, John McLeod left a mark on his community that will not be soon forgotten.

Mr. Speaker, the 12th Congressional District of Michigan has been fortunate in having John McLeod as one of its community leaders over the past three decades. Therefore, on behalf of my colleagues, I want to formally recognize the contribution of John McLeod, a man of character, ability, and dedication and wish him a pleasant and fulfilling retirement.●

**ROY M. DOPP, JR.—A GUIDING GENIUS OF MANAGEMENT**

**HON. GLADYS NOON SPELLMAN**  
OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES  
Wednesday, January 24, 1979

● Mrs. SPELLMAN. Mr. Speaker, the distinguished Canadian statesman, W. L. MacKenzie King, once commented that:

Labor can do nothing without capital, capital nothing without labor and neither labor nor capital can do anything without the guiding genius of management.

I take the floor today, Mr. Speaker, to draw my colleagues' attention to one whose own guiding genius of management has been an indispensable ingredient—indeed an inspiration—to my district's business community for more than two decades.

I speak of Mr. Roy M. Dopp, Jr., a resident of Laurel, Md., whom I have known and worked closely with in several capacities down through the years. On Friday, January 26, 1979, I will be present when Roy presides over his last official meeting as chairman of the board of the Laurel Area Chamber of Commerce.

I will be honored to be there, Mr. Speaker, because I know of the many fine things the Laurel chamber has done, the way it has grown and the progress it has made under Roy's guiding influence. I will be honored because I know that the Laurel chamber has become in recent years one of the most influential organizations in the Washington-Baltimore corridor. I will be honored because I know how the Laurel chamber has been recognized as one of the most involved organizations in the area of landlord-tenant affairs. I will be honored because I know how much of this might not have happened had it not been for Roy Dopp.

Of course, Roy's considerable talents have not been applied just to the Laurel chamber, although he has been an officer of that organization for more than half a dozen years.

A native of Des Moines, Iowa, Roy has been a gifted manager for New York Life and several real estate investment and development firms since being graduated from Grandview College in his hometown

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in 1949. He came to the Washington area in 1958 and currently is a senior property manager for Dreyfuss Bros., Corp. overseeing several large properties while also handling other key assignments.

Roy also served with the 2d Armored Division in Germany in the 1950s, is active in the Lion's and Rotary Clubs and serves in many other business, civic and church organizations in suburban Maryland.

Mr. Speaker, I know my colleagues will want to join me in recognizing the many fine achievements of this most capable and respected member of my community. I know, too, they will want to join me in wishing him well in all his future endeavors. And most of all, Mr. Speaker, I know they will want to join me in offering my heartfelt thanks to Roy M. Dopp, Jr. for allowing so many others to benefit from his greatest gift, his guiding genius of management.●

**EXPOSING OF MALEFACTIONS IN OFFICE**

**HON. RAY ROBERTS**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES  
Wednesday, January 24, 1979

● Mr. ROBERTS. Mr. Speaker, there has been a great deal of newspaper ink devoted to the so-called bloated bureaucracy and malfeasance in office. I applaud the press for exposing malefactions by public officials. I also commend it for keeping the matter in perspective by praising those to whom praise is due.

One of the finest group of employees our Government can boast works in the Veterans Administration Regional Office in Waco, Tex. They are led by a man whose acumen and leadership qualities have been recognized again and again—Jack Coker.

That Mr. Coker was singled out for praise by the Waco Tribune-Herald honors all the VA employees and the newspaper itself. I request that the article be printed in the RECORD.

The article follows:

**VETERANS AND THEIR SERVANTS HONORED**

Most Americans, we believe, approve the restoration of Nov. 11 as Veterans Day for official national recognition to the men and women who served in all the wars of this century. This anniversary of the ending of World War I in 1918, it seems to us, carries a penetrating message across the years: even total armed victory is no assurance of permanent safety. This message was underscored in World War II and again and again since then. Only vigilance and self-sacrifice can preserve a nation against outside enemies. All honor to the men and women who gave of themselves in the name of freedom on the high seas and on the far-flung battlefields starting in 1916 and continuing ever since.

While we honor the service of those men and women, we in Waco may salute as well those who serve their postwar needs, the men and women who staff the Veterans Administration regional office and hospital here. Accountable to a veterans population of 910,000 ex-service personnel in 164 Texas counties, the VA regional office has earned so many repeated honors for excellence that their work is nationally famous.

**January 24, 1979**

Starting with Regional VA Director Jack Coker, the list of awards in 1978 to VA regional office workers would fill a book. Coker was accorded by VA Administrator Max Cleland the Administrators Award for Executive Leadership, one of six persons nationwide so recognized this year. All the service organizations have added to the official commendations to this office here in Waco for the help given by its workers to veterans across Texas from Texarkana to El Paso and from Amarillo to Austin. While the regional office is ninth largest in the nation, it ranks as No. 1 in economy and efficiency, the only one of the 54 nationwide to take top honors in all categories of evaluation.

Nor do the VA regional staff members confine their service solely to veterans. Through United Way, through the blood center, through U.S. savings bond promotions, they continue to stand at the top of extra achievement on behalf of this community.

Theirs is a record of unselfishness that stands as an example to all of us in private and public life and Veterans Day is an appropriate time to say so.●

**EXTENDING EDUCATIONAL BENEFITS TO OUR DESERVING VETERANS**

**HON. BENJAMIN A. GILMAN**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES  
Wednesday, January 24, 1979

● Mr. GILMAN. Mr. Speaker, today I am introducing legislation designed to extend the educational benefits presently available to our Nation's veterans. The bill would extend educational assistance beyond the 10-year period now designated by Public Law 93-337.

The package I am proposing includes the following provisions:

First. Entitling a veteran who has served 18 months or more of active duty to 54 months of educational assistance;

Second. Eliminating the time limitation for completing a particular program of studies; and

Third. Extending the eligibility for these benefits to the veterans of World War II, the Korean and Vietnam conflicts whose benefits have terminated before the enactment of this legislation.

Mr. Speaker, the imposition of these arbitrary deadlines for utilizing educational benefits is in direct opposition to what our veterans' policy should be. These brave individuals who have contributed so much to our Nation ought to have the chance to complete their educations without the additional burdens of time. Many of our veterans have delayed the continuation of their educations for various reasons: to raise a family, to earn extra money—which we know is necessary now with the ever-spiralling inflation rate—or for unforeseen reasons over which the veteran has had no control.

Adoption of this measure would allow our veterans to meet their educational expectations without the fear of forfeiting benefits due to a change in circumstance, and would allow the veterans to enjoy their rightful status as first-class citizens, a status which, unfortunately has been lacking in the last several years.

Mr. Speaker, it is not too late to grant

our veterans the benefits which are deserved and oftentimes expected. We cannot afford to lose the valuable potential and loyalty which our Nation's soldiers have so willingly given.

I urge my colleagues to support this measure, and ask that the full text of the legislation be inserted at this point in the RECORD.

H.R. —

A bill to amend title 38, United States Code, in order to entitle veterans to fifty-four months of educational assistance for all educational programs under chapter 34 of such title, to eliminate the time limitation within which educational assistance must be used, and to restore on behalf of certain veterans educational assistance benefits previously terminated.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 34 of title 38, United States Code, is amended—*

(1) by amending the second sentence of section 1661(a) to read as follows: "If an eligible veteran has served a period of 18 months or more on active duty after January 31, 1955, and has been released from such service under conditions that would satisfy his active duty obligation, he shall be entitled to educational assistance under this chapter for a period of 54 months (or the equivalent thereof in part-time educational assistance).";

(2) by amending section 1661(c) to read as follows:

"(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of 54 months.":

(3) by amending section 1662 to read as follows:

"§ 1662. Entitlement available until used

"Any entitlement to educational assistance under this chapter shall remain available to the veteran until such time as it is used.": and

(4) by amending the table of sections thereof by striking out

"1664. Time limitations for completing a program of education."

and inserting in lieu thereof

"1664. Entitlement available until used.":

Sec. 2. Section 1795 of title 38, United States Code, is amended by striking out "forty-eight months" and inserting "54 months".

Sec. 3. Notwithstanding any provisions of title 38, United States Code, or any other law, eligibility for educational assistance under chapter 34 of such title is hereby granted to any veteran of World War II, the Korean conflict, or the Vietnam era who—

(1) was entitled to educational assistance under any law administered by the Veterans Administration as a result of active service during such war, conflict, or era; and

(2) whose entitlement thereto terminated before the date of the enactment of this Act without the veteran concerned availing himself, to or only in part using, any such assistance.

(b) The number of months of entitlement to educational assistance which is granted to any veteran under subsection (a) of this section, which number shall be determined by the Administrator of Veterans' Affairs, shall be as nearly as possible equivalent to the entitlement to education assistance to which such veteran was entitled at the time such previous entitlement terminated.

(c) The Administrator of Veterans' Affairs shall prescribe such regulations as are necessary and appropriate to carry out this section.●

## EXTENSIONS OF REMARKS

### REDUCING THE HEAT

#### HON. C. W. BILL YOUNG

OF FLORIDA

#### IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. YOUNG of Florida. Mr. Speaker, yesterday's edition of my hometown newspaper the St. Petersburg Times carried an editorial which makes the point that the real issue behind this year's budget is inflation. Although the Times editorial board and I disagree at times over issues before the Congress, we could not agree more that the American people expect this Congress to act in a fiscally responsible manner in an effort to cool the fires of inflation. The Sixth District of Florida which I am privileged to represent is particularly hard hit by inflation, because of its wealth of older Americans and it is gratifying to see the newspaper which serves that area to join in the fight to curb the Federal budget. I respectfully submit the Times editorial for the RECORD:

### REDUCING THE HEAT

President Carter's new budget has been "cut" by \$16 billion. Yet it is "up" by \$39 billion. And that contradiction points up as well as anything why Carter had to do what he did.

It's mostly a matter of inflation. If government programs were to be continued unchanged in the new fiscal year, outlays would climb to \$548 billion. As modestly pared by President Carter, these programs will cost \$532 billion.

But that spending figure, trimmed or not, compares with total outlays this year of only \$493 billion. Did we say "only"? Well, it's all relative. Each year's budget is the biggest one yet. And the lesson is that government spending, even when cut, continues to rise.

That is what Carter is worried about.

And if he has read the public temper correctly, as we think he has, that is what the average American also is worried about: inflation, the fact that less costs steadily more, and with no end to the spiral in sight.

As Carter points out, deficit spending by the federal government is one big factor in this continued decline of the dollar. Every year except one for the past couple of decades the U.S. government has spent billions of dollars more than it collected in taxes.

The rest was borrowed, and the national debt has continued to soar. And Carter said that despite his economy efforts, that debt will climb from \$789-billion (last week) to \$889-billion next year.

Interest payments alone by then will be running \$57-billion a year. Taxpayers except for those holding some of those government bonds, notes and bills, get nothing for this except more inflation.

Just three years ago the government ran in the red by \$66-billion. So when Carter proposes to hold deficit spending next year to a mere \$29-billion, with the aim of cutting it further the following year and eventually starting to make payments on the national debt, you might think everybody would cheer.

Of course that isn't the way it works. Even before Congress had read it, Carter's spending plan for the new year was under attack. Liberals said he had cut dangerously deep. Conservatives said he hadn't touched most of the fat.

Obviously judgments will differ about some of his specific proposals. It is a fact he has trimmed (or reduced projected increases in) spending for most purely domestic programs.

At the same time, he has increased funds for defense to offset inflation and finance a small actual increase in arms spending.

That disparity will be hard to swallow for many members of Congress. It is for us too. If there is waste and heedless spending in the government's nonmilitary programs, few would deny there is even more of it in the armed forces.

Carter's contention is that he has taken that into account, and is imposing the same belt-tightening rules on the Pentagon as on other government agencies. The extra money, he says, is for expensive hardware, like a new missile that can be moved around—whether by land, sea or air is not yet determined—from one launching site to another.

He includes in his budget \$935-million to get started developing this mobile missile, estimated to cost \$30-billion or more in the end. Our hope is that Congress will consider delaying that start, at least until the military has made up its mind how the system will work.

As for the President's proposed cuts in domestic programs, each of those of course also should be examined closely by Congress. Certainly Carter will be found to have made some misjudgments, which Congress will want to correct.

On the other hand, it shouldn't rush into that.

Right or wrong on some of the details, Carter is dead right on the issue. The issue, as he says, is burning inflation. Obviously the government can't shut off the stove and abandon the kitchen. But the smart thing to do is to turn down the heat.●

#### CLARA LOUISE OSTOIICH—1979 SAN PEDRO CITIZEN OF THE YEAR

#### HON. GLENN M. ANDERSON

OF CALIFORNIA

#### IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. ANDERSON of California. Mr. Speaker, on January 25, 1979, the San Pedro Lion's Club will honor one of the most respected and admired residents of my home district in the California South Bay area. On that day, the Community Recognition Award will be added to the numerous awards that Clara Louise Ostoich has received for her contributions to the betterment of our community.

It is indeed remarkable to consider how greatly involved this woman has been in community affairs. Her constant concern for the well-being of San Pedro and its citizens is expressed well by the long list of organizations which have received the benefit of her work. This model of citizenship is something I would like to share with you today.

Mrs. Ostoich has been very active on the Salvation Army Advisory Committee, a body which she has chaired for the last 2 years. With the group, she founded the Salvation Army's annual beef dinner, a popular and profitable affair for the organization. She is currently organizing a local Salvation Army Women's Auxiliary, a club she will lead as its chapter president.

The San Pedro Peninsula Hospital Citizens Committee has also benefited from her activism. Just recently, she helped conduct a very successful fundraiser for the committee's kidney dialysis program.

As a long time owner of her flower shop on Weymouth Avenue, Ostoich mixed philanthropy with business. It is well-known throughout the community that her shop, Clara's for Flowers, could be depended on when civic and charitable organizations were in need of floral arrangements, plants or other decorations for special events.

She belongs to the San Pedro Woman's Club, the San Pedro Garden Club, and the San Pedro Concert Association. The San Pedro Chamber of Commerce Women's Division grew under her leadership while she was its first vice president. She is an active supporter of the Toberman Settlement House.

Throughout the entire year, she shows her devotion to community service. At Christmas time, she helps the San Pedro Chamber of Commerce and Community Development prepare and serve dinners to underprivileged children.

Her selflessness dedication to others has won her wide recognition. Last year, she was nominated as the woman of the year by the California Women in Chambers of Commerce. An outstanding citizen award was given to her in 1970 by the San Pedro High School Parents and Teachers Association.

She has also won the San Pedro Boy's Club Golden Boy Award and the Woman of Achievement honor from the San Pedro Business and Professional Women's Club. In 1974 she was given the Fidelity Award for outstanding community service by the Fidelity Federal Savings and Loan Association.

I am very proud of the great spirit of involvement that exists throughout my home district. I am especially proud to give recognition to one person who symbolizes this special trait.

My wife, Lee, joins me in congratulating Clara Ostoich as she receives this citizen of the year honor. We are fortunate to share a fond friendship that goes back to the years when her late husband, Anthony, established a reputation as an outstanding community worker. All her past accomplishments will be long remembered and will serve as pleasant reminders that the San Pedro community can expect the Ostoich tradition of service to continue for many more years.●

#### PROTECTION AGAINST UNWARRANTED SEARCHES

#### HON. LAMAR GUDGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. GUDGER. Mr. Speaker, today we are introducing a bill entitled the "Third Party Search Protection Act of 1979"; this bill is identical to a bill bearing a similar name introduced by us on August 2, 1978 shortly after the Supreme Court rendered its decision in *Zurcher* against Stanford University Daily but not in time to be acted upon by the 95th Congress. This bill is cosponsored again by Representatives PREYER, ANDREWS of North Carolina, NEAL, WHITLEY HEFNER, EVANS of Georgia, HALL of Texas, and

#### EXTENSIONS OF REMARKS

HOLTZMAN. This bill is distinguishable from others, introductions prompted by the *Zurcher* case, in that it is designed to protect the private citizen as well as members of the press from arbitrary search and seizure of documents or other objects when the search victim is not accused of crime or complicity in any criminal activity.

The background leading to the need for legislation of this nature, in brief, is this:

In 1971, the Stanford University campus newspaper published photographs of a demonstration and clash between student protestors and police in which several police officers were allegedly assaulted.

The next day, the county district attorney secured a warrant for an immediate search of the newspaper offices and files which was carried out by four policemen. No qualifying evidence was found in the broadside sifting out of the accumulated photographs, films, negatives, and office files located in the offices of the Stanford University Daily.

The newspaper (and its staff) went to court and won a ruling that the 4th and 14th amendments forbid the issuance of a search warrant when persons in possession of the object or objects sought are not suspected of having committed a crime, unless there is probable cause to believe that a subpoena would be impracticable. The court also ruled that, when the object of the search is a newspaper, the first amendment limits governmental power to search to only those cases where there is a clear showing that important materials would be destroyed or where a restraining order would be futile.

In the appeal to the Supreme Court, the lower court was reversed. The May 31, 1978 decision stated that search warrants are aimed not at people, but at things believed to be in certain places, thus making it irrelevant whether any third party involved was suspected of having committed a crime. Any first amendment rights that might be at issue would be protected by applying the reasonableness requirements of the fourth amendment with "scrupulous exactitude."

The majority opinion pointed out that Congress has the power to alter the effects of the decision through its legislative process.

Justice White wrote:

The Fourth Amendment does not prevent or advise against legislative or executive efforts to establish unconstitutional protections against possible abuses of the search warrant procedures. . . .

Our friends in the press feel strongly that legislative action is necessary. I agree. The impact of the Supreme Court's decision is not limited to newspapers or radio or television stations.

The Court's view of when and under what circumstances a search may be conducted means that any could be the object of search whenever a judge can be convinced—whether rightly or wrongly—that a search is necessary. This means doctors, lawyers, accountants, anybody.

It takes little imagination to see that, had the *Zurcher* case ruling been handed

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down a few years earlier, a friendly judge at that time could have issued a warrant which would have allowed the rifling of Daniel Ellsberg's files in a psychiatrist's office without resorting to burglary. Even the Democratic National Committee at Watergate could have been thoroughly searched under a similar process involving a cooperative judge and an aggressive police officer.

To guard against such happenings, we are proposing in the bill, being introduced today, to restrict the issuance of search warrants without prior use of subpoena, including notice of hearing in cases involving property in the possession of third parties.

The only time such warrants could be issued would be when "there is probable cause to believe that the individual whose person or property is to be searched for or seized has committed or is committing a criminal offense" or, if an innocent holder, that he will destroy the records if the search warrant is not used.

This, I think, will protect the first amendment rights of the press and the fourth amendment rights of all persons, while addressing the points raised by the Supreme Court.●

#### LET THEM DRINK COKE

#### HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. McDONALD. Mr. Speaker, in spite of the administration euphoria painted about the benefits to flow to the United States from its recognition of Red China, a realistic note was injected the other day when 100 angry Chinese peasants showed up in Peking to demand food and human rights. They said they wanted human rights for the rural areas of China. Unfortunately, the photo showing the grim, gaunt faces and the ragged clothing cannot be shown in the CONGRESSIONAL RECORD. These people did not even have the price of their next meal. This is the face of China our American visitors seldom see. Communism has kept China poor, miserable, and backward. Nigel Wade reported from Peking the next day that there are about 1,000 open dissidents in Red China at present, but as anyone familiar with Communist regimes knows, these can be silenced overnight. In the meantime, perhaps they can all drink Coke while waiting for conditions to improve. I commend the story from the Daily Telegraph of London for January 15, 1979 to the attention of my colleagues.

#### PEASANTS' PEKING PLEA FOR FOOD

(By Nigel Wade)

About 100 angry Chinese peasants shouting for food and human rights demonstrated yesterday outside the Peking compound where Chinese leaders live.

Men and women in threadbare padded clothes shook grimy fists in the air and chanted: "We want democracy, we want human rights."

They tried to present a petition urging that human rights guarantees be written

into China's constitution but soldiers guarding the compound apparently refused to accept it.

A ragged man carrying a crippled woman on his back led the peasants on a two-hour march through the centre of Peking before arriving at the compound gate.

Many of the demonstrators carried bundles of possessions tied up in cloth and said they had no money or place to sleep. They had come to the capital to protest about conditions in their rural areas and were determined to make the nation's leaders listen.

#### BITTERLY COLD

They called repeatedly for Vice-Premier Teng Hsiao-ping as they stood outside the elaborate, red-columned entrance to the Chungnanhai leadership compound. After four hours standing in the bitterly cold evening air many were still waiting for their demands to be heard.

Teng has said that the masses should be allowed to express their anger and voice opinions freely, even if they are not always correct.

One 62-year-old man, who said he had walked and hitch-hiked 600 miles from coastal Kiangsu Province, unbottomed five layers of clothing to show foreign journalists the worn-out cotton garments he was wearing.

The innermost layer was completely in shreds and he tore off a strip to show how rotten it was.

The man said he was a factory worker in a city until the widespread famine of 1962 when he was sent back to his ancestral village where he had been a farm worker ever since.

The food ration in the village was one lb of rice or steamed bread per person per day with very few vegetables and rarely any meat.

He wept as he opened his wallet to show that he had no money but said he would stay in Peking as long as he could to make further protests.

The peasants drew a following of several hundred onlookers as they marched across the Square of Heavenly Peace towards Chungnanhai. ●

#### ZEALOUSNESS OR IDIACY?

#### HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

• Mr. YOUNG of Alaska. Mr. Speaker, for the past 2 years, Congress has been grappling with the Alaska lands issue. Many of our colleagues have taken the floor to ask that we "save" Alaska, and have warned us of the "bulldozers waiting on the border" of my State. Unfortunately, this has left many people with the idea that the Alaska lands issue is simply one of parks versus development. and they have, therefore, ignored a much more crucial issue: The promise made to the State of Alaska by the Congress of the United States.

In 1959, when Alaska became a State, we were promised 105 million acres of land as an economic base. We were told that we could select that land almost anywhere we wanted. In order to meet this obligation, the people of Alaska took a long and careful look at the land available and tried to make their decisions on the best available knowledge. Even when the Alaska Native Claims Settlement Act was passed in 1971, granting first preference to the original inhabitants of Alaska and their descendants, the State was

#### EXTENSIONS OF REMARKS

careful that selections were made wisely, in the best interests of the people of Alaska. Now however, we are being prevented from choosing what was given to us by a mandate of Congress. By using the Antiquities Act and the Federal Land Policy and Management Act, the administration has put land off limits. Further, our colleague from Arizona (Mr. UDALL) has introduced legislation that would once and for all prevent the people of Alaska from obtaining what was given to them. As I said during the debate on H.R. 39 last year, Congress is saying "Alaska, we did not really mean it."

It might be said that, because I was not a Member of this distinguished body when the Alaska Statehood Act was passed, I have no right to claim that a promise was in fact made. I, therefore, would like to bring to your attention the enclosed letter from our former colleague, the Honorable Leo O'Brien, whose name appeared on that act. He asks a very simple question:

Can it be they regard Alaska as so remote from the political concern of their constituents that it can be treated as a toy and its Statehood Act as a scrap of paper?

We will have an opportunity in this Congress to pass a bill which meets both this promise and the national interest. I favor passage of such a bill. However, I will not, and cannot support ill-conceived legislation that breaks a solemn promise made to the people of Alaska by this body.

I am enclosing the letter in the RECORD in its entirety:

#### READER'S VIEWS: ZEALOUSNESS OR IDIACY?

To the Editor: As author and floor manager of the bill which made Alaska the 49th state 20 years ago next January 3, may I congratulate you on your recent fine editorial titled "Throwing Alaska to the Wolves."

It took courage and insight to challenge the claim that opponents of the 100-million acre Alaskan land grab are motivated by greed and a callous disregard for the beauty of unspoiled nature.

When a good cause, such as proper environmental control, is taken over by extremists, zealousness sometimes skids into idiocy.

Since leaving Congress a dozen years ago, I have refrained carefully from Monday morning quarter-backing, but, because the Alaska statehood bill does bear my name, and because I fought very hard for its enactment, I am compelled to note that there are some in Washington who seek to treat Alaska, even after two decades, as a possession rather than as a sovereign state. Can it be they regard Alaska as so remote from the political concern of their constituents that it can be treated as a toy and its statehood act as a scrap of paper?

The statehood bill gave Alaska the right to select 104 million acres of federal lands, with certain areas distinctly marked off-limits. The new state was allowed 20 years to make its selections but it has been balked repeatedly by federal bureaucratic delays. Now the bureaucrats seek to break faith further by placing an additional 100 million acres off-limits.

The bill on statehood reported from the Committee on Territorial and Insular Affairs would have authorized the 49th state to choose 200 million acres of federal land. I agreed to an amendment on the House floor slashing that total by 96 million acres because I felt we had to make some concessions to win a handful of votes sorely needed for passage.

The do-gooders and the bureaucrats will say that the statehood bill was only a bill

and that any bill can be amended in later years. Nonsense! The statehood bill was a solemn pledge by Congress to the new state. Some may have forgotten that we wrote into the statehood bill a provision that it would not take effect unless approved by a majority of the Alaskan voters. They did approve, overwhelmingly, and that means the current shenanigans in Washington not only would break a congressional pledge, but shatter a pact with the people of Alaska.

It is significant that the main spokesman for the forever wild forces in Washington 20 years ago testified before my committee that he was opposed to statehood. He said that leaders of Alaska were too immature. What he really meant was that he and his followers would have more trouble pushing around a sovereign state than a territory ruled by the Department of the Interior. How right he was!

Let us not forget that some of the extremists now seeking the rape of Alaska delayed for years the flow of vitally needed oil from the Great Land.

What about the stake of the American public in this controversy? How much benefit will accrue to the average family in New York, Pennsylvania, Ohio, or any of the 50 states if 100 million acres in Alaska are transformed into a wilderness? I suggest that not one in 10,000 Americans will ever trudge through those trailless lands. I suggest that we will be setting aside an area as large as California and as rugged as Siberia for an American squirearchy.

It would be nice if the John Denvers et al could count on a million acres apiece to get away from sordid money-making now and then. But do they need an area 35 times larger than the Adirondack Forest Preserve?

The Congress and the President, plus the Department of the Interior and those who place the need of man behind the howls of wolves, may feel no compunction about faith-breaking with Alaska. But as one who had a role in the pledge of two decades ago, I want no part of it.

LEO W. O'BRIEN.

ALBANY. ●

#### THE IRS AND PRIVATE SCHOOLS

#### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

• Mr. MICHEL. Mr. Speaker, there has been much comment about the Internal Revenue Service's proposed revenue procedure on private tax-exempt schools. I have received mail from constituents protesting what they are convinced is an unwarranted intrusion of the Federal Government into religious education. I share with them the belief that this IRS proposal is yet another example of the kind of bureaucratic insensitivity, ignorance, and arrogance that has led to the tax rebellion of recent years.

One of the most cogent and compelling criticisms of the IRS proposals I have yet read is a statement submitted by the National Legal Center for the Public Interest to the Internal Revenue Service concerning this proposal.

At this point I insert this statement in the RECORD:

STATEMENT BY THE NATIONAL LEGAL CENTER FOR THE PUBLIC INTEREST ON THE PROPOSED REVENUE PROCEDURE ON PRIVATE TAX-EXEMPT SCHOOLS

The National Legal Center for the Public Interest is a nonprofit public interest law

## EXTENSIONS OF REMARKS

firm with supporters and contributors in all walks of life throughout the United States. On behalf of the public interest we present the following comments on the "Proposed Revenue Procedure on Private Tax-Exempt Schools", published by the Internal Revenue Service in the Federal Register for August 22, 1978.

(1) We interpose no objection to the proposed treatment of "adjudicated" schools. Any school which, after opportunity to be heard in its own defense, is found to be racially discriminatory by a final judgment of a court or agency of competent jurisdiction should not be entitled to tax-exemption under Section 501 (c)(3) of the Internal Revenue Code. Our comments rather, are directed against the treatment of the newly created category of "reviewable" schools which we find to be both highly arbitrary as a matter of policy and extremely dubious as a matter of law.

(2) Before turning to a detailed discussion of the legal implications of the proposed procedure, we think a few general comments are in order. Quite apart from debate on the merits, it seems to be generally agreed that the proposed procedure constitutes a significant expansion of the powers exercised by the I.R.S. in its oversight of tax-exempt schools. Yet nowhere to our knowledge has the Service undertaken to explain why so significant a departure from present practice is deemed necessary. It has explained neither why existing revenue procedures and rulings are specifically deficient, nor how the proposed procedure would remedy those deficiencies. Indeed, one searches in vain, either among statements issued by I.R.S. officials or in the proposed procedure itself, for any detailed information defining the nature and scope of the problem to which the proposed procedure is addressed. Does the Service believe that the nation has already witnessed, or is about to witness, a substantial increase in racial discrimination on the part of private schools? If so, on what information does the Service rely in forming that belief? If not, why is it necessary to alter the anti-discrimination provisions set forth in existing revenue procedures and rulings? How many tax-exempt private schools are now thought to indulge racially discriminatory practices? What percentage of the private school universe do they constitute? Is the number of such schools greater in locales where public school desegregation has taken place than it is elsewhere? Has the Service undertaken to compare the racial population of private schools in communities recently desegregated with that of private schools elsewhere? If the Service knows, or has reason to know, which schools may be engaged in racial discrimination, has it taken the necessary steps under existing law to revoke their exemptions?

These questions, which are only a small portion of the many that could, indeed should, be asked, have to our knowledge been wholly unaddressed by the I.R.S., at least in public. Yet it is difficult to square the proposal, given its depth and breadth, with any other belief than that a large number of private schools are now engaged in unlawful discrimination. That there are some private schools so engaged, we have no doubt; that there are many such schools, we simply do not know. Surely, the Service is conspicuously qualified to provide the relevant information. Existing Revenue Procedure 75-50, among other things imposes detailed record-keeping requirements upon tax-exempt private schools, by which they are required to submit data on the racial composition of their student bodies, faculties, and administrative staffs, as well as other pertinent information. With this storehouse of information at its disposal, the I.R.S. ought to be able to inform the public on the nature and scope of possible private school discrimination. Yet it has thus far failed to disclose that information, even while it is seeking a substantial

expansion of its powers to police private schools. This failure is at once unfair and short-sighted: unfair, because without such information the public is not in a position to evaluate the wisdom of the proposed procedure; and short-sighted, because the long-run success of this or any other procedure will ultimately depend on public recognition that it is necessary.

(3) The proposed procedure assumes, contrary to law, that a finding of unlawful discrimination may be inferred from the fact that a private school does not contain a fixed percentage of certain minority students. Quite apart from the dubious constitutionality of any fixed quota, especially in the educational area, *Bakke v. Board of Regents*, 97 S.Ct. 2733 (1978), the Service chooses to ignore the rather clear implications of recent Supreme Court rulings which place limits on the inferences to be drawn from statistical information. In *Washington v. Davis*, 426 U.S. 229 (1976) and again in *Village of Arlington Heights v. Metropolitan Housing Development Corp.*, 97 S.Ct. 555 (1977), the Court ruled that proof of a racially discriminatory purpose was necessary to sustain a charge of racial discrimination and that mere statistics, without more, were insufficient to carry that burden. It is sometimes possible to infer the requisite invidious intent from certain statistical data, but the Service is legally mistaken in assuming that it can be done in the manner suggested by the proposed procedure. The validity of any such inference from mere statistics depends decisively on the particular circumstances presented by particular cases. It is a long-standing rule of equity, many times embraced by the Supreme Court, that "the scope of the remedy is determined by the nature and extent of the Constitutional violation." *Milliken v. Bradley*, 418 U.S. 717, 744 (1974). Yet the proposed procedure seems less interested in fashioning a remedy to fit a particular offense than it is in weaving a catch-all legislative net capable of ensnaring the innocent as well as the guilty in its webbing. It first imputes a racially discriminatory intent to an entire class of private schools by automatic operation of an arbitrary statistical formula; a school to whom the invidious intent has thus been imputed is then required to prove its innocence; finally, the school can demonstrate its innocence only by complying with the same arbitrary statistical formula which ensnared it to begin with. In short, schools which manage to escape the net will be able to do so only by an act of administrative grace on the part of the Service. The proposed procedure is in effect a bill of attainder foisted upon a significant portion of American private schools. They are judged guilty as a class of racial discrimination by statistical inference, without reference to their purpose or intent. They are then compelled, at the risk of losing their tax-exemption, not only to prove their innocence, but to do so only in the precise manner prescribed by the I.R.S. To make matters worse, even if a school is able to show substantial and good faith progress in meeting the arbitrary criteria imposed by the proposed procedure, it can obtain a grace period in the revocation process only by agreeing to waive its rights to seek judicial relief under Section 7428 of the Internal Revenue Code. Such a procedure may be administratively beneficial to the Service, but it is a far cry from the sort of fairness traditionally associated with the principle of due process. The government has been forbidden to condition the receipt of a benefit—even one deemed to be a mere "privilege"—upon the non-assertion of a constitutional right. *Sherbert v. Verner*, 374 U.S. 398 (1967). Section 7428 was designed precisely to insulate against administrative arbitrariness. To require the waiver of the rights it grants as a condition of receiving a grace period not only defeats the purpose for which it was created, but imposes what

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is in our view an "unconstitutional condition." See *Frost Trucking Co. v. Railroad Commission*, 271 U.S. 583, at 593-94 (1926).

(4) The same arbitrariness which afflicts the proposed procedure as a matter of law may also be observed in the statistical criteria it employs. Section 3.06 defines "community" as the public school district in which the private school is located, together with any other public school district from which the school enrolls 5 percent or more of its students. The Service has not revealed why this particular data base was selected, a failure that applies as well to the selection of 20 percent as the desired level of minority enrollment. Not the least of the difficulties arising from the employment of this formula is that it ignores the principal *raison d'être* of most private schools. Private schools exist in virtue of the fact that there are a sufficient number of parents who want something different for their children than the local public school system offers. In most cases that difference has to do with the inculcation of religious values. The fact that 90 percent or more of the nation's private schools are religious in nature, and the fact that religious preferences are not evenly distributed among racial groups, suggest the gross impropriety of the statistical base relied upon by the Service. How is the racial mix of the public school population relevant to the establishment or expansion of religiously oriented private schools? The short and simple answer is that it is not relevant. As much may be said for many non-religious private schools, which dedicate themselves to the pursuit of academic excellence. Absent some particular showing of a racially discriminatory policy on the part of a school, the statistical formula contained in the proposal is, at best, a whimsical contrivance and, at worst, a ratcheting device by which private schools can be forced to serve purposes which are deemed socially desirable by the I.R.S. But today's socially desirable purposes are not necessarily tomorrow's. If a 20 percent racial quota can be imposed now, why not a 25 percent quota later? And if school district population is held without reason to be a sufficient base this year, why not some other statistical base, such as state or nation, if it suits I.R.S. convenience next year? Perhaps some criterion other than race, as for example, sex, will be the mandated social desideratum of the future. However one feels about the desirability of achieving such goals, this much seems clear: arbitrary statistical formulations operating automatically should not be permitted to do the work of reasoned deliberation. Nor should I.R.S. be permitted to achieve by regulatory indirection and fiat a policy which, if desirable at all, ought to be imposed only by Congress.

(5) The proposed procedure places great reliance upon *Norwood v. Harrison*, 382 F. Supp. 921 (N.D. Miss. 1974), on remand from the Supreme Court, 413 U.S. 455 (1973), and upon *Green v. Connally*, 330 F. Supp. 1150 (D.D.C. 1971), *aff'd sub nom. Coit v. Green*, 404 U.S. 997 (1971). The reliance in both cases is misplaced.

#### NORWOOD V. HARRISON

(a) It is necessary at the outset to distinguish the factual conditions which obtained in *Norwood* from those which the I.R.S. seeks to reach in its proposed procedure. In *Norwood*, the legal issues arose in the context of state textbook aid to a number of so-called private "segregation academies". In the proposed procedure, by contrast, we are speaking not of a particular set of schools in the State of Mississippi as to which specific allegations of racial discrimination were brought, but of a significant number of private schools throughout the entire United States, concerning whom (so far as we know) no specific allegations of racial discrimination have been made. Nor are we speaking of state action under the

Fourteenth Amendment, but rather of the specific different issues presented by federal tax exemption.

(b) It is important to bear in mind the specific factual and geographical setting of *Norwood* because the test there set down—specifically, the establishment of a "prima facie" case on the basis of statistics and the consequent reversal of the burden of proof—is inextricably intertwined with that setting. The District Court on remand pointed out that a *prima facie* case of racial discrimination "arises from proof (a) that the school existence began close upon the heels of the massive desegregation of public schools within its locale, and (b) that no blacks are or have been in attendance as students and none is or has ever been employed as a teacher or administrator at the private school." 382 F. Supp. at 924-25. Those two facts having been established as to each school, but only after an exhaustive examination of the special circumstances affecting each school, the burden shifted to the schools to demonstrate that the absence of blacks was not caused by racially restrictive policies. In commenting on the quality of the rebuttal evidence required to be offered by a school, the Court was at pains to point out that "the ultimate issue . . . is not whether black students are actually enrolled at the school, but whether their absence is because the school has restrictively denied their access; simply, does the school have a racially discriminatory admissions policy?" 382 F. Supp. at 926. Contrary to the position adopted by the Service in the proposed procedure, there is nothing in the *Norwood* case, either at the District Court or the Supreme Court level, to suggest that a school must embrace an affirmative action admissions policy in order to rebut a *prima facie* case. And there is nothing which even remotely suggests that the failure to meet an arbitrarily imposed racial quota may be used as a trigger for establishing a *prima facie* case in the first place. In contrast to *Norwood*, the proposed procedure rests not on an independent evaluation of particular schools, but rather on unarticulated assumptions concerning an entire class of schools whose principal defining characteristic is that its members have less than a fixed percentage of minority students. The proposed procedure does precisely what the Supreme Court itself refused to do in its opinion in *Norwood*, namely issue a "blanket condemnation" of predominantly white private schools. 413 U.S. 455, at 471.

(c) It is worth noting that of the seven schools involved in the remand in *Norwood*, two were held by the District Court to be in compliance with the law, even though neither had any black students, teachers, or administrators whatsoever. It is surely a measure of the extent to which the proposed procedure distorts the law of the case in *Norwood* that neither school would be able to pass muster under the proposed I.R.S. procedure.

(d) Finally, it is also worthy of note that *Washington v. Davis, supra*, in which the Supreme Court felt it necessary to remind us that there was a limit, after all, to the intent that could be inferred from mere statistical disparities, was handed down two years after the District Court's decision in *Norwood*. The distortion of the ruling in *Norwood* presented in the proposed procedure is made all the more apparent by the Service's failure to take into account the subsequent ruling in *Davis*.

#### GREEN V. CONNALLY

*Green v. Connally* holds that racially discriminatory schools are not charitable or educational institutions within the meaning of the Internal Revenue Code. That proposition we consider to be settled law, concerning which there is now no dispute. But the very question in issue is what constitutes racial discrimination. As in *Norwood*, there is nothing in *Green* to suggest that a *prima facie*

## EXTENSIONS OF REMARKS

case of racial discrimination may be inferred from the failure to enroll a certain percentage of minority students. And again, as in *Norwood*, there is nothing in *Green* to suggest that adherence to a racial quota may be imposed as a condition for retaining a tax exemption. While the proposed procedure claims to be only an administrative application of settled legal principles, in fact it redefines the substantive law of racial discrimination, and, in so doing, goes far beyond anything contemplated by the Courts which passed judgment in *Norwood* and *Green*. The principal effect of the proposed procedure, taken whole, is to relieve the I.R.S. of the burden of having to prove the existence of unlawful discrimination. Thus, a "prima facie case" of unlawful discrimination is first "established" by the failure to achieve a rigid racial quota. The *prima facie* case is then automatically converted into a *finding* of unlawful discrimination unless the school agrees to take certain affirmative actions—actions which the federal judiciary has imposed in analogous cases only *after* a *finding* of racial discrimination has been made. This process is made doubly mischievous because the statistical tests employed by the Service to establish the *prima facie* case are themselves highly arbitrary.

(6) One would have thought that the Supreme Court's ruling in *Bakke v. Board of Regents, supra*, put an end to the use of rigid racial quotas in school admissions. But if we take the proposed procedure as our guide, the Service apparently believes that it may impose upon private schools a policy which the Supreme Court has said may not be embraced by publicly supported schools. A publicly supported institution, for example, which chose to follow voluntarily the policies laid down in the proposed procedure, including the adoption of a fixed percentage quota of minority enrollment as a gesture of its good faith opposition to racial discrimination, would be unlikely to survive scrutiny under the test laid down by the Court in *Bakke*. Yet the proposed procedure would impose just such a quota. It will perhaps be said that the proposed procedure does not establish a quota contrary to *Bakke*, but merely suggests that failure to meet a minimal percentage level of minority enrollment may be used as *evidence* of a possible discriminatory intent. But, as we pointed out above, the fixed percentage test in the proposed procedure in fact does a very great deal more than that. It serves as a triggering mechanism for determining whether a private school is presumptively discriminatory in its practice, a presumption which, having been thus established, operates so as to reverse the burden of proof. That burden, in turn, can be sustained only if the school thereafter reaches the quota level, or if it agrees to an affirmative action admissions and hiring program. In short, the proposal makes use of a constitutionally dubious quota test as a procedural device in order to impose that same quota as a matter of substantive policy. No amount of verbal legerdemain ought to obscure the reality of what the Service is attempting to do: the use of a fixed racial quota is an integral part of the proposed procedure; indeed, it is its alpha and omega. But the use of a quota in this way, where a school has not been determined to be racially discriminatory as a matter of law, goes far beyond what the Supreme Court would find tolerable under its ruling in *Bakke*.

*Bakke* is relevant to the discussion at hand, not merely because of the doubt it casts upon the use of all racial quotas, but because of its repeated insistence that constitutional rights are personal and individual in nature. Quite apart from its specific holding, the *Bakke* ruling stands as a forceful reminder of the mischief that ensues when rights or privileges are claimed or recognized on the basis of membership in a racial or ethnic group. In his opinion for the Court, Mr. Justice Powell was at pains to point out

that the idea of ethnic or racial group rights was especially noxious in an academic setting, where the individual student's personal characteristics and skills ought to be dominant factors in the admissions decision. It is only in that highly individualized setting that the matter of a student's race or ethnicity may be taken into account, and even then, a school must not embrace the idea of a group quota. In this context, the proposed procedure should perhaps also be reexamined in respect of its definition of "minority". Section 3.05 of the proposal defines minority in accordance with the guidelines of the Office of Management and Budget and the General Accounting Office established in 1976, which limits the category to Blacks, Hispanics, Asians or Pacific Islanders, and American Indians or Alaskan Natives. In the wake of *Bakke*, it is at least doubtful whether any such rigid classification can continue to pass constitutional muster, for what it does, in effect, is establish a limited group of what might be called "Preferred Minorities", that is, racial groups who are set aside for some special treatment on the part of the government. Such classifications have in the past been justified on the grounds that the government's policy toward these groups is benevolent rather than punitive in nature, and because these groups are said to have been the object of particular discrimination in the past. The *Bakke* case casts considerable doubt on whether either supposition is now as tenable as it once may have been. Consider, for example, the plight of a student who is not a member of one of the Preferred Minorities recognized by the proposed procedure and who is denied admission to one of the "reviewable" schools contemplated by the I.R.S. because of a racial quota. Does that student not have rights equal to those enjoyed by students who are the nominal beneficiaries of the quota? And if he chooses to go to court, one could hardly fault him for doing so—in order to vindicate his equal rights, what then will be the position of the Internal Revenue Service? Will the Service then argue that the rights of one student must necessarily be sacrificed in order to secure the rights of another? It is important to bear in mind that we are here speaking not of a school that has been found to have been racially discriminatory after a final hearing and review by courts and agencies of competent jurisdiction, but rather of a school whose only "sin" is that it has run afoul of the arbitrary statistical formulations imposed by the proposed procedure. The *Bakke* case, we believe, leaves no doubt as to the outcome in this hypothetical lawsuit.

(7) The proposed procedure also raises substantial First Amendment questions in respect of its application to religious schools. There is no denying that religious schools stand on the same footing as secular private schools in the requirement that their policies be nondiscriminatory, and we do not object to that general principle as set forth in Revenue Ruling 75-31. But we cannot emphasize often enough that, in this proposed procedure, the Service is attempting to change the legal definition of what constitutes racial discrimination. It is in consequence of that attempt that First Amendment difficulties may arise which were not presented by prior I.R.S. rulings or procedures dealing with religious schools.

It should be unnecessary to have to point it out, but private schools have no control over the racial composition of the communities in which they reside; neither do they have any say over the nature and extent of school desegregation which may take place in their locale; and, more to the point, few private schools have any effective control over who applies for admission. Many private schools admit students on a first-come, first-served basis; some are able to impose moderate admissions requirements; still others—a very few—are able to be highly selective in their admissions, mak-

## EXTENSIONS OF REMARKS

ing use of interviews, aptitude tests, and the like. But by far the greatest number of private schools—perhaps as many as nine out of ten—are religiously oriented, and it is by virtue of that orientation that a religious preference dominates their admissions policy. But—barring proof or racial discrimination—if a private school employs a religious preference in its admissions, it makes no sense whatsoever to hold that school in any way accountable for failing to reflect a racial mix thought socially desirable by the I.R.S.

The attempt to impose upon religious schools a racial quota as a good faith test of their nondiscriminatory admission policy, without a demonstration of racially discriminatory intent on the part of such schools, will surely run afoul of a long-standing policy of religious freedom embodied in the First Amendment and cases decided under its aegis. See, e.g., *Pierce v. Society of Sisters*, 268 U.S. 510 (1925); *Wisconsin v. Yoder*, 406 U.S. 205 (1972). It is well settled that the government's right to impose educational conformity in its schools must yield to the prior parental right to educate children in accordance with sincere religious beliefs. The proposed procedure assumes that a mere statistical disparity can suffice to transform the exercise of a religious preference into an act of racial discrimination. That is a bold and dangerous assumption which, if pursued to its fullest extent, would make all religion a creature of the state. Indeed, even if the proposed standard were not otherwise objectionable, the very effort on the part of the I.R.S. to enforce it would conflict with the Supreme Court's holding in *Lemon v. Kurtzman* 403 U.S. 602 (1971), which struck down governmental procedures creating, in the Court's words, "excessive entanglement" between the government and religious institutions. It would be impossible, in our view, for the Service to implement the proposed procedure, with its detailed regulations, without entangling itself in almost every aspect of the day-to-day operations of religious schools. That is precisely the sort of involvement the Supreme Court has repeatedly sought to preclude.

(8) One final major comment seems in order. Although the proposed procedure nowhere says so explicitly, it embraces implicitly the argument that tax exemption is to be equated with direct government aid. Indeed, the legal claims implied by the proposed procedure are difficult to justify on any other ground. We do not disagree, indeed, we endorse, the principle that a charitable or educational institution should lose its 501(c)(3) exemption if it operates illegally or contrary to public policy. But, as we have repeatedly emphasized, the very question in issue here is the definition of what constitutes illegality or contravention of public policy; and our central argument has been that the I.R.S., under the guise of administrative regulation, has in effect altered the substantive law of racial discrimination. Even if we did not object to the substantive changes wrought by the proposed procedure, we would still feel compelled to point out that the power of the I.R.S. to regulate the behavior of tax-exempt institutions nonetheless falls short of the power of government agencies to condition their assistance upon a showing of affirmative action on the part of the recipient. Despite a superficial similarity, the difference between these two kinds of power is, we believe, significant; and their difference is a critical measure of the difference between the ends sought to be accomplished by direct government aid and the ends sought to be accomplished in allowing certain organizations to be tax-exempt. The government can by means of grants, finan-

cial assistance, and other policies, rightfully attempt to move the body politic in directions thought to be socially desirable, as long as the conditions it imposes upon the recipient are otherwise constitutional. In short, the only real limits on the government in this regard are the Constitution, as interpreted chiefly by the courts, and public opinion, as expressed through elected officials. The power of the I.R.S. in regulating tax-exempt institutions must accede not only to these two limitations but, in our view, to yet another: that which derives from an understanding of the philosophy which informs and ultimately justifies the creation of tax exemptions for private charitable and educational organizations. That philosophy was eloquently summarized by Judge Henry Friendly nearly a decade ago:

"Philanthropy is a delicate plant whose fruits are often better than its roots; desire to benefit one's own kind may not be the noblest of motives but it is not ignoble. It is the very possibility of doing something different than the government can do, of creating an institution free to make choices government cannot—even seemingly arbitrary ones—without having to provide a justification that will be examined in a court of law, which stimulates much private giving and interest. (Friendly, "The Dartmouth College Case and the Public-Private Penumbra," 12 Texas Q. 141, 171 (1969)).

There is much loose talk these days about every tax exemption or deduction being a "loophole", a "preference", a "subsidy", and—in some cases—even an "indirect appropriation". In our view, such talk turns the tax system on its head and makes of the government an all-powerful Leviathan under whose aegis all distinctions between what is public and what is private are eradicated. If the proposed procedure now before us were to be enacted, however noble or well-intentioned its motives, the Service will have taken us a long step down the road at the end of which there will be no possibility of doing something different than the government wants us to do.

In conclusion, we respectfully request that the proposed procedure be withdrawn in the light of the foregoing arguments. We submit that, absent a showing on the part of the I.R.S. of the need for new and expanded powers in this area, extant rulings and procedures are sufficient to enforce the prohibitions against racial discrimination. If the Service believes that it requires new enforcement authority, we further submit that the proper body to make that determination ought not to be the Service itself, but Congress. ●

## KEEPING WASHINGTON IN TOUCH

## HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 24, 1979

● Mr. JOHN L. BURTON. Mr. Speaker, in keeping with my profound policy of keeping Washington from keeping out of touch with the rest of our country, I insert the following:

IT SAYS SO THERE IN SECTION 4  
(From the Topeka Capital-Journal, Nov. 12, 1978)

(By Bob Sands)

Section 4, Page 7, Paragraph 6 of Tom Tendergrass tips of politicking: Get a whole bunch of cars and take them to a parking lot of the voting place in a predominantly

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Republican neighborhood. Gentlemen on their way to their stock brokers will say: "It'll be too crowded inside, and I just don't have the time." Also, older people will look at the cars and give up because they don't want to stand in a long line. That way fewer Republicans will vote and we'll have a wider victory margin.

Fiction, friends, pure fiction. But the way things are going in politics, it might be a handy tip.

Glib tongues, funny business and backsliding seemed to be in order for the recently-completed campaign.

Governor-elect John Carlin said he never promised lower utility rates. Well, friends, the implication was there. I sure as heck inferred he planned to do that. Many were victims of not paying very, very close attention to what was being said.

It was a case of political glibness getting the job done.

Defeated Governor Robert F. Bennett made the mistake of not paying attention. He called the utility issue as espoused by Carlin: "Tripe and garbage."

With people out there picking Laverne and Shirley, Dear Abby, Family Circus and Ann Landers as their favorites, Bennett should not have been surprised by the superficiality of their interests. When one-issue platforms, like unionism, abortion, ERA, and gun control, take hold, a politician must beware the downfall.

Plus the fact, there was a negative element out there that wanted a piece of Bennett. Although Bennett knows the workings of government as well as anyone, putting on a Stetson did not make him a god ol' boy. It's kinda like Dan Devine at Notre Dame—no matter how well you do your job, you must identify with the people.

Attorney General-elect Bob Stephan, who seemed very much in the spirit of things in his victory speech, said he wanted to thank "the Lord Jesus Christ." He also might want to thank a broken promise. He began his campaign by saying he wouldn't indulge in personal attacks, and then proceeded to run some ads that were heavy in personal attacks.

Representative-elect Jim Jeffries had a neat trick, too. A batch of brochures were printed on a Sunday how well Jeffries did in the lone television debate. That was interesting because the debate wasn't until Monday.

The list of little games is long. Some may answer: "You got to expect that. It's politics."

Those who answer that way also must explain why many people chose not to go to the polls and why they are "up to here" with politics.

Bob McClure, in writing a letter to the editor in support of his candidate wife, eloquently put it: "At one point in my life I was active in politics. However, I grew cynical about the whole business—people bartering their principles for votes and compromising their proclaimed ideals."

Many seem to be at the "one point in life."

A Manhattan Mercury editorial said: "... Not only are spurious issues raised in order to attain office—or to remain in one—but even worse is the apparently increasing inclination to get into personalities when all other avenues of campaigning seem to no avail.

"Blame for much of this is without doubt properly laid at the feet of the candidates themselves, but it seems fair to suggest that perhaps those seeking office and engaging in deplorable tactics may actually be responding . . . to a segment of the citizenry which expects and enjoys this type of low-level campaign conduct . . ."

When people win by using such tactics, it no doubt spurs others. Of course, you would never vote for anyone using such underhanded tactics. Wonder who those folks were?

[From the Topeka Daily Capital,  
Nov. 10, 1978]

**PUTTING PIECES TOGETHER ON CONGRESSIONAL  
BATTLE COULD SIZE UP WINNER**

(By Bob Sands)

Jim Jeffries, after "working like the dickens, yes, working like the dickens," will take over as the state's 2nd District representative.

The Atchison Republican defeated incumbent Democrat Martha Keys in Tuesday's elections.

Jeffries . . . how do you feel about him winning?

Let's go back over the events of his successful campaign against Keys. Interesting, putting all the little pieces together.

A Sept. 2 story reported that Glyndon Hanson, Jeffries' press secretary, had to apologize for a young Jeffries' worker who spied on a Keys news conference. The youth first denied he was a member of the Jeffries' staff.

Then came the announcements of Democrat defections to the Jeffries' camp. However, again corrections had to be made from earlier denials.

One of the defectors, Dick Senecal, said Hanson was wrong when he brushed off possible business connections between Senecal, an attorney, and a firm operated by Jeffries' father-in-law.

The Jeffries camp first sloughed that allegation off.

Martha interjected and said Senecal's law firm had represented the Midwest Solvents Co. many years and that Jeffries' wife is a member of the Cray family which owns the big alcohol manufacturing facility. "You don't bite the hand that feeds you," Keys said.

Which brings up another point. Midwest Solvents includes McCormick Distilling Co. of Weston, Mo., and, according to reports on file with the Secretary of State's office, the Cray family and officers of Midwest Solvents had contributed \$10,000 to the Jeffries campaign, up to Sept. 11.

You can label this a cheap shot if you want, but with the Jeffries' campaign spending time attacking the abortion issue, "where were they when it came to attacking 'demon rum?'" Why not take in all the issues of morality?

An analysis report said: "One of his (Jeffries') trouble spots in the campaign has been question-and-answer sessions. At a recent meeting with Kansas State University students, for instance, he was asked how he feels about the Equal Rights Amendment. His reply was that the amendment has to be ratified by the courts or states or something like that."

The courts do not ratify. Oh well.

Then there was the case of the television news film that showed a grim-faced Jeffries taking Marti Johnson, a reporter for KTSB-TV covering the Ronald Reagan trip to Topeka, by the upper arms and physically pushing her to one side while he passed by.

Hanson said, "We just are not going to make a statement on it at this point." Has anyone since heard of a statement? (Does this action remind you of another person now out of politics?)

How about the deal with the "new right?" Martha asked Jeffries to explain it.

"I don't know really what it is she's referring to," he said. "I would like her to explain it to me and the voters what in the world is a 'new right.'"

## EXTENSIONS OF REMARKS

John Bottenberg, 2nd District Democratic chairman, said Jeffries should know about the "new right" because he went to a campaign school sponsored by the Committee for the Survival of a Free Congress, described as an ultra-conservative radical right group supporting Jeffries' candidacy.

Bottenberg said Jeffries boasted at Kansas State University that he had attended the CSFC school to learn how to campaign. Bottenberg said he would be happy to explain the "new right" to Jeffries:

"The radical right is a small group of extreme right-wing radicals who have set up a series of inter-related front organizations and political committees to further their ultra-conservative causes. The radical right's candidates are hand-picked, well-financed and coached from the outside. Their campaigns are run by dozens of the radical right committees and groups which work closely with each other.

"Jeffries' campaign has received thousands of dollars from these groups, along with a great deal of staff support. One group, in particular, the CSFC, runs the Jeffries' campaign lock, stock and barrel. Two CSFC staff members, Paul Ogle and Russ Costans, have spent a great deal of time in Kansas structuring Jeffries' campaign organization and conducting planning sessions.

"Mr. Jeffries may play innocent about the kind of support he is getting, but ABC news had no questions. In a nationally broadcast television news story, just before the primary election, ABC called the 2nd District of Kansas the 'latest battleground of the new right' and said Jim Jeffries is the 'new right's disciple.' According to ABC news, every detail of the Jeffries' campaign strategy was imported from Washington, D.C."

If he were an alert politician, Jeffries should know what new elements are surfacing.

Bottenberg also called Jeffries a "phantom candidate" because he wouldn't debate. Jeffries' camp countered that by saying he went to the people. However, after claiming victory, Hanson talked about every move being plotted. If the group were so well organized, why was there such hemming and hawing about where their candidate was going to be on a certain date?

According to reporters who have tried to cover Jeffries, he sidesteps many questions. His answer usually is by rote. For instance: "Taxes, inflation and encroachment of government . . ."

He seldom if ever had solutions in the issues, mainly: "Taxes, inflation and encroachment of government . . ."

His ads were something else. The one using the New York fellow was a twisting, turning one-hander. The innuendo, the play on sentiment. For instance, the Royals had just lost to the Yankees and the ad told that your (as if all were Royal fans) tax money was used to renovate Yankee Stadium. In fact, it was only a loan guarantee for New York and Republicans Bob Dole and James Pearson also backed it.

Jeffries glowed over the ad campaigns. He said the ads "have Martha screaming like a stuck pig." A nice, pleasant simile.

Jeffries will have it made in the House If things don't go right—no play on words, heh, heh—he can always claim: "What do you expect from all the liberals back here in Washington. We need more conservatives elected to help me out."

Do fragmented items put together mean a lot? Whatever.

Jim Jeffries is the 2nd District representative.

Is all right with the world? ●

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, January 25, 1979, may be found in the Daily Digest of today's RECORD.

**MEETINGS SCHEDULED  
JANUARY 26**

10:00 a.m.

**Banking, Housing, and Urban Affairs**  
To hold oversight hearings on the fiscal year 1979 budgets of the Federal Reserve Board and System, the F.D.I.C., and the Office of the Comptroller of the Currency.

5302 Dirksen Building

**Foreign Relations**

To hold hearings to receive testimony on the nomination of George M. Seignious II, of South Carolina, to be Director of the U.S. Arms Control and Disarmament Agency.

4221 Dirksen Building

**\*Human Resources**

Health and Scientific Research Subcommittee

To hold hearings on the implications of the President's health proposals as contained in the proposed fiscal year 1980 Budget.

4232 Dirksen Building

**JANUARY 29**

10:00 a.m.

**Banking, Housing, and Urban Affairs**  
To hold hearings on the nominations of Irvine H. Sprague, of California, to be a Member of the Board of Directors of the Federal Deposit Insurance Corporation, and William B. Welsh, of Virginia, and Sterling Tucker, of the District of Columbia, each to be an Assistant Secretary of HUD.

5302 Dirksen Building

**Finance**

Social Security Subcommittee

To hold hearings on requirements for deposit by the States of the amounts due to the Social Security Trust Funds as contributions for employees who are covered under social security.

2221 Dirksen Building

**Joint Economic**

To receive testimony from Chairman of the Council of Economic Advisors Shultz on the state of the U.S. economy.

1202 Dirksen Building

## EXTENSIONS OF REMARKS

## JANUARY 30

9:00 a.m. Agriculture, Nutrition, and Forestry Nutrition subcommittee  
To hold hearings on nutrition education in medical schools.  
322 Russell Building

9:30 a.m. Judiciary  
To hold an organization meeting on committee rules and subcommittee assignments.  
2228 Dirksen Building

10:00 a.m. Finance  
To hold an organizational meeting to consider committee budget and other administrative matters.  
2221 Dirksen Building

Joint Economic  
To receive testimony from Chairman of the Federal Reserve Board Miller on the state of the U.S. economy.  
1202 Dirksen Building

## JANUARY 31

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee  
To resume hearings on proposed legislation to establish a national space policy which would enable the U.S. to maintain a lead in space science and technology.  
235 Russell Building

9:30 a.m. Human Resources  
To hold hearings to explore the trends affecting the conditions of American women in the coming decade and on proposed human resources policies and programs.  
4232 Dirksen Building

Veterans' Affairs  
To hold an organization meeting to consider its budget and other administrative matters.  
412 Russell Building

10:00 a.m. Rules and Administration  
To hold an organizational meeting to consider its budget and other administrative business, and to hold hearings on the nominations of John W. McGarry, of Massachusetts, and Max L. Friedersdorf, of Indiana, each to be a member of the Federal Election Commission.  
301 Russell Building

Joint Economic  
To receive testimony from Secretary of the Treasury Blumenthal on the state of the U.S. economy.  
1202 Dirksen Building

Select Small Business  
To hold hearings on the issues of the safety, effects, and medical use of Darvon.  
6226 Dirksen Building

## FEBRUARY 1

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee  
To continue hearings on proposed legislation to establish a national space policy which would enable the U.S. to maintain a lead in space science and technology.  
235 Russell Building

9:30 a.m. Human Resources  
To continue hearings to explore the trends affecting the conditions of American women in the coming decade and on proposed human resources policies and programs.  
4232 Dirksen Building

## 10:00 a.m.

Joint Economic  
To receive testimony from Advisor to the President on Inflation Kahn on the state of the U.S. economy.  
1202 Dirksen Building

Select Small Business  
To continue hearings on the issues of the safety, effects, and medical use of Darvon.  
5110 Dirksen Building

## FEBRUARY 2

10:00 a.m. Banking, Housing, and Urban Affairs  
To hold hearings on S. 108, to simplify the truth-in-lending laws.  
5302 Dirksen Building

## FEBRUARY 5

10:00 a.m. Banking, Housing, and Urban Affairs  
To hold oversight hearings on U.S. export policies.  
5302 Dirksen Building

Energy and Natural Resources  
To hold hearings on proposed regulations to control surface mining operations.  
3110 Dirksen Building

Foreign Relations  
To hold hearings on proposed legislation to continue current trade and economic relations with Taiwan.  
4221 Dirksen Building

Judiciary  
Citizens and Shareholders Rights and Remedies Subcommittee  
To hold oversight hearings on the effect of pension fund investment policies on individual contributors.  
2228 Dirksen Building

Joint Economic  
To receive testimony from Director of the Office of Management and Budget McIntyre on the state of the U.S. economy.  
1202 Dirksen Building

Select Small Business  
To resume hearings on the issues of the safety, effects, and medical use of Darvon.  
5110 Dirksen Building

FEBRUARY 6

9:30 a.m. Agriculture, Nutrition, and Forestry Environment, Soil Conservation, and Forestry Subcommittee  
To hold hearings on the economic implications of the Department of Agriculture's "RARE II" wilderness proposals, and on the Nation's outlook for timber and lumber supplies.  
322 Russell Building

Human Resources  
Child and Human Development Subcommittee  
To hold hearings on S. 4, proposed Child Care Act.  
6226 Dirksen Building

10:00 a.m. Banking, Housing, and Urban Affairs  
To continue oversight hearings on U.S. export policies.  
5302 Dirksen Building

Budget  
To hold hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget  
6202 Dirksen Building

Foreign Relations  
To continue hearings on proposed legislation to continue current trade and economic relations with Taiwan.  
4221 Dirksen Building

10:30 a.m.  
Human Resources  
To hold hearings on proposed legislation to amend the Employee Retirement Income Security Act (ERISA), P.L. 93-406.  
4232 Dirksen Building

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## FEBRUARY 7

## 9:30 a.m.

Human Resources  
To continue hearings on proposed legislation to amend the Employee Retirement Income Security Act (ERISA), P.L. 93-406.  
4232 Dirksen Building

Veterans' Affairs  
To resume hearings on S. 7, proposed Veterans' Health Care Amendments.  
412 Russell Building

10:00 a.m. Banking, Housing, and Urban Affairs  
To hold hearings to receive testimony from N.Y. State officials on the progress being made by N.Y. City toward balancing its budget and regaining access to the credit markets.  
5302 Dirksen Building

Budget  
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget.  
6202 Dirksen Building

Commerce, Science, and Transportation Surface Transportation Subcommittee  
To hold oversight hearings on the implementation by the ICC of provisions of the Railroad Revitalization and Regulatory Reform Act (P.L. 94-210).  
235 Russell Building

Foreign Relations  
To mark up proposed legislation to continue current trade and economic relations with Taiwan.  
4221 Dirksen Building

3:00 p.m. Banking, Housing, and Urban Affairs  
To continue hearings to receive testimony from N.Y. State officials on the progress being made by N.Y. City toward balancing its budget and regaining access to the credit markets.  
5303 Dirksen Building

## FEBRUARY 8

9:30 a.m. Agriculture, Nutrition, and Forestry Environment, Soil Conservation, and Forestry Subcommittee  
To resume hearings on the economic implications of the Department of Agriculture's "RARE II" wilderness proposals, and on the Nation's outlook for timber and lumber supplies.  
322 Russell Building

Human Resources  
To hold hearings on proposed legislation to amend the Employee Retirement Income Security Act (ERISA), P.L. 93-406.  
4232 Dirksen Building

Human Resources  
Child and Human Development Subcommittee  
To hold hearings on proposed authorizations for FY 1979 for ACTION.  
6226 Dirksen Building

10:00 a.m. Banking, Housing, and Urban Affairs  
To hold hearings on proposed legislation to extend for two years, through 1981, the Council on Wage and Price Stability.  
5302 Dirksen Building

Budget  
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget.  
6202 Dirksen Building

Foreign Relations  
To hold hearings on the nomination of Leonard Woodcock, of Michigan, to be Ambassador to the People's Republic of China.  
4221 Dirksen Building

**FEBRUARY 9**

10:00 a.m. Banking, Housing, and Urban Affairs To continue hearings on proposed legislation to extend for two years, through 1981, the Council on Wage and Price Stability. 5302 Dirksen Building

\*Governmental Affairs Federal Spending Practices and Open Government Subcommittee To hold hearings on GSA's methods of procuring contracts. 1114 Dirksen Building

3:00 p.m. Banking, Housing, and Urban Affairs To continue hearings on proposed legislation to extend for two years, through 1981, the Council on Wage and Price Stability. 5302 Dirksen Building

**FEBRUARY 10**

10:00 a.m. Banking, Housing, and Urban Affairs To hold oversight hearings on present U.S. monetary policies. 5302 Dirksen Building

11:00 a.m. Veterans' Affairs To hold hearings to receive legislative recommendations for fiscal year 1980 from Disabled American Veterans. 318 Russell Building

**FEBRUARY 11**

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To hold hearings on proposed FY 1980 authorizations for NASA. 5110 Dirksen Building

9:30 a.m. Human Resources Child and Human Development Subcommittee To resume hearings on S. 4, proposed Child Care Act. 4232 Dirksen Building

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

Commerce, Science, and Transportation Surface Transportation Subcommittee To hold hearings on proposals to improve the northeast railroad transportation facilities. 235 Russell Building

**FEBRUARY 12**

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To continue hearings on proposed FY 1980 authorizations for NASA. 5110 Dirksen Building

10:00 a.m. Budget To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

Commerce, Science, and Transportation Surface Transportation Subcommittee To hold hearings on proposed FY 1980 authorizations for the U.S. Railway Association and the Office of Rail Public Counsel. 235 Russell Building

**FEBRUARY 13**

10:00 a.m. Banking, Housing, and Urban Affairs To resume oversight hearings on present U.S. monetary policies. 5302 Dirksen Building

## EXTENSIONS OF REMARKS

**FEBRUARY 26**

10:00 a.m. Banking, Housing, and Urban Affairs To hold hearings on S. 85, proposed Monetary Policy Improvement Act. 5302 Dirksen Building

**FEBRUARY 27**

9:30 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To hold oversight hearings to assess Government and industrial potential needs for powered "lighter-than-air" vehicles used for surveillance and reconnaissance. 235 Russell Building

Human Resources Child and Human Development Subcommittee To resume hearings in preparation for FY 1979 for ACTION. 4232 Dirksen Building

10:00 a.m. Banking, Housing, and Urban Affairs To mark up S. 108, proposing simplification of the truth-in-lending laws, and on proposed legislation to extend for two years, through 1981, the Council on Wage-Price Stability. 5302 Dirksen Building

**FEBRUARY 28**

9:00 a.m. Commerce, Science and Transportation Science, Technology, and Space Subcommittee To resume hearings on proposed FY 1980 authorizations for NASA. 235 Russell Building

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 1**

9:30 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To resume oversight hearings to assess Government and industrial potential needs for powered "lighter-than-air" vehicles used for surveillance and reconnaissance. 235 Russell Building

10:00 a.m. Budget To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 2**

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To resume hearings on proposed FY 1980 authorizations for NASA. 235 Russell Building

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 5**

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 6**

11:30 a.m. Veterans' Affairs To hold hearings to receive legislative recommendations for fiscal year 1980 from Veterans of Foreign Wars. 318 Russell Building

**MARCH 7**

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To hold oversight hearings on the implementation of P.L. 94-282, establishing the Office of Science and Technology Policy. 235 Russell Building

9:30 a.m. Human Resources Child and Human Development Subcommittee To hold hearings on proposed legislation to coordinate programs designed to prevent domestic violence. 4232 Dirksen Building

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 8**

9:30 a.m. Veterans' Affairs To consider recommendations which it will make to the Budget Committee in accordance with the Congressional Budget Act. 412 Russell Building

**MARCH 12**

10:00 a.m. Commerce, Science, and Transportation Surface Transportation Subcommittee To hold hearings on proposed fiscal year 1980 authorizations for the National Rail Passenger Corporation (AMTRAK), and on proposed route restructuring of AMTRAK. 235 Russell Building

**MARCH 14**

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To resume hearings on proposed FY 1980 authorizations for NASA. 235 Russell Building

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 15**

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee To continue hearings on proposed FY 1980 authorizations for NASA. 235 Russell Building

10:00 a.m. Budget To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 16**

10:00 a.m. Budget To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1980 budget. 6202 Dirksen Building

**MARCH 20**

9:30 a.m. Human Resources Child and Human Development Subcommittee To mark up S. 4, proposed Child Care Act, and proposed legislation to coordinate programs designed to prevent domestic violence. 4232 Dirksen Building

MARCH 21

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee  
To resume oversight hearing on the implementation of P.L. 94-282, establishing the Office of Science and Technology Policy.  
235 Russell Building

MARCH 29

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee  
To hold hearings on proposed legislation to establish an Earth Data and Information Service which would supply data on the earth's resources and environment.

Information Service which would supply data on the earth's resources and environment.

235 Russell Building

9:30 a.m. Veterans' Affairs

To hold hearings to receive legislative recommendations for fiscal year 1980 from AMVETS, Paralyzed Veterans of America, Veterans of World War I, and blinded veterans.

6226 Dirksen Building

MARCH 30

9:00 a.m. Commerce, Science, and Transportation Science, Technology, and Space Subcommittee

To continue hearings on proposed legislation to establish an Earth Data and Information Service which would supply data on the earth's resources and environment.

235 Russell Building

MAY 1

9:30 a.m. Human Resources Child and Human Development Subcommittee  
To hold oversight hearings on the implementation of the Older American Volunteer Programs Act (P.L. 93-113).  
4232 Dirksen Building

## HOUSE OF REPRESENTATIVES—Thursday, January 25, 1979

□ 1100

The House met at 11 a.m.

The Reverend William C. Ellis, Peoples Church of God, Decatur, Ill., offered the following prayer:

*Be strong and of good courage; be not frightened, neither be dismayed; for the Lord your God is with you wherever you go.—Joshua 1: 9.*

Our Father, we thank You for this word of promise, for this day with its privileges and responsibilities, and for life itself.

We ask for Your blessings to be upon each Member of the House of Representatives, their families, associates in government, and especially those whom they represent.

May all our effort be given to those things that are true, honest, just, pure, and of good report. Give us the mental and moral courage to do what is right.

And now, may the peace of God which passes all understanding, keep your hearts and minds through Jesus Christ. Amen.

### THE JOURNAL

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

Pursuant to clause 1, rule 1, the Journal stands approved.

### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Chirton, one of his secretaries.

### THE REVEREND WILLIAM C. ELLIS

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

Mr. MADIGAN. Mr. Speaker, it is a special privilege to have a highly respected minister from my district deliver the opening prayer in the House this morning.

The Reverend William C. Ellis, pastor of the Peoples Church of God in Decatur, Ill., has been an ordained minister for 28 years and is well known for his weekly radio and television broadcasts. As chairman-elect of the general assembly of the Church of God in Illinois, he serves on many of its committees.

He has been president of the National Alumni Association for Anderson College, in Indiana, and his interests extend from having served on the boards for both Decatur Baseball, Inc., and Continental Singers, Inc., to being recipient of the 4-H Alumni Award from Macon County.

Bill Ellis is clearly a gifted man who has given vigorous and aggressive leadership to his church and his community. We are grateful for and honored by his presence here today.

□ 1105

### WELCOME NEWS ON FREEDOM OF EMIGRATION AND POSSIBLE TRADE WITH THE U.S.S.R. AND PEOPLE'S REPUBLIC OF CHINA

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

Mr. VANIK. Mr. Speaker, this morning's news reports commented on a major shift in emigration policy by the People's Republic of China, indicating that in the last several months, the level of emigration has increased dramatically. It is reported that in January as many as 2,000 Chinese will apply to leave the People's Republic of China, whereas a year ago, the monthly level of permissible emigration was only 25 or 30 a month. The liberalization of emigration permits seems to be a major move by the Peking government to provide the humane and orderly reunification of Chinese families.

This is, indeed, a welcome development.

It should also be noted that the U.S.S.R. has been quietly but dramatically increasing the amount of emigration it allows. By the end of 1978, emigration from the Soviet Union was run-

ning at the rate of 3,000 a month, and it is estimated that in all of 1978, more than 31,000 emigrated from the Soviet Union to rejoin families or establish new homes elsewhere. This represents a 25-percent increase over the 1977 level.

This, too, is a very welcome development.

The normalization of U.S. trade with these two giant nations depends on the development of an awareness and respect for the human right of emigration. It appears that this awareness has developed and, if it continues, will enable 1979 to be a year of major improvements in trade between our nations.

### SACCHARIN STUDY AND LABELING ACT

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

Mr. GLICKMAN. Mr. Speaker, in May, the 8-month period allowed in the Saccharin Study and Labeling Act for reviewing the continued use of saccharin will expire, meaning the ban proposed by the FDA which prompted that legislation could go into effect unless we take further action.

Certainly, none of us want to keep the Food and Drug Administration from taking off the market foods with additives which pose a real cancer hazard. However, questions still exist as to the potential hazard posed by saccharin use and to date there is no reasonable alternative.

Today I am introducing legislation which would extend the moratorium imposed in 1977 until January 3, 1981, or until legislation has been enacted substantially modifying the Delaney clause. As you know, that clause requires the Food and Drug Administration to ban all food additives which can be shown to produce cancer regardless of other factors. My proposal would not tie the FDA's hands. Like last year's legislation, it would merely block a ban based on tests made before the enactment of that earlier measure. Should information derived from tests conducted since that time prove the carcinogenic nature of sac-

□ This symbol represents the time of day during the House Proceedings, e.g., □ 1407 is 2:07 p.m.

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